Consumer Participation and Experiential Marketing: Understanding the Relationship Between Co-Creation and the Fantasy Life Cycle

Clinton Lanier, Jr., University of Nebraska, Lincoln
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Current research in marketing argues that consumers and producers are now intertwined in the co-creation of value. As more and more marketers are adding experiential components to their offerings to increase the value proposition, one wonders how this might affect consumer participation. We argue that one way that consumers engage a marketing experience is through a mediating fantasy that changes over time. This paper explores how consumer participation in a marketing experience changes as customers move through the fantasy cycle. The data from our ethnographic study of Renaissance festivals suggests that consumer participation in the festivals evolves from co-optation, to co-production, to co-creation, and then back again as consumers develop and modify their fantasies to enhance their engagement of the experience. While not all consumers follow this path, we do find a relationship between the desired level of fantasy engagement and the type of consumer participation.

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SESSION OVERVIEW

There is growing dialogue among consumer researchers relating to how consumers engage with producers to co-create meaning and value through consumption. As such, this session focuses on co-creation in contexts rich in fantasy and fun, topics frequently identified as having great theoretical importance but often underrepresented in research. Researchers interested in co-creation, online communities, fantasy, identity, online gaming, and emancipatory consumption contexts will likely find this session appealing.

As consumer researchers have become increasingly attentive to consumers as partners in the production of value, important questions arise. How and why do consumers negotiate the co-creation of fantastic and fun experiences with producers? What are the consequences and outcomes of co-creation to consumers in such contexts? Is the firm necessary for consumers to co-create valuable fantasy and fun?

Based on data and findings in four studies, this session explores such questions in four empirical fantasy contexts—video games, the digital world of Second Life, Renaissance festivals, and live action role playing communities. The collective analysis provides new insights illuminating how co-creating with both producers and other consumers is an imperative component of creating value in fantasy consumption.

Sayantani Mukherjee and Alladi Venkatesh investigate how young adult video game players actively negotiate and co-construct fun experiences by using both consumer and marketer resources through three strategies—dynamic goal-setting, limited mastery, and building intertextual linkages across media channels.

Clinton Lanier and Ronald Hampton provide a resource control perspective of consumer participation, characterizing co-creation as when consumers take the greatest control over the resources in the market offering. How consumers engage in fantasy experiences at renaissance festivals is identified with consumer participation progressing along a “fantasy life-cycle.” As the consumer’s involvement in consumption fantasies change, so does the level and nature of involvement with co-constructing the fantasy experience with other producers or consumers.

Gulnur Tumbat and David Horowitz explore how postmodern consumers are able to take command of the market by producing their identities with other consumers instead of creating identity through only passive consumption. In the investigation of the digital world of Second Life, the authors identify many consumers who are using this fantasy world to become the producers of tastes consumed by others—thus becoming lauded culture creators.

Andrew Baker and Carolyn Cerasi investigate how the members and firms of live action role playing (LARP) consumption communities negotiate the co-creation process. During a netnographic analysis of one such LARP group, evidence suggests that tensions emerge between community and firm when consumers do not achieve co-creation. In such rich fantasy contexts, achieving co-creation of identity with the firm may be an important antecedent to satisfaction.

Finally, Dr. Eric Arnould of the University of Arizona will be the discussant, weaving together the empirical discussions and providing his own perspectives to extend the theoretical implications of co-creation in fantasy and fun.

EXTENDED ABSTRACTS

“Co-Creating Fun: Insights from Young Adults’ Engagement with Video Games”

Sayantani Mukherjee, California State University, Long Beach
Alladi Venkatesh, University of California, Irvine

In recent years, there has been a growing prominence of the fun concept in the marketing environment. With the proliferation of entertainment products, “fun” is emerging as an important goal for product development (Norman 2004). Further, within consumer research, fun is recognized as a central element in experiential consumption (Holbrook and Hirschman 1982). Pervasive in both marketing theory and practice is the notion that consumers experience fun passively, and as an outcome of engaging in playful and leisure consumption. This has led marketers to impart fun with an objective meaning which they can effectively structure, design and control (Norman 2004). Consequently, not only do we have limited knowledge of the active role of consumers in constructing fun experiences, but we also have very little understanding of the co-creative role of producers and consumers in generating fun. Given the considerable topical relevance of consumer-centric value creation (Arnould, Price and Malshe 2006, Vargo and Lusch 2004), this gap in the literature is significant.

In this paper, we examine the practices through which consumers negotiate fun experiences. In doing so, we use insights from young adults’ participation in video gaming. In recent years, playing video games has evolved from a minority activity to mass entertainment generating over $10 billion a year in retail sales. A growing number of young adults are substituting traditional media such as TV with interactive media such as video games so much so that this segment is referred as the “Nintendo generation” (Miles 2000). Consequently, marketers are increasingly using video games as an advertising platform to reach out to this segment (Guardian 2006). Moreover, enhancing the fun element in video games is critical in the success of in-game advertisements (Economist 2006).

We theoretically ground our study by drawing on research that specifically focuses on the fun concept. Existing work on fun is scant but scattered across different disciplines including consumer research, human-computer interaction and sociology. Integrating these disciplinary perspectives, we conceptualize fun as a holistic experience that is fundamentally related to elements such as play (Goffman 1961), efficacy (Celsi, Rose and Leigh1993), emotions (Desmet 2003) and flow (Csikszentmihalyi 2000). In addition, we also draw on research focusing on consumer co-creation within experiential contexts (Kozinets et al. 2004, Arnould and Price 1993). These studies provide the basis for theorizing how consumers negotiate fun within video game play.

We use a combination of projective techniques (Belk, Ger and Askegaard 2003; Zaltman 1997) and semi-structured interviews (McCracken 1988) for collecting data. Interviews were conducted with fifteen young adults between the ages of 18-24 years. The only recruitment criteria used is that participants should have played video games. We defined video games in the broadest sense as “any form of computer-based entertainment software, either textual or image-based, using any electronic platform such as personal computers or consoles and involving one or multiple players in a physical or networked environment” (Frasca 2001). Using varied
forms of video games yields greater possibility of uncovering a broad range of consumer interpretations. We follow guidelines of grounded theory (Strauss and Corbin 1998) for data analysis.

Our findings suggest that young adults are active participants in constructing their fun experiences. In particular, we identify three strategies: dynamic goal-setting, limited mastery and building intertextual linkages, which highlight the diverse ways in which consumers employ marketer and consumer generated resources to co-create fun. First, the strategy of dynamic goal setting encapsulates the fact that young adults negotiate challenge, a foundational element of fun by dynamically setting demanding goals for themselves. This is manifested in consumer actions such as “modding” where players modify a pre-defined game structure. Marketer created product offerings such as video game design is vital to the success of this strategy. The fluidity and ambiguity built by designers within video games allows young adults to experiment with the game structure. The key point here is that actions such as modding implicates a creative engagement on the part of consumers to transform marketer generated resources for the purpose of constructing fun. Second, consumers employ the strategy of limited mastery to negotiate relational aspects of fun. In limited mastery, young adults reduce experimentation in the game so that they can allot time for socializing with other consumers. Although, mastering the basic skills is essential for efficient game play, more complex game features are rendered irrelevant. The limited mastery strategy suggests that consumers are selective in mobilizing market based resources (game levels) as well as their own competencies (game related skills) to negotiate fun. In addition, young adults employ the strategy of building intertextual linkages: associating content across media channels such as video games, movies and books to negotiate relational aspects of fun. On the one hand, intertextual referencing displays marketer engineered multiplicity in media channels with similar content. On the other hand, young adults deploy intertextual referents as a mediating resource for social bonding and spontaneous interactions, both central elements of fun.

Our findings highlight the importance of reformulating our notions of fun from an interior experience to a process that is inextricably linked with the concrete actions of consumers and producers. To that extent, the consumer strategies that we discuss shed light on the importance of marketer generated resources in the construction of fun. Further, our study suggests that consumer-centric resources are vital, especially when fun is jointly produced at a relational level between consumers.

“Consumer Participation and Experiential Marketing: Understanding The Relationship Between Co-Creation and the Fantasy Life Cycle”

Clinton Lanier, Jr., University of Nebraska, Lincoln
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Current marketing research has focused on a shift in the dominant logic of marketing from a goods-centric logic to a service-centric logic (Vargo and Lusch 2004). While the goods-centric dominant logic views consumers and producers as separate entities with different goals, the service-dominant logic views consumers and producers as intertwined in the creation of value. But as both goods and services become more commoditized, marketers are increasingly adding experiential components to their offerings to increase the value proposition (Pine and Gilmore 1999; LaSalle and Britton 2003; Marconi 2005). This raises the question: what affect do these experiential components have on the co-creation of value? In previous work, we argue that consumers engage marketing experiences through a mediating fantasy (Lanier and Arnould 2006; Lanier 2007). This paper explores how consumer participation in a marketing experience changes as customers move through the fantasy cycle.

One of the foundational premises of the new service-dominant logic is consumer participation in the value creation process (Vargo and Lusch 2004). We argue that consumer participation can be divided into three main types: 1) co-optation, 2) co-production, and 3) co-creation. Co-optation is the process in which consumers assume duties once performed by producers (e.g., self-service technologies) (Meuter et al. 2000). Co-production is the process in which consumers participate in the design/production of the product (Bendapudi and Leone 2003). Lastly, co-creation is process in which consumers extend or alter the product beyond its original and/or intended form, use, and/or meaning (Lanier and Schau 2007). These three forms of consumer participation can be thought to exist on a continuum (co-optation ←→ co-production ←→ co-creation) based on the degree of control over the resources associated with the market offering.

In order to understand how consumers participate in a marketing experience, we utilize symbolic convergence theory (SCT). SCT is a communication theory that explains the role of fantasy in collectively shared experiences (Bormann, Cragan, and Shields 2001). SCT maintains that fantasies are jointly created interpretations of experiences that give meaning to human actions. Participation in a fantasy usually follows five stages: consciousness-creating, consciousness-raising, consciousness-sustaining, consciousness-decline, and consciousness-terminus (Bormann, Cragan, and Shields 1996; Cragan and Shields 1992). We extend SCT by arguing that individuals utilize different resources as they move through and jointly participate in this “fantasy life-cycle.”

This research utilizes ethnographic methods in the collection of data (Emerson, Fretz, and Shaw 1995; O’Reilly 2005). Non-participant and participant observation was conducted at five U.S. Renaissance festivals. In addition, depth interviews with both consumers and producers were conducted. We chose this context for four reasons: 1) the festivals embody all four elements (i.e., entertainment, educational, esthetic, and escapism) of a marketing experience (Pine and Gillmore 1999), 2) they are based on a rich, though broadly construed theme, 3) they are accessible to a wide range of participants who vary in terms of their participation, and 4) they encourage customer participation. To locate informants, we utilized both purposive and snowball sampling. Data were analyzed using analytical coding techniques and a constant comparative method (Miles and Huberman 1984; Spiggle 1994; Strauss and Corbin 1990).

Our findings indicate that consumer participation in the Renaissance festival experience changes depending on which stage of the fantasy life-cycle the customer is in. In the creating stage, consumer involvement is typically low as consumers learn about the festivals and begin to construct their fantasies. Because of this, consumers typically engage in co-optation by utilizing resources provided and controlled by the producer and that require little investment on the part of the consumer. In the raising stage, involvement in the experience grows as the consumers begin to work with the producers to enhance their fantasy engagement. As a result, consumers engage in co-production by utilizing resources that require a larger investment, but which are jointly controlled by the producer and consumer. In the sustaining stage, involvement has reached its peak and consumers search for new ways to sustain their fantasy engagement in the experience. In this stage, consumers engage in co-creation by utilizing resources that require a heavy investment (e.g., time, energy, money) and which are now primarily under their control. In the decline stage, consumer involvement begins to wane as consumers begin to run out of resources to keep their fantasies going. In this stage, consumers will once again...
engage in co-production as they try to work with the producers (or other consumers) to modify aspects of the festivals in order to generate new resources to maintain their involvement. In the terminus stage, consumers seek to re-enchant their fantasies through co-optation in two ways: 1) the consumer becomes the producer (e.g., consumers are often asked to participate as employees of the festivals) or 2) the consumer work with other consumers to produce a new experience (e.g., medieval reenactment). It is important to note that not all consumers move through these stages. Many consumers desire to maintain a certain level of involvement and investment in the experience and thus stay at a particular stage throughout the life of their fantasy engagement.

Based on our research, we discovered that consumer participation in a marketing experience often changes over time due to the development and involvement of the consumer’s fantasy. At Renaissance festivals, participation often starts as co-optation, moves to co-production, develops into co-creation, moves back to co-production, and then ends with a more evolved form of co-optation. The fantasy engagement of the experience requires a certain amount of exposure, learning, acting, modification, and control in the experience. The different types of participation in the festival allow consumers to develop their fantasies and engage the experience in new and exciting ways. Consequently, consumer participation differs significantly in each stage and requires different resources and strategies to fully participate in and engage the experience over time.

“Culture Creators: Co-Production in Second Life”
Gulnur Tumbat, San Francisco State University
David Horowitz, Sonoma State University

While the (postmodern) consumption landscape has been characterized as a place where consumers produce meanings, identities, and experiences through co-production (see Arnould 2007, Penalzoza and Venkatesh 2006), this production is typically conceptualized in the B2C sense wherein the corporation still controls the means of production to a great extent (i.e. “design-to-order,” “invent-to-order”) (Firat and Dholakia 2006). In their example of online games, Firat and Dholakia (2006) state that “corporate marketers are fighting hard to prevent the players and their communities from ‘owning’ the rights to their digital creations.” Alternatively, in Web 2.0, corporations provide the platform upon which consumers produce and share their original content (and even hold the ownership). Furthermore, Holt offers the view that “consumption can be conceived as a field of social life that is organized by the expression of tastes (1997, p. 343).”

Can production then be conceived as a field of social life that is organized by the creation of tastes? The power of these Web 2.0 sites is that they allow consumers to produce their own narratives and myths. As culture creators (those who create media that others consume), consumers are able to forge their identity in the world in a rather more meaningful manner than they could through consumption alone. Based on virtual ethnographic data in Second Life, we examine how productive consumers liberate themselves by creating their own myths, narratives, and identities. Second Life, virtual world created by Linden Lab of San Francisco, is a place to socialize via one’s avatar or onscreen graphic character. These Second Life “residents” can build just about any object from scratch, using LEGO-style building blocks from onscreen menus, and use them on virtual plots of land for sale or rental. Unlike in any other virtual world, residents own their own creations, so they can buy and sell them freely with virtual currency that is readily convertible into or out of U.S. dollars. A real economy has sprung up inside Second Life, in which more than $5 million worth of transactions in real U.S. dollars are conducted each month among the active 900 thousand residents of the now 2.7 million population (Enright 2007). Several thousand people run real businesses inside Second Life, some making enough to earn a real-world living. As a result, this consumer driven and consumer created virtual world and its economy attracts real-life brands as well (e.g., Nike; offers virtual shoes make avatars run faster!).

It would be too much of a stretch to call what is going on in Second Life as a game because the “residents” create everything in this digital parallel universe where they fully control their avatars and other creations. Although it does not translate into consumer emancipation (Kozinets 2002), this ability of consumers to forge an identity through productive consumption is very meaningful to them even in this predominantly fantasy context. Firat and Venkatesh (1995) describe how the postmodern “consumer finds his/her liberatory potential in subverting the market rather than being seduced by it (1995, p. 251).”

We feel that this idea of marketplace subversion needs further attention. Is it only marketplace subversion that leads consumers to find their liberatory and creative potential? The methods used in order to find answers to these important questions include a virtual ethnographic study where the authors create their own avatars and interact with the other residents of the Second Life. In addition to the field notes from the “virtual field site”, “virtual interviews” with avatars in Second Life and online interviews with their owners in the real world are conducted.

We support the theory and extend it such that it is not solely people’s goal to undermine the market, but rather to be able to create their own tastes in it. Consumption, or expressing one’s tastes (Holt 1997) is easy, but creating the tastes that others consume is relatively more difficult. When consumers are able to create tastes and have others consume these tastes, they become what we call culture creators and become not just liberated, but lauded as well. The recognition that culture creators receive from their peers makes them feel respected, admired, and as though they have forged a meaningful identity in the world. An examination of this shift in the means of production, combined with an analysis of the socio-historical context that consumers live in today provides multiple insights into how consumers are using these Web 2.0 sites to be culture creators and advance marketing theory on the relationship between production and consumption.

“Consequences of Co-Creation in Fantasy-Based Consumption Communities: Netnographic Analysis of a Live Action Role Playing Organization”
Andrew Baker, Georgia State University
Carolyn Curasi, Georgia State University

The role of imagination and fantasy has been characterized as an essential component of many consumption experiences (Belk and Costa 1998; Kozinets 2001). Although researchers (Holbrook et al. 1984; Holbrook and Hirschman 1982) have sounded the call to investigate the role of play in consumption experiences, the extant consumer research on playful and fantastic consumption contexts remains largely uncharted.

One new stream of research that may shed light onto fantasy consumption is co-creation. Prahalad and Ramaswamy (2004) explain that co-creation transcends the traditional, firm-centric creation of intimate customer experiences. Instead, co-creation is a two-way interactive relationship that consumers and producers engage in to co-create highly personalized services and products. Others have also characterized co-creation as blurring the traditional boundary between marketer and firm as producer/consumer (Arnould 2007).
Recognizing the importance of increasing our understanding of both co-creation and fantasy consumption, our research proposes that there is an essential relationship between fantasy consumption and co-creation. We propose that the emerging logic of co-creation is in part driven by the idea that consumption is fundamental to identity creation and self-representation, key constructs for examination in both fantasy consumption (Belk and Costa 1998) and communities (Firat 1991; Schouten and McAlester 1995). Numerous studies have explored how the consumption of marketing objects are part of consumers' self-presentation and identity projects (Kozinets 2001; Schau and Gilly 2003). We suggest that, coupled with the concept of the contemporary consumer, co-creation extends into a concept of co-creation of identity. The consumer is no longer merely using consumption shaped and provided by the marketer to create identity, but instead conducts the self-identity project as part of a two-way collaboration with the marketer.

This research explores how the co-creation process is negotiated between marketer, consumer, and consumption communities. A netnographic study (Kozinets 2002) was used to examine the process and outcomes of co-creation between consumer and marketer within a thematic consumption community that is deeply embedded in fantasy—the national live action role-playing (LARP) organization, ActionGame International. The research question of interest emerged from early exploration of several LARP community forums, as consistent with the constant comparative method (Glaser and Strauss 1967) and naturalistic inquiry (Belk, Wallendorf, and Sherry 1989). ActionGame was the focus of the study as the data suggest an interesting dynamic was taking place between the marketer and the community. Five ActionGame community forums were explored in detail, while several blogs and personal electronic communications further supplemented our findings.

The data provide evidence that there is tension and conflict between the community and marketer, often resulting from the community perception that the marketer is not a partner willing to engage in a desired level of co-creation required to fully achieve desired immersion in the ActionGame consumption fantasy. These findings juxtaposed other personal stories of deep, immersive successful co-created fantasy experiences that were accompanied with highly favorable responses toward marketers. The data suggest that a consumer’s perception of a successful co-creation experience may be essential to satisfaction in immersive fantasy consumption.

The findings further indicated there may be consequences when a consumption community perceives the marketer to hinder co-creation. In such cases, the data revealed that negative personal characteristics were ascribed to the marketer, as though the marketer was being rejected as a legitimate member of the community. Despite such vivid sentiment, schisms or abandoning ActionGame in favor of another LARP (of which there are many) did not appear to be a dominant strategy. Our findings suggest that community members may be so passionate about co-creating the fantasy experience between other community members and the consumption object (ActionGame) that the negative perception of the marketer (ActionGame National) is simply not strong enough to dissuade most members from abandoning the strong community and brand bonds that have been developed.

The study of this fantasy consumption community offers some interesting theoretical extensions of our understanding of consumption communities and co-creation. Through the lens of co-creation we provide a potential reason for tension in the relationship between a consumption community and the marketer. We posit that community-marketer conflict may emerge when community members perceive that the marketer has violated their responsibility in an implicit co-creation contract. However, when faced with a failed co-creation experience with the marketer, communities with the proper resources and conditions may pursue strategies that allow co-creation among the community itself as a substitute or recourse. In other words, the co-creation process from consumer-to-community may create enough value to overcome the loss of the failed marketer-to-community co-creation. This may be particularly relevant in fantasy consumption settings, as the resources required for fantasy consumption may be easily accessible to consumers who desire to engage in immersive fantasy.

McAlexander’s, Schouten’s and Koeing’s (2002) findings, as well as observations by Cova (1997) and Muniz and O’Guinn (2001), have suggested customer-community interpersonal relationships are the strongest of the consumer bonds formed in brand communities and are powerful mechanisms to retain community membership. Our findings suggest a theoretical extension: when the value and meaning of the brand can be predominantly created by interpersonal co-creation, consumers may continue passionate brand and community affiliation even during substantial perceived failings by the marketer.

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Understanding the Role of Co-Creation in Fantasy and Fun


