Study of the impact of the value of co-creation on consumer satisfaction and loyalty

La Co-création au cœur de la fidélité et la satisfaction client: Étude d'impact

BENCHEKROUN Bouchra
Enseignant chercheur
Faculté des sciences juridiques, économiques et sociales de Fès
Université Sidi Mohamed Ben Abdellah, Fès
Laboratoire Interdisciplinaire de Recherche en Économie et Management
Maroc
bouchra.aiboudbenchekroun@usmba.ac.ma

SOULAMI Malika
Doctorant
Faculté des sciences juridiques, économiques et sociales de Fès
Université Sidi Mohamed Ben Abdellah, Fès
Laboratoire Interdisciplinaire de Recherche en Économie et Management
Maroc
malikasoulami96@gmail.com

Abstract

Faced with the emergence of a new generation of increasingly volatile customers, the majority of the companies try to ensure their perennity by acclimatizing themselves with the current environment and that by integrating various practices in order to put the customer at the heart of any reflexion.

Among these practices is co-creation. Indeed, **Co-creation** becomes a real tool allowing the company to forge a strong relationship with customers and produce offers that respond pertinently to their needs in order to satisfy them and build loyalty.

This new trend is a participative marketing strategy, its objective is to make sure that the customer is at the heart of the creation and ideation project, he is given the opportunity to give his opinion and share his ideas.

This practice has many advantages for the organizations that apply it but also for the customer who is at the center of the reflection.

The present article, based on a review of the literature, will focus on a better understanding of co-creation, customer satisfaction and loyalty, and finally, based on a quantitative study involving a sample of 225 people with very specific characteristics, will study the impact of co-creation on customer satisfaction and loyalty.

Keywords: Co-creation; Loyalty; Satisfaction; Collaborative innovation; Value creation.

Résumé

Face à l'émergence d'une nouvelle génération de clients de plus en plus zappeurs, la majorité des entreprises tentent d'assurer leur pérennité en s'acclimatant avec l'environnement actuel et cela en intégrant différentes pratiques afin de mettre le client au cœur de toutes réflexions.

Parmi ces pratiques, on trouve **la Co-création.** En effet, la Co-création devient un véritable outil permettant à l'entreprise de forger une forte relation avec les clients et produire des offres qui répondent pertinemment à leurs besoins afin de les satisfaire et les fidéliser.

Cette nouvelle tendance est une stratégie de marketing participatif, son objectif et de faire en sorte que le client soit au cœur du projet de création et d'idéation, il se voit offrir la possibilité de donner son avis et de partager ses idées.

Cette pratique présente bien des avantages pour les organisations qui l'applique mais aussi pour le client qui se retrouve au centre de la réflexion.

Le présent article, s'intéressera à partir d'une revue de littérature à mieux comprendre ce qu'est la co-création, la satisfaction client et la fidélité pour enfin aboutir à partir d'une étude

quantitative impliquant un échantillon de 225 personnes avec des caractéristiques bien particulières, à étudier l'impact de la co-création sur la satisfaction et la fidélité des clients.

Mots-clés : Co-création ; Fidélité ; Satisfaction ; Innovation collaborative ; création de valeur.

Introduction

Nowadays, consumer behavior has fully changed, with digitalization growth and social media craze, we are witnessing the birth of a new informed, demanding, knowledgeable, influential, volatile consumer…

In this perspective, the relationship of consumers and the company has been modified and the latter is faced with a new challenge, that to adapt to the new user's requirements and expectations, addressing and meeting their versatility and to being closer to them.

For this reason, several organizations are more interested in co-creation, by involving the client in the process of creating a product or service. This is how we speak today of "consumer 'actor" who actively participates in the creation of his product and, in this case by improving the rendering of the company.

Co-creation means a set of steps by which the products or services are in close collaboration with consumers and business collaborators in order to achieve value that will be shared later (Ramaswamy, 2009).

Moreover, faced with a changing and versatile consumer, the study of satisfaction and loyalty becomes vital and overriding for businesses for many reasons:

- A loyal client becomes less of a « hopper » one
- Buys more than others
- His loyalty costs are less cheap compared to the cost of acquiring a new customer.
- A loyal customer becomes your ambassador and enhances your reputation.

This article aims to answer the following question: To what extent does value co-creation impact the degree of consumer loyalty?

Out of this key question arises a central hypothesis that we will, through this work either reject or validate: The Co-creation of products or services by customers impacts the degree of consumer loyalty.

This central hypothesis unfolds in three other hypotheses:

H1: Co-creation has a positive impact on consumer loyalty to the brand.

H2: Co-creation impact positively the customer's satisfaction

Figure 1: Conceptual Model
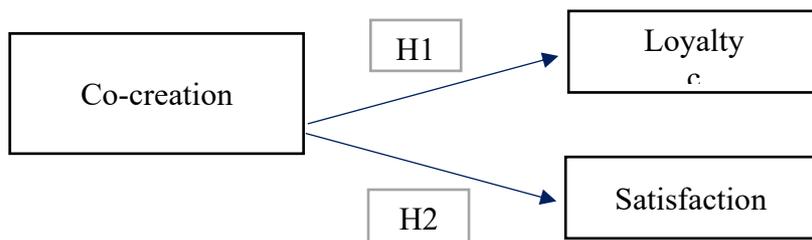
Source: our own care

Thus, in the first part of the article we will synthesize the existing literature on Co-creation, customer Satisfaction and Loyalty.

In the second part, we will present the methodology used and subsequently expose the results of our study, and finally, we will end with a conclusion which will summarize our findings.

1- Review of existing literature on: co-creation, customer satisfaction and loyalty

1.1- Co-creation of value: Towards a new form of innovation

1.1.1- Definition of the concept of co-creation

Co-production, open innovation, collaborative innovation, mutual value creation, mass customization, in all the above-mentioned elements, there is a nuance and a common point with the Co-creation of value: Involvement and close collaboration with the client.

However, Co-creation is not limited only to engaging and involving the customer in the design and production cycle. (Vargo, 2008).

Co-creation of value, is a fairly broad and vague concept, to define it, we will present the following definitions:

- According to Prahalad and Ramaswamy (2004), co-creation is synonymous with common creation of value. Indeed, the creation of value constitutes of the implementation of a constant relationship ranging from the design to the distribution and marketing of the product or service.

- However, Grönroos (2010) announces that, within the framework of the same value network, if we seek to offer a service for the benefit of the other parties belong to it, the creation of value must be carried out by all the actors involved, namely a natural creation of value. In this way, as the company, for example is looking for financial gain by arousing more commitment on the part of the client. This latter often seeks to improve the use of value according to his perception of being favored.

- As for Leroy (2008), co-creation of value lies both in the process and in the results. In terms of process, this is indeed the set of actions taken by the firm and customers during the production, distribution and consumption cycle. With regard to the result, co-creation consists of the simultaneous realization of value by the consumer and the company.

Ultimately, we can say that co-creation of value is a process of sharing resources between suppliers and beneficiaries; the supplier issues a resource and the beneficiary through this resource creates value by consuming (Lusch and Vargo, 2010).

In other words, Co-creation is an interfering cycle, which consists of an exchange between at least two actors who wish to create value in a spirit of mutual collaboration.

Tableau 1: Le concept de la Co-création

What co-creation is not	**What is co-creation**
• Focus on the client • The client is top of priority.	• Co-creation concerns collaboration and value creation by the company and the customer. Here, the company does not seek to please the customer but rather to collaborate with him.
• Provide good customer service or spoil them with lavish customer service.	• Allow the client to co-build the service experience service adapted to his service
• Mass customization of offers adapted to the industry's supply chain	• Definition of the problem and it's resolution
• Transfer of activities from the compagny to the customer as in self-service.	• Create an experience in which the consumer can have a dialogue and co-build a personalized experience.
• Product variety	• Variety of experience
• A thourough study of the market	• Experience the product or service as consumers do in real time
• Stting experiences	• An on going dialogue
	• Innovative experience for new co-creation experiences
	• Personalized experience co-building

Source : Prahalad and Ramaswamy (2004), The Future of Competition: Co-creating Unique Value with Customers.

1.1.2- The composents of co-creation

According to the existing literature on Co-creation, the fundamental composent of this concept: The Co-created Value (a).

In marketing, the concept of value "is an inherent concept inherent in any relationship between the (customer) and the offerer (company) that requires long-term cooperation (Gnoufougou, 2021)

There are two other concepts to know: The actors and the involvement platform. In our article, we will focus only on The Value because it is what makes it possible to differentiate co-creation from the other concepts.

❖ The co-created value:

What makes co-creation to stand out from the other concepts mentioned above (co-production, collaborative innovation, open innovation, etc.) is mainly the creation of value.

Formerly, when we talked about value we were directly referring to the market value, embodied by price. This concept of market value has long imposed itself in the economic and marketing fields (Gale and Wood, 1994).

Over time, and in response to global developments, the concept of value has broadened, touching on several aspects. These strand mainly combine the perception of the beneficiaries, namely : Use value, experiential value, exchange value and contextual value.

- Use value: It's a qualitative value depending on the design of the consumer, so it can vary from one person to another. Basically, it is the valuation of a product or service by the consumer according to the degree of satisfaction provided.

- Experiential value: "A relative preference (comparative, personal, situational) that characterizes the experience of a subject interacting with an object" (Holbrook, 1999).

 In other words, experiential value consists of the experience lived by the customer during the consumption of the products or services.

- Exchange value: In the of co-creation, the exchange value resides in the value granted by the beneficiary in terms of resources committed and the benefits they wish to gain (Sheth and Uslay, 2007).

- Contextual value: It states that beneficiaries can create value by just giving a recommendation or through the imagination without being in direct contact with the offer (Vargo 2008).

1.1.3. Different types of co-creation:

Co-creation can be presented in different forms namely:

a) The Co-creation of ideas: Consists of a collaboration between the company and the customers and this can be done in two different ways: The conception of ideas or the choice of ideas defined beforehand by the firm.

Compared to predetermined idea choices, idea conception gives room for more creativity and innovation.

b) Co-design: Consists in the individualization and personalization of the offer for the client (Piller, 2005). The customer here will customize and realize his product or service according to his own needs and aspirations

c) The co-production of the offer and the value: For a co-production to be considered creative and value generation, the rate of customer involvement must be significant. From a value creation perspective, the co-production requires a concrete commitment of the consumer in the production or the distribution of products and services. (Vargo et Lusch, 2008).

d) Le Crowdsourcing: Commonly called in French the supply by the source, is a composent of co-creation with the rise of the internet. It's consists of an open offer carried out by the company with the aim of subcontracting an internal task and benefit from the intelligence, the creativity and the know-how of several people external to the company. Crowdsourcing is of intended for internet users. (Howe, 2006).

1.2- Customer satisfaction : a necessity

1.2.1- Definition of customer satisfaction

In its broader sense, customer satisfaction is an emotion and a feeling of joy and contentement vis-à-vis a product or a service provide by the company. In addition, satisfaction lies mainly in the value perceived by the client that is to say, the relationship between what he obtained and what he gave, the more the goods exceed expectations, the more the customer is satisfied and vice versa.

Figure 2: Confirmation/ reversal (Tremblay, 2006)
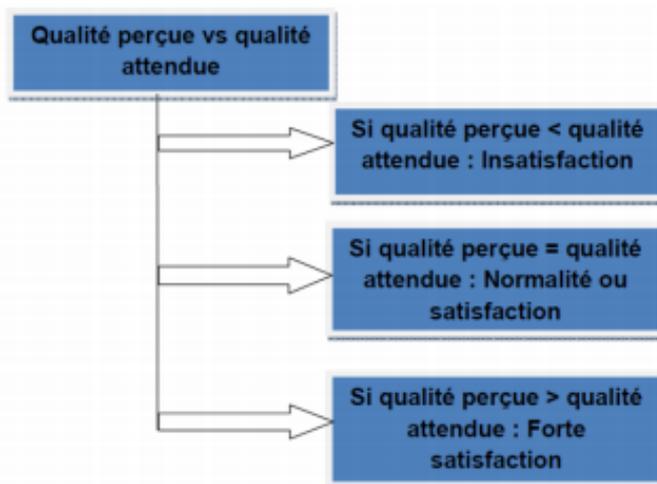
Source: our own care

So, we can see that customer satisfaction is actually a correlation between customer expectations and the perception of the offer. According to Parasuraman, Zeithaml, Berry (Parasuraman Et Collab., 1985), there are various differences that can hinder this relationship manely:

Figure 3: The five deviations according to Parasuraman, Ziethaml et Berry. (Tremblay, 2006)
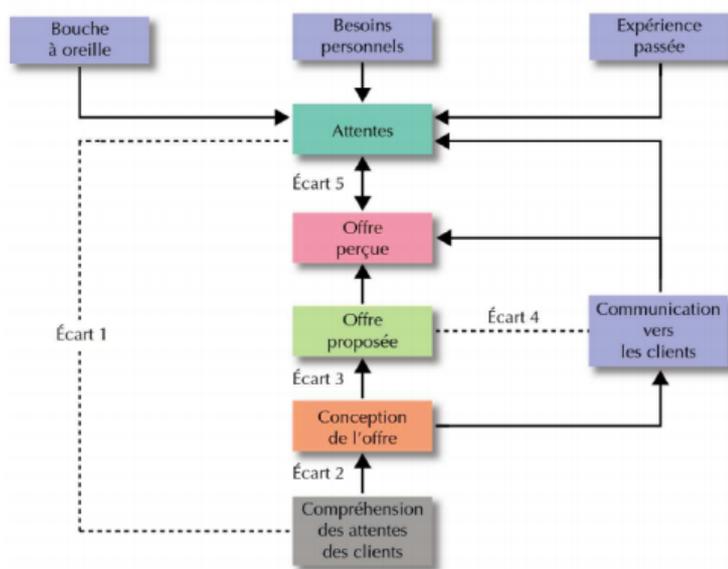
Source: Parasuraman, Ziethaml et Berry.(Tremblay, 2006)

- Undersating expectations gap: Differences between the clients expectations and the firms understanding of these expectations.

- The offer design: Differences between the conceived offer and the realization of the offer

- The realization of the offer: Impropriety between offer design and the communication on the offer
- Communication: Incompatibility between the offer design and communication on the offer
- Final perception: This is where lies satisfaction or dissatisfaction, in the extent of differences between expectations and perception

1.2.2- Dimensions of customer satisfaction

To measure the degree of customer satisfaction, it's important to take into consideration the following dimensions:

- The attitudinal dimension: The variables that govern this dimension are generally linked to the quality of product or service and to the degree of response to expectations.
- The affective dimension: This dimension is based on 3 elements: overall satisfaction / The probability of repurchase and that of recommendation.
- The cognitive dimension: It's rather a question of examining the characteristics anf the attributes of the offer.
- The behavioral dimension: To measure the purchasing behavior, two elements are fundamental: the intention of repurchase and the frequency of purchase.

2- Customer's loyalty: A major issue
2.1- Definitions et factors

Basically, loyalty can be defined on the basis of the repeated purchases of products or the repeated services of the same brand by consumers. Generally, loyalty is the quality of a person attached to someone or something. Therefore, being a loyal customer of a brand implies being attached to this brand as part and parcel of his life. According to Lendrevie, Levy Et Lindon, loyalty is *« Loyalty is a preferential or exclusive lasting attachment to a company or a brand »*
The objective behind any strategy of loyalty undertaken by a firm is to incite customers to redo their purchases or to have a subscription in order to keep its clients and maintain a lasting relationship with them.
There are 12 factors that determine loyalty:

Figure 4: The 12 factors of loyalty
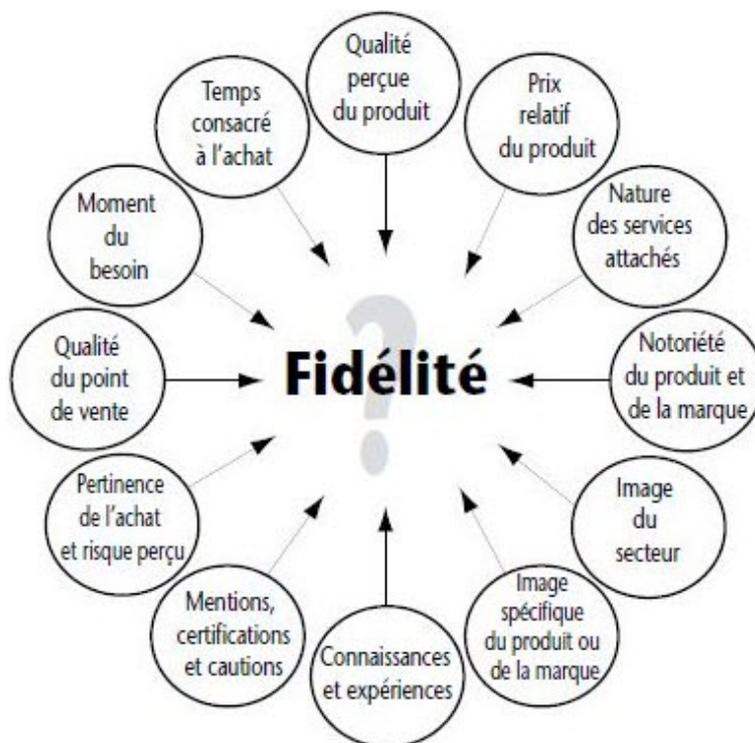
Source: Jean-Marc LEHU, Stratégie de fidélisation, op, cit, P.85

- The perceived quality of the product: The product assessment mainly focuses on its quality.

- Relative prices of the product: The price is evaluated in terms of the perceived value of the product or service by the customers, also following a comparison with the price of competition.

- Nature of the attached services: Advice, after sales services, the waiting period, the personalization of the offer… In sum, all the services related to the products services are analyzed by the consumer.

- Sector Image: It's the perception that the client keeps with respect to the sector's professionals toward the products or services.

- Specific products or brand image: Trough institutional communication, the company must work on its brand image with its customers.

- Knowledge and experience: Here the client is guided by his own sources of information, of by his past experiences or by word of mouth…

- Mentions, certification and guarantees: All the prices obtained by the company enhances it and creates a favorable point towards the client.

- Relevance to the purchase and perceived risk: The uncertainty of the customer regarding his choices can prevent the act of purchase.

- Quality of the point of sale: location, proximity, reception… All these elements can be decisive in the act of purchases.

2.2- The different forms of customer loyalty:

Loyalty generally has a positive meaning: it is the sense of attachment to the brand and the existence of conscious or unconscious selection process by the customer, and this selection process is caused by the brand. Loyalty is the result of preference for the brand, however, depending on the context, loyalty may result from the situation of imposed loyalty, from passive behavior or from real choices that are operated and updated for the brand.

We distinguish different forms of loyalty:

- Loyalty seeked for: It is the personalization of customer relationship adapted to loyalty behaviors acquired from customers through the implementation of specific strategies and action (loyalty programs, implementations of management solutions, customer centered methods…)

-Caused or imposed loyalty: Brand loyalty doesn't come from its attractiveness but from market conditions (Monopoly, exit barriers, geographic exclusivity)

- Behavioral loyalty**:** This is due to the inertia of behaviors or habits and not the result of a preference for the brand. This is generally due to the practical aspect: customers can be to the point of sales due to their daily trips.

-Attitude loyalty: Specifies loyalty behavior, and so re-purchase, which corresponds to the real preference developed by the brand.

The various factors linked to attitude loyalty are: products quality, price, experience quality of the customer and customer relationship quality.

Therefore, the existence of these different forms of customer loyalty shows that the relationship between customer satisfaction and loyalty is much more complicated than we think, although satisfaction is certainly a means of loyalty, in the case of continuous loyalty however, there are still dissatisfied but loyal consumers, on the contrary, it is rare that consumers are completely satisfied with the brand but not loyal to it.

2.3- Research methodology and Interviewee profiles

In the second part of our article, we will deal with two important points. On the one side, our research methodology and on the other side the profile of the people surveyed in order to give an overall perception of our sample.

Methodological choice

To answer our problem, we used the hypothetico-deductive research approach wich consists of the analysis of existing literature on our topic and then confronted the censuses of literature to reality trough an empirical study. We posed hypotheses at the beginning of ou article, the validity of wich we will check through an investigation that we will carry out.

Interviewee profiles

2.4- Characteristics of the sample

we decided after a literature review that the ideal sample was represented by anyone who has shopped online or intends to shop online

we administered our questionnaire to over 450 people but only received 225 responses.

2.5- Method of investigation

It is clear that the most favorable and adapted method to collect the maximum of information in a short time is the questionnaire, with a technique of individual and standardized questioning where the answers are generally heterogeneous and objective, which offers to the researcher the possibility of a codification of the collected results for a better analysis of the studied phenomena.

This method presents a certain number of constraints and limits, in fact the lack of seriousness impacts the veracity of the answers, but as in all scientific analyses there is a margin of error.

After several modifications and readjustments to the questionnaire, we proceeded to administer the questionnaire to the sample. This step is essential for any research work because it translates the passage from the theory to the field of investigation and the researcher enters into a process of data collection.

The data collection period was from January 20, 2021 to March 20, 2021. During these three months, we published the questionnaire several times on a multitude of pages, we also sent the questionnaire to accessible databases containing the mailboxes of potential targets

Our sample consists of 225 individuals with the following characteristics:

Figure 5: Profiles of the people surveyed
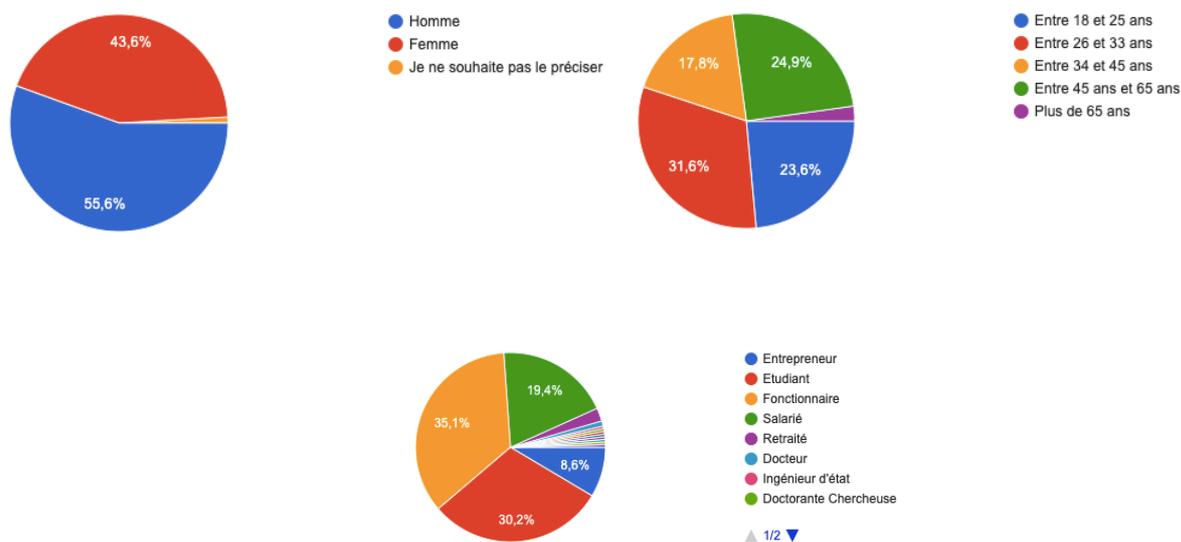
Source: our own care

Comment: The majority of those surveyed are men, with a percentage of 56.6% compared to 43.6% women. Concerning the distribution of age groups, as can be seen in the figure above, the age distribution is balanced. And finally, our respondents occupy different positions of which 36.1% are civil servants.

3- Verification of our research hypotheses

3.1- H1 : Co-creation has a positive impact on consumer loyalty to the brand

After asking several questions aimed at verifying the impact of co-creation on client loyalty, we found the following results:

- Co-creating a product reduces the time spent on purchasing: 38.67% of respondents agreed, 33.33% strongly agreed, 15.1% were neutral, 9.78% disagreed, and 2.67% strongly disagreed.

- Co-creating a product improves your perception of it: 46.66% agreed, 37.78% strongly agreed, 10.67% were neutral, while 3.55% disagreed and 0.88% strongly disagreed.

- Co-creating a product enhances brand and product awareness: 43.11% agreed, 29.77% strongly agreed, 15.11% were neutral, while 9.77% disagreed and 2.67% strongly disagreed.

- Co-creating a product improves your knowledge and experience with the brand: 45.33% agreed, 44% strongly agreed, 44% were neutral, while 1.78% disagreed and 2.22% strongly disagreed.

At the end of the results obtained, we note that out of the four questions asked 43.44% of respondents agreed and 36.22% strongly agreed, so we can say that our first hypothesis is validated.

Figure 6 : Respondents' perception of product and brand awareness
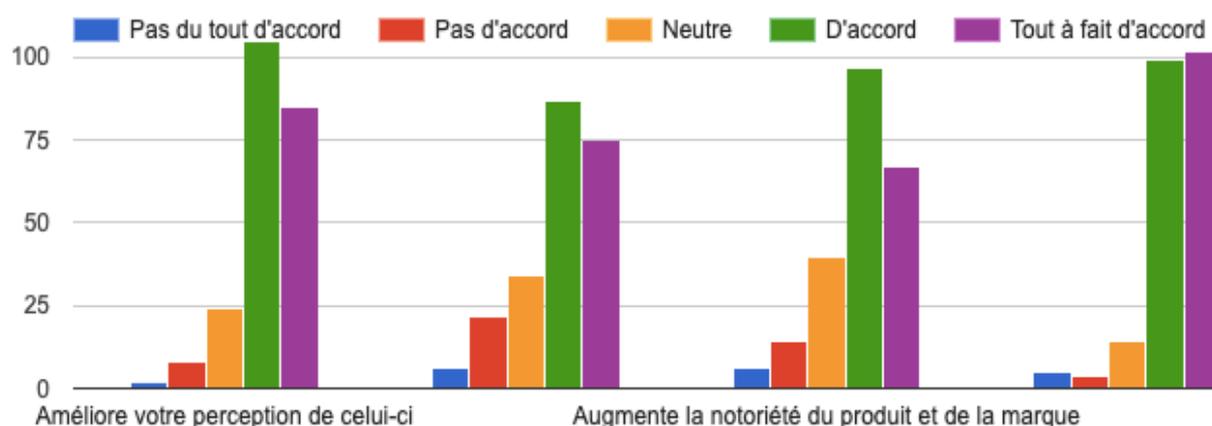
Source: our own care

### 3.2- H2: Co-creation impact positively the customer's satisfaction

According to our theoretical part, customer satisfaction is based on several dimensions mentioned above. A series of five questions allowed us to collect the following results:

- You will be satisfied if you participate in the co-creation of a product: 38.67% of respondents agreed, 33.33% strongly agreed, 15.1% were neutral, 9.78% disagreed and 2.67% strongly disagreed.

- You will increase your purchases from the company if you participate in the co-creation of a product: 44.44% of respondents agreed, 19.11% strongly agreed, 28% were neutral, 6.66% disagreed and 1.78% strongly disagreed.

- You will buy from the company more often if you participate in the co-creation of a product: 41.78% of respondents agreed, 36.44% strongly agreed, 13.33% were neutral, 6.66% disagreed and 1.78% strongly disagreed.

- You will recommend the product or service if you participate in its creation: 46.67% strongly agreed, 39.55% agreed, 8.88% were neutral, 3.55% disagreed and 1.33% strongly disagreed.
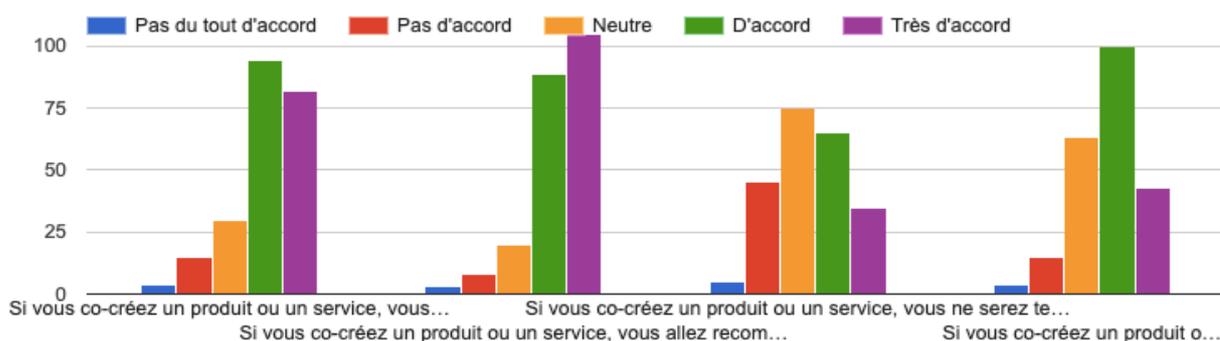
From the results presented, we can deduce that 41.11% of those questioned agreed and 34% strongly agreed, so we can say that our hypothesis is verified.

Figure 7 : The level of satisfaction of the surveyed
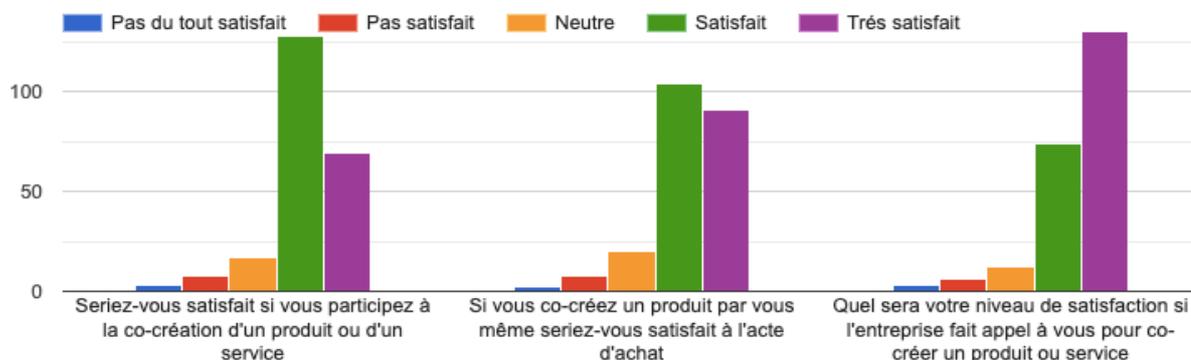
Source: our own care

Conclusion

Faced with radical changes in consumer behavior, most companies are forced to integrate new practices to respond to the fast-changing environment. Faced with this observation, our research focuses on a tool that is increasingly used by companies wishing to stand out from the competition and create a lasting relationship with their customers: Co-creation.

Through this research, we are going to understand what co-creation is, its practices and its stakes, and we are going to try to elucidate the impact of co-creation on customer satisfaction and loyalty, based on an empirical study.

Several results have challenged us during the analysis of the results, on the one hand the percentage of people who wish to participate in the co-creation of a product or a service (96%) and on the other hand the percentage of people who think co-creation is one of the tools that

allows the company to refine its offer and meet the expectations of these customers (95.5%). This explains only one thing, to respond pertinently to the new expectations of customers, it is now necessary to integrate them into the creation process in order to achieve successful results.

Moreover, this research allows a better understanding of the dimensions and practices of both customer satisfaction and loyalty, and provides elements of answers demonstrating the impact of co-creation on customer satisfaction and loyalty. This article allows to validate 2 hypotheses (superficially validated) whose correlation, factorial... tests will be the subject of a future article by carrying out an in-depth analysis of the results obtained in order to test the proposed model.

We also observe a number of limitations related to the number of respondents, the methodology used and the specific choice of the subject.

This research gives rise to a certain number of perspectives, all of which are interesting and important. We will then be able to take an interest in the other elements that have an impact on consumer satisfaction and loyalty, and it would also be wise to look at other aspects of the relationship with consumers.

BIBLIOGRAPHY :

C. K. Prahalad, & Venkat Ramaswamy. (2004). « Co-Creation Experiences: The Next Practice in Value Creation ». Journal of interactive Marketing

Gale, B. & Wood, R.C. (1994). « Managing customer value: Creating quality and service that customers can see». Simon and Schuster.

GNOFOUGOU D. (2021) « Comportement de citoyenneté organisationnelle orienté vers les individus et la création de valeur durable des entreprises : Rôle médiateur de la satisfaction des clients internes », Revue Française d'Économie et de Gestion « Volume 2 : Numéro 1 » pp : 70 –92

Grönroos, P Helle. (2010). « Adopting a Service Logic in Manufacturing: Conceptual

Foundation and Metrics for Mutual Value Creation». Journal of service management

Holbrook, M. (1999). **«**Consumer Value: A Framework for Analysis and Research». Routledge, New York.

Jagdish N, C Uslay. (2007). **«** Implications of the Revised Definition of Marketing: From Exchange to Value Creation». SAGE journals

Leroy J. (2008). « Gestion de la relation avec une communauté virtuelle dans une stratégie de co-création Les leçons du cas Fon.com », Décisions Marketing, n°52 Octobre Décembre.

Lusch, R. F., Vargo, S. L., & Tanniru, M. (2010). «Service, value-networks, and learning». Journal of the Academy of Marketing Science, 38(1), 19–31.

Prahalad and Ramaswamy. (2004). «The Future of Competition: Co-creating Unique Value with Customers».

Vargo, S. L., & Lusch, R. F. (2008). «Why "service»? » Journal of the Academy of Marketing Science, 36(1), 25-38.

WEBOGRAPHY :

Qualtrics. (2020). «Mesurer la satisfaction de la clientèle : questionnaire et dimensions clés».

https://www.qualtrics.com/fr/gestion-de-l-experience/client/questionnaire-satisfaction-mesure/

Qualtrics XM. Consulté le 23 janvier 2020

Le Leuch A. 1989. «Mesurer la satisfaction client, une enquête auprès des usagers du centre hospitalier universitaire de Toulouse».

https://oatao.univ-toulouse.fr/12105/7/LELEUCH12105.pdf
Open Archive TOULOUSE Archive Ouverte. Consulté le 15 avril 2020

Antsa Ny Aina. (2006). «Communauté en ligne de co-création d'expérience touristique : Le cas de l'Office Régional du Tourisme d'Analamanga. (Madagascar) ».

https://tel.archives-ouvertes.fr/tel-00916839/document

Université de Grenoble. Consulté en mars 2020