Customer involvement in new service development: a conversational approach

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Abstract
The expression “customer involvement” is finding increasing popularity with popular as well as academic marketing texts. Within the evolving research, customer involvement is cast in an information-processing mould that tends to reduce it to the mere transfer of information from where it exists (customers) to where it is dearly needed (the firm). Customers’ active participation is accounted for in economic psychological (contract) terms. Drawing on case study material gleaned from an organisation that adopted a customer involvement strategy, the present paper suggests a conversational approach that regards customers’ active participation and involvement in terms of conversational exchanges between customers during which new ideas are jointly co-created and commitment to action is established. Conversation is not only the fostering ground for new ideas and knowledge, but also the source of social agency. Some theoretical and practical implications of the conversation-based customer-firm interface for involving customers are discussed.

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1. Introduction

Recently there has been an effusive corporate and academic interest in the notion and practice of customer involvement. Companies are rushing into the customer involvement bandwagon, viewing it as a way to achieve a more favourable cost/time product development curve (Rothwell, 1994) and to reduce uncertainty that usually surrounds the innovation process (Leonard-Barton, 1995; Gales and Mansour-Cole, 1995). Such an information-processing approach assumes that new product development is a risky process, and involving the customer is expected to enable firms to reduce various types of uncertainty, such as environmental, phase-related and user-requirement uncertainty (Gales and Mansour-Cole, 1995). The logic of the information-processing rests on an information asymmetry (or an independency) relationship, which is best highlighted by Thomke and Von Hippel (2002), who see product development process as difficult “because the ‘need’ information (what the customer wants) resides with the customer, and the ‘solution’ information (how to satisfy those needs) lies with the manufacturer”. Implied in this is the assumption that the necessary information for reducing uncertainty concerning the product or service development process exists and is possessed by the customer, and that product or service development is only a matter of finding where the required information is located and of communicating it from where it is to where it should be, using language.

However, recent researchers have begun to shift away from a (realistic) view of language as a medium for transferring information and ideas towards regarding it as a process during which ideas and knowledge are created (Sawhney and Prandelli, 2000; Namibsan, 2002). Although the constitutive role of language is one step towards the right direction, it remains silent on what motivates customers to willingly shoulder some of the activities that have traditionally been the preserve of firms’ R&D – such as idea generation, design conceptualisation or new product and service testing. Accounts for customer motivation are mainly couched in psychological, economic-transactional terms (such as self-efficacy, fun, altruism, reputation, reciprocity, etc.) (Davenport and Prusak, 1998; Kollock, 1999; Sawhney and Prandelli, 2000; Namibsan, 2002; Lundkvist, 2003a). However, motivation is only a mental state. Being so, it does not necessarily lead to, nor sustain, customers’ involvement over any longer period of time. To the extent that motivation is not a form of behaviour, nor a form of action, a conceptualisation of how customer motivation is
translated into active participation has remained elusive in much of the literature in the field. It is still dominated by a view of language as mainly concerned with the manipulation of symbols, ideas and knowledge, overlooking its transformative, agential power – a process whereby customers are transformed into active participants, into change agents intervening in the workings of the firm.

The aim of the present paper seeks to explore a conceptualisation of customer involvement in terms of a conversational idiom. From a conversational perspective, language is not only regarded as a mode of transferring meaning and information from senders to receivers. Nor is it only a process through which new forms of information and aspects of meaning are co-created, but it also involves the transfer of intention from one participant in the conversation to another, leading to collective action. On this view, conversation is not reduced to talk about action (or involvement) but is itself a form of action, which is jointly undertaken by the participants (customers and firms’ representatives) engaged in a conversation. Hence, conversation is not merely a matter of transferring pre-existing information, ideas and knowledge from one party to another, but also an opportunity for constituting these, and the source of social agency (Taylor, 2000). Conversation is not a medium for talking about the world, but is the very fabric out of which social processes, such as customer involvement, are made, and is, at the same time, the vehicle for acting upon that world.

Taking a conversational perspective to customer involvement, the aim of the present paper is to suggest a conversational framework for understanding the dynamics of customer involvement. More specifically, the paper wants to account for customer involvement conversationally (rather than psychologically or economically), showing how: conversation is a process during which new ideas and knowledge are jointly created by the parties involved in the exchange; conversation is the source of active participation and mutual commitment between the interactants; and, finally, attempts to (seriously) involve customers through conversation will transform customers into organisational change agents. Finally, the paper explores the implications of viewing conversation as constitutive of realities (rather than just representing them) for conceiving and implementing customer involvement processes in organization.

The next section (section 2) makes a brief account of some emerging developments in the area of customer involvement in service and product innovation, suggesting a conversational approach as a conceptual device for linking psychological predisposition (customer motivation) and agency (customers’ active participation). In order to illustrate the viability of the framework suggested, section 3 provides a vignette revolving around an initiative by the Swedish Post Office to involve its customers in new service/product development. Finally, section 4 is devoted to an exploration of the implications of the conversational approach for marketing management.

2. Customer involvement

Companies are increasingly rethinking the fundamental ways in which they generate ideas and bring them to market (Chesbrough, 2003). Because R&D has long been a costly and inexact process (Thomke and Von Hippel, 2002), customer involvement has been widely acclaimed in management rhetoric as a means to tighten the feedback loop between the cycles of consumption and production (Foxall, 1989; Gales and Mansour-Cole, 1995). Underlying most such views is the assumption that customers are sources of information and of knowledge (Rothwell et al., 1974; Von Hippel, 1988; Normann and Ramirez, 1994) and that customer involvement can enhance product concept effectiveness (Brown and Eisenhardt, 1995).

With regard to customer involvement in firms’ value creation, researchers have identified five roles that these can play: customer as “resources”, “co-producers”, “buyers”, “users” and “products” (Gersuny and Rosengren, 1973; Kaulio, 1998; Finch, 1999; Nambisan, 2002). Whereas the first two are at the input side of value creation process, the last three take place at the output end of it. In this paper we focus on the customer-as-a-resource view, which regards customers as a source of innovation. By and large, within the customer-as-a-resource perspective, researchers have focused on customers as a source of new product ideas. The role of the customer is relevant to product conceptualisation (Rothwell, 1976; Von Hippel, 1988). However, researchers are not at one as to the relevance of involving customers in idea generation, arguing this will only lead to imitative, unimaginative solutions (Ulwick, 2002). The role of customer in idea generation has mainly been recognised in connection with incremental, continuous innovation, but with regard to radical innovation, the value that customers can bring to the idea generation process is claimed to be limited (Christensen Christensen, 1997; O’Connor, 1998).
Furthermore, given the difficulty of eliciting product ideas from customers through, for instance, structured inquiry mechanisms severely limits the richness and frequency of customer contributions (Nambisan, 2002). In addition, logistical and economic considerations militate against engaging in continuous and meaningful exchanges with firms (Wayland and Cole, 1997). Other challenges that firms face in involving their customers in a cost-effective manner range from the choice, the location of, and the incentives for involving customers in the appropriate infrastructure for capturing customer knowledge and ideas (Nambisan, 2002).

In light of these difficulties, customer involvement has proven challenging to conceptualise and implement. For in the absence of an adequate infrastructure, even when firms succeed in assembling large amounts of customer information, it is not easy to capture the tacit insights of customers (Kaulio, 1997). Although the processing of information, its reconfiguration through sorting, re-categorising, re-contextualising and combining it with internal information may lead to the generation of new ideas and knowledge, thereby uncovering explicit and latent customer needs and wants, the process is still bedevilled in that it takes place at many removes from the customers’ tacit dimension, and is carried out in abstraction from their feelings and their emotion (Schubert and Ginsburg, 2000).

Customers’ latent requirements can be better understood “in their own natural settings than in artificial settings” (Leonard-Barton, 1995, cited in Nambisan, 2002, p. 395). Along the same lines, it is suggested that ‘longitudinal and ‘informal’ data have been found to be more beneficial than cross-sectional and ‘formal’ data provided by structural inquiry tools” (Leonard-Barton, 1995, cited in Nambisan, 2002, p. 395).

One of the explanations is that the transfer of tacit, sticky aspects of information and knowledge require socially richer interactions and processes of communication than the information-processing approach that dominated the literature on customer involvement (Von Hippel, 1994; Gales and Mansour-Cole, 1995). An information-processing view of customer involvement tends to reduce customers as carriers of information and it is only a matter of transferring that information from where it is plethoric (the customer) to where it is required (the firm). As noted above, tacit and sticky information and insights cannot be detached from the social context in which they are generated. Hence the role of language is not merely that of transporting meaning from sender to receiver, but it is to a large extent involved in the creation of information and knowledge.

The use of language in general, conversation and dialogue in particular, as a medium of knowledge co-creation and transfer has been emphasised by a number of theorists (Winograd and Flores, 1987; Davenport and Prusak, 1998; Kollock, 1999; Von Krogh et al., 2000; Normann, 2001; Lundkvist, 2003b). Sawhney and Prandelli (2000) mention the example of the Italian casual-wear company, Diesel, which has established a Web site to amplify its interactions with its customers and to socialise with them through dialogue. For these authors, dialogue interaction is seen as a means for developing a shared language, which is the prerequisite for knowledge co-creation.

Although the linguistic turn in customer involvement adds considerably to our understanding of how communication, dialogue and conversation constitute meaning and knowledge, it is still regarded as mainly cognitive, dealing with symbolic manipulation, leaving unprovided for such questions as why customers would be willing to share their insights, and spend solving a firm’s problem. Because, while it is obvious why firms are effusively interested in involving their customer in their product development processes, it is difficult to understand what drives customers to be interested. In addressing this issue, researchers mention a number of benefits. From a social perspective, customer involvement provides participants with a sense of belonging and identity, which are not defined by product usage but also by other group norms that the network develops over time (Nambisan, 2002, p. 405). Product-related benefits that may accrue to customers through participating in new product development, which have traditionally been considered to be the main drivers (Wayland and Cole, 1997; Nambisan, 2002), include tangible and intangible benefits. Most often, these are couched in abstract, psychological explanations such as self-repute, altruism, reciprocity, etc. (Davenport and Prusak, 1998; Kollock, 1999; Sawhney and Prandelli, 2000; Nambisan, 2002).

Motivation, however significant it may be, defines mental spaces that may induce customers to get mobilized cognitively, but which may not guarantee active and sustained participation over a certain period of time. Motivation is only a mental predisposition, which does not necessarily warrant the initiation of action. Speaking from an agency-theory perspective, Nambisan (2002), referring to Mills (1996), suggests “that customers’ motivation may stem from their feeling that their active involvement is necessary to guarantee product or service quality”. By participating in new product development, the principal (customer) can
monitor the agent’s (firm’s) fulfilment of the service contract (Larsson and Bowen, 1989). In this context, customers are led to believe or feel that they are able to influence the firm to incorporate certain product features that have some special value for them.

Although the agency theory perspective is insightful since it seeks to transcend the wide gap between customers’ motivation (a psychological state of mind) and their action (behaviour) upon a firm’s products, it is important to point out that the relationship between customers and firms is not a contractual one. The present paper suggests a view of conversation that goes beyond the simple manipulation of symbols and mere cognitive processes to include an agential dimension that presumes a conversational, rather than a contractual basis for the social order. The role of conversation, as a rich mode of interaction, has long been recognized by researchers and linguists (Sacks, 1992). According to Tannen (1998), conversation is not a passive (cognitive) process where a person actively speaks then remains passive while another speaks, rather it is always engaging and active. Involvement in a conversation is created as much through a listener’s participation as through that of the interlocutor. Both listener and interlocutor become involved in the work of making sense and sharing and creating ideas. It is through conversation that members are turned into a collective actor driven by the necessity to maintain the continuity of the social order.

The conversational idiom suggests that human sciences can be understood conversationally (Ryan, 1998). In contrast to contract, conversation is regarded as the basis of the social order. Whereas a contract assumes that the parties bound by it are extrinsically regulated, conversation implies intrinsic motives. In connection with a contract, the contract-receiver does not have to reveal all the reasons for agreeing on performing a task – usually the economically-based reasons are publicly known – a conversational order based on free-floating discursive exchanges (Schegloff, 1992, cited in Sacks, 1992) may reveal more than just the formal motives underlying a transaction. When we make a contract with someone else we expressly abstract from the other party’s personal, private motivation. In Ryan’s (1998) terms, a person may agree to mow your lawn for ten dollars because he likes mowing lawns, because it is the only skill he possesses, because it is the only skill that anyone else is willing to purchase from that person, and so endlessly on. But all you can demand from that person is a mown lawn; it would be necessary for you to ask that the person should mow it in any particular frame of mind or for any particular reason other than because he has agreed to mow it.

In a contractual relationship, there is a separation between private motivation and economic obligations. A conversational view, in contrast, blurs this separation since all types of motivations are things to be talked about, and constituted conversationally. Conversation is not only talk about action but is in itself a form of action. This double aspect of conversation is not very well recognized in the literature since there has been a tendency to see conversation as mainly symbolic, having to do with communicative and sense-making processes. This paper seeks to redress this deficiency, drawing on ideas from Garfinkel (1984) and Taylor (2000).

What holds individuals together and what ensures the continuity of social practices over time is the mechanism of “turn-taking, the accounting practices members carry out in regard to one another, accounting practices that are reflexively tied to activities in a given setting” (Lash, 2002). Every expression in a conversation is an implicit giving of an account (Garfinkel, 1984). What makes a conversation possible is the set of account makings, which let “a conversation become a temporally extended activity. The duration of a conversation is just one instance of the duration of the social order in general” (Lash, 2002, pp. 171-2). In a conversation, thus, problems are solved for the sake of the continuity of the social order (Garfinkel, 1984, p. 46).

For Garfinkel (1984), accounts (reports, stories, glosses) are as much communications as they are entities of knowledge. Accounting for events and activities takes place reflexively, implying a form of knowledge that is tied to the socially organised occasions of their use. The form of knowledge ensuing from such accounts is practical knowledge, since accounts in a conversation are features of the activities, the settings and occasions and reflexive (Garfinkel, 1984, pp. 9-10). It is a form of knowledge that does not presuppose a separation between reason and action, and to the extent it is based on communication and telling, it puts premium on collectivity. By the same token, it is not geared towards making things intelligible to oneself, but mainly to other members, the aim being to achieve the coordination of the underlying practices and events with those of others. It is reflexive (as in reflex, rather than reflection) in the sense that it is based on a “natural attitude”, or the “attitude of daily life”, in contrast to scientific knowledge (which is based on a scientific attitude and developed in a disjointed, separate space, the lab).

In a conversation, members co-orient their intention towards an environment they experience by relying less on their intellectation than their intuition. It is in this intuitive, communicative
process that new ideas emerge (ideas that do not exist ab initio, or prior to the engagement of the interactants in a conversation) and forms of social agency strike root, as discussed below.

According to Taylor (1993, 2000), conversation is a form of communication; and as such, it is the site where all organisation and social agency emerge. In this regard, the role of conversation is double: First, it serves to make sense of the circumstances in which the interactants find themselves, and that is by translating those circumstances into available representations of how things are in the world; second, it serves to transform those interactants from two or several individuals into a collective purpose that “acts” on their behalf, becoming thus a sort of quasi-actor (in a Latourian sense). It is only through this transformation into a collective actor that interactants become capable of dealing with the situation, as it has been interactively defined by them. This process of translation of circumstance into a frame of knowledge, and of interactants into a collective purpose is realised in language, both in the sharing of perceptions of the situation and in generating a collective response to the circumstances where the interactants are located.

The transformational role of conversation is echoed by Austin’s (1962) “speech act theory” within which speakers do things with words, but detracts from it in the sense that it is not the individual who is the basis for action, but both or all interactants involved in a speech situation. Put differently, “it is not the speaker who ‘acts’, and the listener who responds; the act of communication is, in and of itself, a joint production, collaboratively arrived at” (Taylor, 2000). Thus conversation establishes a relationship that co-orient the interactants’ focus towards some “object” in the world, leading to a joint assessment of it (in the form of accounts which representing a form of reflexive knowledge) – knowledge that is not only a representation of the situation at hand, but also a response seeking to intervene and change that situation. Such co-orientation is transactional, in the sense that any given act (making a request, giving hints, offering assistance, and so on) has semantically a correlated second act, its complement. Somebody selling an object implies somebody willing to buy that object; both are required for the transaction to take place. This co-orientation system is, according to Taylor (2000), the building-block of sociality.

One of the outcomes of co-orientation is the transfer of intention (not only the transfer of meaning) from one interactant to another. When an intention has been transferred from one person to another, the result is the production of an agency relationship defining the coordination of performance. Hence, the source of agency is not the psychological motivations or the interpersonal dynamics that occurs between interactants, but the agency relationship created through conversation. Individuals become active subjects by their joint orientation to some object and it is language that accomplishes their transformation from individuals into a collective actor (Taylor, 2000). Interactants are turned into a collective actor through the generation of their text, which is not only to be taken as a manifestation of their collective intention, a condition for acting together, each with a specific responsibility, but also as the vehicle for their self-transformation into a new kind of actor – a collective actor (Taylor, 2000).

In the case of customer involvement in innovation-related activities, the text consists of the various suggestions, feedback and ideas customers and firms employees jointly construct during their conversation. This text is not to be interpreted as a mirror or representation of realities, but as a vehicle for bringing forth new ones. It is in this sense that the text acts, it sanctions action, it intervenes in the organisational realities, it does things. What this implies is that customers and employees become an active participant in the firm’s activities, a kind of hybrid actor composed of customers, employees and, not least, the text that acts as a common history legitimising the necessity to act.

From this perspective, it seems to emerge that if firms are seeking to involve their customers in their innovation processes they will have to regard them as fully legitimate actors and active participants in defining the meaning of services and products and suggesting new changes. This ties well with what Nambisan (2002, p. 406) rightly says: if a firm is to involve its customers it has to “bring [them] inside the organisation’s fold and transform them into ‘employees’ or part of the extended product development team”. Customers will have to be granted a recognised voice and place in the R&D department. Involving customers means transforming them, through conversation, into a collective actor – a collective actor that acts through a text. This hybrid interactants-text constitutes a new organisational actor.

Assuming that motivation only serves to ignite the process of customer involvement but does not furnish it with a sustained energy over time, the agential dimension of conversation sheds light on the link between customers’ motivation and their involvement and active participation. To the extent that, in contrast to agency theory, customers’ engagement in conversation with a firm is not based on contractual relationships, customers’ allegiance is not necessarily and only geared
towards the firm, but also towards each other – the sense of belonging and identity that forms, as recognised in the literature (Nambisan, 2002). Hence customers’ obligation to take part in the firm’s innovation process – or not to take part – does not only stem from members’ ties to the firm, but to a large extent, from what ties them to one another and their belonging to a society at large. This implies that customers do not confine their concerns to the firm’s immediate interests, but may involve larger issues than purely business, economic ones, as we shall see in the following vignette.

3. An illustration and implications

In January 2000, the Swedish Post Office public sector account managers undertook an initiative to involve their customers in developing new public services, such as transport services, to schools and créches in the southern regions of Sweden. The background was that the company was losing customers and wanted to find out the reasons why and how to improve present services and develop new ones. To those ends it decided to engage in face-to-face interactions with its customers about its services, their quality, delivery terms and timeliness. The project members conducted numerous discussions with users about the suitability of the services and the problems customers were experiencing. After long discussions, new ideas began to emerge. The project members were surprised to learn that users were having more urgent concerns than just transport services. That is, they were concerned with the intensification of traffic in the vicinity of the schools and the créches, which implies increased rate of pollution and danger for children around the areas. In other words, they were not interested in the services per se, but rather in the consequences of modes of delivering those services. About 30 vehicles travel weekly through the densely populated area, causing congestion and an increased rate of pollution and entailing hazards for children. At this point, the conversation took another turn, revolving round new needs, namely how to solve the congestion problem and reduce traffic hazards for children? A common understanding has subsequently emerged: the development of a service to be carried out jointly by one deliverer rather than many by coordinating their various transportation schedules. This way, the number of vehicles trafficking in the area would be reduced. In order to streamline the activities of the various parties, the company has to develop an information system service, which schedules and integrates the transportation services offered by the different distributors. Instead of having five or six different vehicles, deliverers can collaborate using one vehicle to deliver all their services, resulting in increased cost-efficiency, less traffic hazards, and less environmental harm.

Although the project is still on, some conclusions can be reached. For one thing, the company managed to improve its existing services (which now come in a streamlined just-in-time manner, and the social benefits ensuing from it). For another, it succeeded in creating a brand new service, providing an information system to the partners involved, entering into new alliances and learning opportunities with them. The company has established a bridge between its internal workings and the customer’s mind and heart, acting in tandem with them, by not only listening to them, but also acting upon with what they suggested. As from the customers’ perspective, the results are that they have managed to have an effect on the company’s thrust. They have redirected its activities so as to become environmentally friendlier, influencing its offerings, thereby growing confident and proud of their achievement. Their involvement has yielded results, which gave credit from the management of the Post Office and from their own management and colleagues. The customers were satisfied with the results of the time and attention they invested in their conversation with the company. It is through their conversation with the team that a collective actor, a socially responsible mind, emerged, intent on solving a set of problems, which were latent and vaguely defined.

One of the theoretical implications that seems to emerge is that conversation is a medium through which the two parties have developed a shared repertoire, and a common understanding (a form of knowledge) of the circumstances surrounding their activities. In the process, their accounts coalesce into common environmental concerns. Subsequently, this has led to a relationship of mutual trust that eased the way towards integration of their aims and ambitions. This was only possible because the company developed routines of how to converse with customers – a structure that engages customers in a productive way. In the course of conversation, issues relating to congestion, with all their effects, have emerged contingently: neither partner was able to figure that out in isolation and in advance. Of course, the users had a sense of unease as to the situation, but they were not able to define those tacit feelings into clearly concrete terms. Traffic concerns were mainly an implicit source of worries, which took shape once they became a topic of conversation, as a result of the co-orienting of the intention of both
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Given the perception that customers are more than passive consumers, integrating customers within the fold of the organisation is attracting increased academic and corporate attention. However, the literature, apart from some exceptions, tends to take an information processing approach to customer involvement. Involving the customer is not merely a transfer of information between customers and firms. Stressing the role of language, some recent theorists view it as a process through which knowledge is jointly co-created and shared. Lacking from this perspective, however, is how to account for customers’ motivation for willingly sharing their views and collaborating with firms. To these ends, the present paper can be seen as an attempt at reframing customer involvement in conversational, rather than psychological, economic and contractual terms. On this view, conversation is a process during which ideas and knowledge are generated by the participants in a conversation and social bonds are established among them.

What unites and holds together the participants is not an economic, contractual order, but their striving to maintain the continuity of their social order through the mechanisms of turn taking. In conversational turn takings, participants co-orient their attention to the context surrounding them, transferring their intention to one other. The result of co-orienting their intention is an agreement, an opinion, which is not only a description of the situation framing them, but also a response to it. Such response is an action-sanctioning attempt to seek to introduce some change to the environment. The primary function of conversation, in particular, and language, in general, is not only meant to represent and mirror that environment, but also to produce responses to it. Where does this view of conversation leave us with regard to the theory and practice of customer involvement?

Theorists were undecided on the issue as to the value of customers in connection with idea generation, assuming that customers’ imagination is limited and can only make reference to existing stock of knowledge of product and services. Such a view assumes that ideas can be possessed a priori by customers, be it by customer or firms. From the perspective of the present paper, ideas do not exist in abstractum; rather they take shape in and through conversational engagement between customers and the R&D team. Conversation provides a natural knowledge capture; given that customers are in their natural habitat, informally cross-fertilising their perspective with that of the firm’s employees, new insights and un-thought-of ideas emerge. Our view tends to lend support to Leonard-Barton’s (1995) assertion that “informal conversational accounts are more useful than cross-sectional and ‘formal’ data provided by structural inquiry tools” (Leonard-Barton, 1995, cited in Nambisan, 2002, p. 395).

Second, the premise that customers’ contribution is limited in the idea generation stage may be questioned, since it tends to exclude in advance the possibility that customers are not able to think outside of the “box”, of what they already know. Of course, formal enquiries and surveys may not be appropriate infrastructure for the exchange of tacit aspects of experience, which are associated with the contexts that give rise to radical innovation (Hage and Hollingsworth, 2000). The more frequent and intense communication and conversational exchanges among actors from diverse backgrounds the more likely major
breakthroughs are to occur. Our case illustrates an example of a service that, humble though it is, is radically different from those they are acquainted with. Neither the firm nor the customers separately would have figured out the idea of developing an information system.

Third, whereas previous views assumed a sort of “psychological” contract that customers enter with a firm, our approach is based on conversation as the basis of the social order. Such a view widens the range of ideas that could obtain, extending beyond the calculative concerns of firms. What ties participants together in a conversation is first and foremost their commitment to one another as social members, and secondarily as active and productive, value-creators. Any theory of customer involvement should include the agential aspect of conversation, for conversation is not only a description of the state of the world, but it is also a response to it. Conversation is to be seen as an attempt at adapting the word to the world and the world to the word. Cast in Leonard-Barton’s (1995, p. 110) terms, managers who attend to these two activities of user involvement and mutual adaptation are more likely to succeed.

All of which implies that managers contemplating a customer involvement strategy have to consider the design elements that enhance the continuity of the conversation with customers (including the cost incurred) and to reframe the role of customers in terms of active change agents and integrate them within the R&D team. Adopting appropriate measures that enthuse a trust-based culture between firms’ R&D team and customers requires a cultural shift from a “we-trust-based culture between firms’ R&D team and customers to a “psychological” customer: managing design and coordination of services”, in Junghagen, S. and Linderoth, H.C.J. (Eds), Intelligent Management in the Knowledge Economy, Edward Elgar Publishing, Cheltenham.


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