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Research Developments in Online Customer Co-production

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What is happening with respect to online co-production services?

- Through web-enabled functionalities customers are increasingly involved
- Examples include: insurance, banking, personal health, real estate services
- Typical this means:
 - Handling multiple sources of information: service provider, peer-to-peer, third parties
 - Goals that customers attempt to achieve vary

Yet, wide-scale problems are reported (J.D. Powell 2006 report on online investing)






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Preliminary root cause analysis:

- Recent research shows that large portion of customers fail in their execution of service tasks (Tax, Colgate and Bowen 2006)
- Companies have an uni-dimensional view of consumer motivation to try out innovative concepts (Seijts et al. 2004)
- In using various sources of information, customers rely on credibility and quality (Brinol, Petty and Tormala 2004)
- Since customers have to rely on their own cognitions and capabilities having confidence in their ability is crucial



» Enter: *co-production self-efficacy*



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Co-production self-efficacy



- A motivational variable focused on task-specific confidence
- Which develops over time
- Feedback information is an important predictor
- Customers weigh and integrate information from various sources
- The impact of information is contingent on goal pursuit
- Self-efficacy has been shown to be a robust predictor of performance
- Since customers are ‘partial employees’;
 - Service outcomes depend to a larger extent on customer performance.
 - Customers become partly responsible for their own service satisfaction.
 - Customers contribute substantially more to the service delivery process and are faced with increased effort and complexity
 - Self-efficacy influences effort and persistence



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Research focus on:

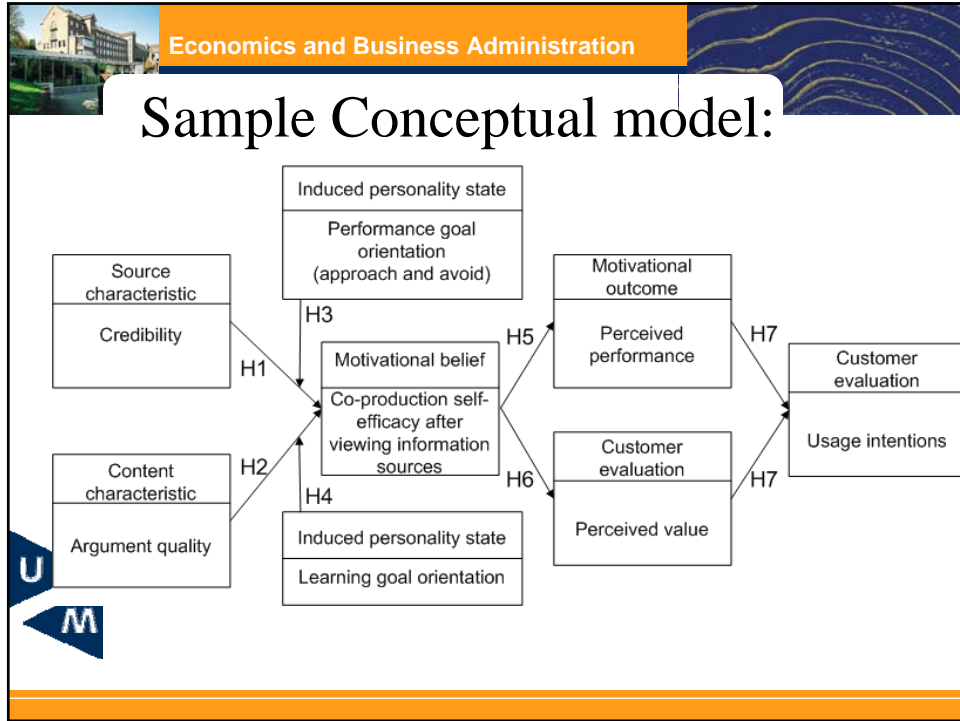
- The role of customer confidence in predicting performance
- The impact of information source evaluations on self-efficacy (i.e. task-specific confidence)
- Within-person and between person issues
- Customer heterogeneity in goal pursuit



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Theoretical domains:

- Social Cognitive Theory
- Socialization theory
- Theories of cognitive processing
- Goal orientation theory



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- ## Preliminary results
- Information source evaluations increase self-efficacy after reading information.
 - This effect is moderated by induced goal orientations; effects are stronger under performance goal orientation than under learning goal orientation.
 - Self-efficacy increases motivational outcomes and service evaluations; effects on usage intentions are partially mediated by perceived performance and value.
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Conclusions

- Online Co-production services provide a rich research context for theoretical development.
- Managing customer self-efficacy may provide firms with a mean to achieve higher evaluations in co-production services

