The Neglected King: The Customer in the New Knowledge Ecology of Innovation

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'The customer is king', of course. Despite this universal mantra, the role of the customer so far seemed confined to a passive recipient of products at the terminus of the value chain. More recently, however, this traditional perception has been challenged. On the one hand, users are increasingly appreciated as reflexive actors who are actively involved in the evaluation, modification and configuration of products. In fields like software, computer-games or sports equipment, for example, users are even ascribed entrepreneurial and innovative functions. On the other hand, firms are seeking to tap into new pools of knowledge in their relentless search for new sources of innovation. Beyond the established repertoire to access external knowledge through alliances and collaborative arrangements with R&D-institutions, firms increasingly attempt to harness user knowledge. These two concurrent shifts, however, do not result in a smooth convergence. Rather they open up a highly contested terrain on which habitual distinctions between producer and user are blurred.

The prime aim of this paper is to map out the evolving terrain of user-producer interaction in innovation processes. More specifically, I will firstly contrast more traditional approaches to incorporate customer knowledge with an emerging class of innovative user-producer relationships, provisionally dubbed 'co-development'. This preliminary term is intended to denote three key features: an increasing role of hybrid communities that involve unconventional combinations of experts and laymen; a re-distribution of power between users and producers; and novel modes of sharing knowledge and exerting control afforded by social software. Secondly, I propose a typology of different modes of co-development that is organized along two dimensions. The first dimension indicates the degree of userinvolvement and stretches from producer-initiated consultation to user-initiated generation of knowledge. The second dimension differentiates between deliberate knowledge production in epistemic communities on the one hand and knowledge production as a by-product of practicing communities, on the other. The resulting typology seeks to capture the heterogeneity of co-development approaches and to provide a conceptual template for further empirical research into user-involvement in innovation. Finally, I will speculate about some wider implications of co-development practices for theorizing social and spatial dynamics of knowledge production in economic geography.

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