Stimulating consumer community creation through a co-design approach

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Abstract

Increased competition requires retail stores to increasingly focus on improving their customers’ experiences. Along this line, this paper explores how a co-design approach can help retail stores of outdoor products develop consumer communities as a part of their store concept. Such stores may be particularly interesting in relation to consumer communities, because of the consumers’ often passionate relationship to activities related to the products in focus. Two longitudinal case studies of outdoor product stores in Denmark are investigated. The two cases are investigated through interviews, store observations, network meetings and co-design workshops. Several important findings are discovered: Firstly, in relation to community forms, the paper defined three archetypes: business-consumer (BC), consumer-consumer (CC) and a combination of the two (BCCC). Secondly, in relation to the premises for the creation of communities, the paper defined three types: consumer motivation, consumer availability and consumer homogeneity. Thirdly, in relation to consumer community activities, the paper argued that these could be understood as being defined by three elements: the business, the consumers, and the products. Finally, the paper defined four overall types of community-initiated activities by distinguishing if they are consumer-initiated or business-initiated and if they have a recreational or goal-oriented purpose.

Keywords: Consumer communities; Outdoor product stores; Retail design; Service design; Co-design; Customer experience.
Introduction

Increased competition requires retail stores to increasingly focus on improving their customers’ experiences (Caru & Cova 2007; Chakravorti, 2011). As a basis, the store atmosphere and the signals the interior send are decisive for producing the right customer experience (Van Rompay et al., 2012). Society, however, is always changing, so stores must constantly evolve and follow trends in order to attract new customers while retaining the old ones (Babin & Attaway, 2000). This also implies that retail stores need to explore more untraditional means to achieve the desired effects. In fact, there is an increasing tendency to perceive retail stores as more than a place for purchasing goods, but also a place for socialising and leisure (Hu & Jasper, 2006; Simonsen, 2014).

As customer involvement increases, there is a need for new approaches to enhance interactions with customers, as “a good understanding of the consumer and his or her requirements helps a retailer to create the right products and services and the right environment in which to sell them” (Pradhan, 2011:50). Further, a need exists for an approach that can combine different perspectives in order to understand both a service’s demand side, i.e. users’ and customers’ needs, and its supply side, i.e. technologies and processes, so that successful retail services can be created (Steen et al., 2011). Along this line, this paper explores how the concept of co-design can be used to develop ‘consumer communities’ as a part of a retail store concept.

What is co-design?

Co-design is an established approach in the creative practice, but is nowadays increasingly popular in many businesses and organisations (Binder, Brandt, & Gregory, 2008). The concept of co-design originally has its roots in the participatory design...
techniques developed in the 1970s, also described as the Scandinavian approach (Greenbaum & Kyng, 1991; Ehn, 1993). It is an approach to design that attempts to actively involve and create with stakeholders (business or customers) in the design development process to help ensure the result meets their needs and are usable.

To date, no study has integrated the concept of co-design in retail stores and on how to use co-design in relation to the creation of consumer communities. Although the benefits of co-design seem to be clear, most studies have focused on the more general idea of co-creation or co-production (Alzaydi et al., 2018). These studies have not taken a step further to study retail stores from a co-design approach, which differs by having a stronger emphasis on the creation of physical or experimental spaces for interaction (e.g., Muller et al., 2006; Binder et al., 2008; Sanders & Stappers, 2008). For example, in co-design, people are involved in the development process even though they not trained in design processes or in internal processes. This is different from co-creation, where mainly experts are involved (von Hippel 2005). Furthermore, the literature on service design and retail store design has a general perspective or focuses on one particular store type, mainly supermarkets and fashion stores (e.g., Pradhan, 2012; Lardapide et al., 2007). Outdoor product stores, on the other hand, are a store type that has seldom been studied, but may be particularly interesting in relation to co-design and retail store-centred consumer communities.

Outdoor product stores offer products that support outdoor activities, characterised by longer stays outdoors, where the experience of and attitude towards nature is significant — unlike intense sports activities, where the nature experience is pushed into the background because of the physical exertion and competitive focus (Friluftsrådet, 2013). This store category, among others, includes retailers of equipment for diving, camping, hunting, mountain climbing and scouting. Outdoor product
consumers might need more than just product information. Specifically, customers may request information about possible places where the products can be used and about others’ experiences with different products in these contexts. Since it is unlikely that a sales assistant has the necessary expertise to fulfil such needs, the information must then come from other sources. Such information can come from books, brochures and contact with other organisations, but it can also come from being part of communities of consumers with similar interests. In practical terms, such communities may emerge from activities like product demonstrations, boutique cafes, lectures, activity events, special areas for product testing and the like. If a store can stimulate the creation of such communities anchored at a particular store, then this may produce significant benefits in relation to customer loyalty, customer satisfaction and understanding of customers.

Based on the discussion above, the question addressed by this paper is as follows: Can outdoor product retail stores utilise a co-design approach to develop retail store communities? The question is investigated through two longitudinal case studies of outdoor product stores. To some degree, these findings are applicable to other store types. This topic is addressed later in this paper.

**Literature Review**

The notions of co-creation, co-design and other participatory approaches have been growing (e.g., Chen & Venkatesh, 2013). Co-creation is generally used as a very broad term that refer to any act of collective creativity, i.e. creativity that is shared by two or more people (Sanders & Stappers, 2008). However, as some researchers note, not all people are creative -- a commonly accepted belief, particularly amongst those in the business community (Prahalad and Ramaswamy, 2004; Sanders & Stappers, 2008). In the business-driven approaches to co-creation (i.e., von Hippel 2005), the assumption
is that only ‘lead’ people can become co-creators, as they have an ‘expert’ mindset to fully understand the processes (Sanders & Stappers, 2008). Thus, co-design is a specific instance of co-creation.

**Co-design**

Co-design refers, for some people, to the collective creativity of collaborating designers. Sanders & Stappers (2008) have defined co-design in a broader sense by referring it to the “collective creativity of designers and people not trained in design working together in the whole span of a design development process”. Co-design presents a fundamental change in the traditional designer-client relationship. The co-design approach enables a wide range of people to make a creative contribution in the formulation and solution of a problem. A key element of co-design is that diverse experts come together, such as designers, researchers, developers, employees or partners, and (potential) customers and users — who are also experts of their own needs and experiences — to collaborate (Sleeswijk et al., 2005). The process therefore goes beyond consultation, building and deepening on equal collaboration between users and designers as they resolve a particular challenge. This become central to the design process as the designer’s role shifts from that of a translator (of user experiences/needs) to that of a facilitator (Sanders & Stappers, 2008) providing ways for people to engage with each other as well as providing ways to communicate, be creative, share insights and test out new ideas.

The assumption that co-design is critical to service design because different perspectives, and a productive combination of different perspectives, are needed in order to understand both a service’s demand side (i.e. users’ and customers’ needs) and its supply side (i.e. technologies and processes), in order to develop successful services
has not been investigated in depth (Steen et al., 2011). As pointed out by Steen et al. (2011) three types of benefits of using co-design in service design projects have identified as:

- Benefits for the service design project itself, such as improving the creative process, developing better service definitions and organising the project more effectively or efficiently;
- Benefits for the service’s customers or users, such as creating a better fit between the service offer and customers’ or users’ needs, a better service experience and higher satisfaction;
- Benefits for the organisation(s) involved, such as improving creativity, a focus on customers or users, cooperation between disciplines, and capabilities and enthusiasm for innovation.

**Retail store design**

To design retail store environments and services that produce the desired effects, an understanding of the potential consumers is a key issue (Pradhan, 2012). From an overall perspective, shopping can have two types of objectives: goal-oriented and recreational purposes (Joye et al., 2010). When shopping is a goal-oriented activity, the shopper feels bothered by factors such as having to wait in line, having difficulty in finding the desired products, having to pass physical obstacles, etc. Such issues result in a bad shopping experiences, which, in turn, can lead to the shopper avoiding specific shopping situations (Donovan & Rossiter, 1982). On the other hand, recreational shoppers are less adversely affected by such factors, but, in fact, prefer some stimulation during their shopping activities (Van Rompay et al., 2012).
In retail research, the terms ‘arousal’ and ‘relaxation’ have often been used to describe positive and negative emotions produced by shopping experiences. In fact, these types of emotions have been shown to negatively and positively affect shopping pleasure and behaviour, depending on intensity and context (see review in Brengman et al., 2012). Another perspective on customers’ experiences is provided by Bagdare and Jain (2013), who showed that retail customers’ experiences can be described in four dimensions: joy, mood, leisure and distinctive. Thus, in order to create good customer experiences, the right mix of emotions needs to be evoked.

An important aspect in store design is to understand how potential consumers perceive themselves, as shoppers usually prefer shopping environments that match their self-concept (Sirgy et al., 2000; Yim at al., 2007; Chebat et al., 2009). According to the study by Chebat et al. (2009), store loyalty can be predicted by consumers’ self-congruity (match between the brand image and consumer’s self-concept) — and store dimensions such as atmosphere, merchandise, price and promotions can predict this self-congruity. Another way to understand consumers is through the concept of ‘lifestyle’, as used in the sociology of culture to distinguish between social groups in general patterns of values, attitudes and preferences (Ritterfeld, 2002).

Much retail store design research has focused on the design of shopping environments that stimulate consumers towards a desired behaviour. Such research has been heavily influenced by the work by Philip Kotler, who in the beginning of the 1970s was a key figure in relation to exploring the more subtle aspects of service environment design — what he termed ‘atmospherics,’ or “the conscious designing of space to create certain effects in buyers” (Kotler, 1973, p. 50). Since then, there have been many studies on environmental psychology and retailing that have established the
importance of creating pleasant consumer experiences, conveying a desired store image and promoting specific behaviours (see, e.g., the review by Van Rompay *et al*., 2012).

According to Simonsen (2014), there is a tendency for more stores to sell mixed products. She mentions that a bike shop may open a café, a hairdresser may sell glasses and a hardware store may sell clothing. Furthermore, in the coming years, we may expect to see more social shopping, whereby stores become places where we listen to music, go to events and places where we meet new people (Hu & Jasper, 2006; Simonsen, 2014).

**Service design**

The concept of ‘design’ has traditionally been linked to products, and, in many aspects, the insights produced in the field of product design cannot be applied to ‘service design’, because of the different characteristics of services, such as intangibility and perishability (Holopainen, 2010). More specifically, service systems can be defined as configurations of people, technology and other resources that interact with other service systems and help create value (Maglio *et al*., 2009; Patrício *et al*., 2011). According to (Saco & Goncalves, 2010), from a design management perspective, service design can be defined as:

- A means for creating services that are useful, useable, desirable, efficient, and effective
- A human-centred approach that focuses on customer experience and the quality of service encounters as the key value for success
- A holistic approach that in an integrated way considers strategic, system, process, and touch-point design decisions
• A systematic and iterative process that integrates user-oriented, team-based interdisciplinary approaches and methods in ever-learning cycles.

The design management approach to service design often focuses on how particular methods and approaches of design, such as visual representations of customer journeys and creation of ‘personas’, may be applied in the design of services (Holopainen, 2010). On the other hand, the field of participatory service design often focuses on co-design methods and development of tools (e.g., Bowen et al., 2013).

Service design processes have often been described in the form of ‘water wall models’ (i.e., a set of predefined steps) (Bullinger et al., 2003), but this linearity perspective has increasingly been criticised (Alam, 2002; Toivonen et al., 2007). Also, the traditional perspective on service design, which has a focus on offering value through predefined services, has been challenged. For example, it has been argued that the design of complex service systems requires a holistic approach, i.e., a focus on both design system components, and the network of relationships that make up the service, which overall results in the full service of greater value than the sum of its parts (Norman, 2011). Another perspective is that value is created through ‘co-design’, which can be done through social interaction with employees, other companies and customers (e.g. Vargo & Lusch, 2004; Toivonen et al., 2007; Binder et al., 2008; Roser et al., 2013). Thus, instead of delivering shrink-wrapped services, companies may offer value propositions that customers can turn into value through use (Normann & Ramírez, 1993). The resources that a company use in co-design of value can, according to Saarijärvi et al. (2013), come through B2B, B2C, C2B and C2C value relations.

An important aspect of service design is customer experience, which has increasingly been discussed since the beginning of 2000 (Caru & Cova, 2007) and is
often perceived as the single most important aspect for achieving success for companies across all industries (Chakravorti, 2011). According to Sundbo and Hagedorn-Rasmussens (2008), customer experience is the customer’s direct and indirect experiences with the service process, the organisation and the facilities, as well as how the customer interacts with the service firm’s representatives and other customers. To address such processes, the concept of ‘customer experience management’ (CEM or CXM) has emerged. CEM focuses on fulfilling the needs of the individual customer and involves all customer interactions at various touch points. CEM builds on an integrated infrastructure that enables the organisations to capture, evaluate, analyse and understand their customers’ experiences (Sathish & Venkatesakumar, 2011).

Companies often overestimate the quality of the experiences they provide to their customers. For example, Bain and Company surveyed the customers of 362 companies and showed that only 8 per cent of them described their experience as ‘superior’, whereas 80 per cent of the companies believed they were providing superior experiences (Meyer & Schwager, 2007). The survey also indicated that the companies’ problems of producing good customer experiences were related to the acquisition of knowledge about customers’ expectations and experiences, the distribution of this knowledge across the organisations, and the assignment of the responsibilities for applying this knowledge.

**Consumer communities**

Consumer communities have several similarities to the concept of ‘communities of practice’. According to Wenger communities of practice “are groups of people who share a concern, a set of problems, or a passion about a topic, and who deepen their knowledge and expertise in this area by interacting on an ongoing basis” (Wenger et al.
The group can evolve naturally because of the members' common interest in a particular domain or area, or it can be created specifically with the goal of gaining knowledge related to their field. It is through the process of sharing information and experiences with the group that the members learn from each other, and have an opportunity to develop themselves personally and professionally.

Because of the high costs associated with winning new customers for companies, it has become increasingly important to establish long-term relationships (Casaló et al., 2008; Morgan & Hunt, 1994; Andersen, 2005). One way of building such long-term relationships is through the establishment of consumer communities anchored in a company. The literature with a focus on consumer communities has its main focus on online (or virtual) communities, i.e., communities connected through message boards, chat rooms, and blogs. Such communities are often referred to as ‘virtual communities’ — a term introduced by Rheingold (1993). This paper, on the other hand, focuses mainly on communities based on real-world interactions. Interaction with users is often described in the design literature, for example, how consumers can be involved in the design of their own products (e.g., Mugge et al. 2009) — as opposed to the use of consumer communities in the development of services in retail stores. An important type of a consumer community is a ‘brand community’, which is defined as group of individuals who voluntarily relate to each other because of their interest in some brand or product (Muniz & O’Guinn, 2001). The concept of brand communities involves the concepts of productive consumers and of value co-creation (Algesheimer et al., 2005; Schouten et al., 2007). The company benefits from brand community strategies can be significant, including higher consumer satisfaction, greater consumer loyalty, more information and an amplified word-of-mouth effect (Atkin, 2004). According to Casaló et al. (2008), a brand community is characterised by three core components. The first is
termed ‘consciousness of kind’, and it refers to the feeling that binds every individual to the other community members and the community brand. This type of feeling is determined by legitimisation (establishing a difference between true and false members) and opposition to other brands. The second core component is termed ‘rituals and traditions’, which describes the processes carried out by community members, in which the community is reproduced and community meaning is transmitted in and out of the community. The third core concept is termed ‘sense of moral responsibility’, which refers to the feelings that create moral commitment among the community members. The two fundamental types of actions in relation to moral responsibility are: the integration and retention of members that guarantee the community’s survival, and the support in the correct use of the brand.

In relation to consumer communities, an important distinction can be made between enduring involvement and situational involvement, where external stimuli cause situational involvement and internal factors cause enduring involvement (Houston & Rothschild, 1978). Enduring involvement requires commitment, which is a central objective for most organisations (Andreassen, 1999). Commitment can be defined as a continuing desire to maintain relationships that are considered important and valuable (Moorman et al., 1992; Morgan & Hunt, 1994) — and it can be divided into calculative and affective commitment (Geyskens et al., 1996; Roberts et al., 2003; Gustafsson et al., 2005). The calculative commitment refers to an individual being committed to a relationship because the value of the resources invested in the relationship would be substantially decreased if the individual ends this relationship and starts another one. This also includes situations in which there are no attractive alternatives to the established relationship. Affective commitment refers to the emotions and closeness
between the parties, and this type of commitment assumes that both parties involved in a relationship will be interested in continuing it.

In relation to the focus of this paper, the concept of ‘communities of practice’ is also relevant. The concept was introduced by Jean Lave and Etienne Wenger (1991) to describe a group of people who share a craft or profession and are bound together by their common interest in that domain in which they share their information and experiences with each other and thereby are part of a learning process. In some cases, this describes what happens when communities are established around brands or retail stores, namely, that consumers are bound together by a common interest and through these relationships they learn from interacting with each other.

**Research Method**

To investigate consumer communities as a store concept, two longitudinal case studies were carried out. The two companies were identified through a portfolio of more than 35 case studies from the ‘Design to innovate’ (D2i) projects from the period 2012-2015. D2i is an organisation focusing on helping small and medium-sized businesses (SMEs) in the southern region of Denmark to develop their businesses by using design as an approach. Initially, D2i was funded by the European Regional Development Fund (2012-2015), after which it became a member-based design cluster that supports business development and business growth through design, combining research, business, and design practices (D2i, 2019).

The purpose of D2i (2019): “....is to help companies realise ideas and build and develop collaboration agreements and networks with knowledge institutions and other companies. D2i works across industries, and our project activities and membership options give companies access to strategic design research and knowledge. The long-
The term goal for D2i is to integrate design into more companies and thus to promote growth and improve competitiveness.”

Two specific cases were selected due to their focus on building “retail store communities” (Peters and Bodkin, 2018) and included a diving store (combined with diving centre) and a camping store. The two cases were examined through interviews, store observations, networking meetings and workshops from autumn 2012 to the summer of 2014. The interviews were carried out as semi-structured interviews with the CEO and in the case of the camping store, this was conducted as a double interview with the CEO and the store manager. The interviews were digitally recorded. The observations at the stores had the purpose of understanding communication with customers, store design and consumer behaviour. The observations were conducted in the camping store by observing a designer and a customer in a real shopping situation. In the case of the diving store, role-playing activities were carried out by two designers, a researcher and the store manager acted as improvisations (Larsen & Friis, 2018) with the purpose of observing and understanding how customers met and interacted with company staff.

In order to validate the data, information was further acquired through several informal conversations with employees from the companies. All the observations were registered through notes, process maps and photos which was later used in the workshops to further analyse, develop and create consumer communities.

To further validate the data and to broaden the insights and learning on how to create consumer communities, four networking meetings were carried out that involved four to seven related companies, including the two in focus. The network meetings were facilitated as workshops (Storvang, Mortensen & Clarke, 2018) and had the purpose of putting greater focus on the end customers by discussing: “for example, tools and
planning of processes that focus on relationships, shops, internet, events, etc.” Other topics also included learning about branding, store design, design thinking as well as letting the companies share experiences with business developing initiatives for customers.

The first network meeting focused on marketing and how to create customer events and service design by increased focus on service as a strategic tool in the development and relations with customers. The second network meeting focused on new online marketing and web challenges particular on how to make shop turn around to involve customers in product offer by using customers and staff to provide useful content on blogs, social media and internet as a internet-a tool for information to create “Trip advisor effect”. The third network meeting focused on store design and company branding as a way to create different types of experiences and shop design to engage the customers in shop activities. The final network meeting focused on methods and tools to use to as a new way to thinking to create customer journeys, places and touchpoints from where users meet and experience the company.

In parallel with this, four workshops were organised. The first three were planned according to the specifics of the individual stores challenges by using design methods and co-design processes involving designer, researchers, staff, users and other stakeholder to analyse and to develop new solutions. The challenges included organizational and cultural change in the stores and among staff to better meet customers’ demands in the stores, in workshop areas in the camping repairment shop and on water in the diving centre.

Two of these workshop were facilitated by design consultants and one by design researchers. The fourth workshop was facilitated as an ‘idea generation camp’ by a
group of business students (Bager 2011) to look at new business opportunities in the diving store case. Information about the two case studies is shown in Table 1.

Table 1. Case study characteristics

<table>
<thead>
<tr>
<th>Case</th>
<th>Interviews</th>
<th>Store observations</th>
<th>Network meetings/workshops</th>
<th>Company workshops</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diving Store</td>
<td>2</td>
<td>2</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Camping store</td>
<td>1</td>
<td>2</td>
<td>4</td>
<td>2</td>
</tr>
</tbody>
</table>

Findings

Creation of communities around retail stores using a co-design approach

As the two case studies have shown, the stores have via collaboration and interaction with a broader network of users, designers, researchers, staff and other stakeholders been able to establish co-design and learning processes in their creation of a variety of ideas for building and growing consumer communities. The two cases revealed that there are advantages and disadvantages of using co-design in creating a consumer community. This is here expressed by the store manager in the camping store as they got “...some tools to improve our sales and to give the customer a great experience to get more customers into the shop and workshops .... we have become more aware of how we make our shop displays” And she continued that now she “see the shop with different eyes than before ... I think it is a really good group that we have and we give each other a lot of good really things...” She explained this when talking about the strengths of being in a network with the focus on developing activities and added value for store customers.

On the other hand, the design processes can also take time and the cases have shown that it can be difficult for the stores to set aside time to participate. That is, in
order for them to be willing to participate, it must be relevant for B2C companies, as they often find the many B2B project offerings they participate in are often not relevant and with very little value to them. Also, it was expressed by many of the participants in the network meetings that it must not be too heavy and theoretical, which is here explained by a store manager: “…the first time it was probably a bit heavy - the other times have been great…you have become much better at seeing what we need…”

Although, there are advantages and disadvantages, one of the store CEO stated that she by participating had gained: “…network, new knowledge and new tools”. The store manager at the same company noted that the co-design process had given “… a lot to self-development and thus also power to change some habits…” and therefore, she could recommend the process to other companies for them to participate in similar activities.

The case studies identified four themes that address the question in focus of this paper. These four themes and their overall categories identified in the case studies are:

1) Community forms:
   - Business-consumer relation foundation
   - Consumer-consumer relation foundation
   - Business-consumer and consumer-consumer relation foundation

2) Community creation premises:
   - Consumer motivation
   - Consumer availability
   - Consumer homogeneity

3) Activity types
   - Business-oriented
   - Consumer-oriented
4) Activity selection

- Business-initiated recreational agenda
- Business-initiated goal focus
- Consumer-initiated recreational agenda
- Consumer-driven goal focus

The four themes and their categories are described in the subsequent sections.

**Community forms**

During the network meetings and workshops, different kinds of community forms were mentioned. These forms included two consumer community archetypes, which have also been described in the literature (Lechner and Hummel, 2002): (1) communities held together by relations between a business and consumers, and (2) communities held together by relationships between consumers. In addition to these two archetypes, hybrids between the two were also mentioned. These three types of communities are illustrated in Figure 1 and subsequently explained. In this figure, the ‘B’s’ refer to ‘businesses’ and the ‘C’s’ to ‘consumers’ with the lines symbolising their relationships.

*Figure 1. Archetypical consumer communities*
In the business-consumer (BC) community archetype, the communication is between the company and individual consumers. This can, for example, be in the form of a webpage or newsletter where it is possible to communicate with a company but not with other consumers. The downside of this form of community is that it requires much communication to keep the community alive — and although providing consumers with this communication, they may still desire to communicate with other consumers as well.

In the consumer-consumer (CC) community archetype, the communication is between the consumers. This can, for example, be in the form of a society of people with a common interest. From the perspective of a company, the problem of this type of community is that it is not related to the particular company, and for this reason its participants may use different companies to support their activities.

In the BCCC community archetype, there is communication between the company and individual consumers and between individual consumers. To avoid the downsides of the previous two community types, this kind of community, in most cases,
seems to be the one to strive for. This was also the aim of the two outdoor product stores in focus.

**Community creation premises**

Before attempting to establish a consumer community anchored in a store, that store needs to consider the feasibility of doing so. Based on the discussions during the interviews, network meetings and workshops, three relevant aspects of this issue emerged:

- Consumer motivation
- Consumer availability
- Consumer homogeneity

Firstly, it is important that the consumers in focus have a desire and *motivation* to spend their spare time on activities involving a store and other consumers. This to a great extent depends on the type of products that the store offers. That is, the products need to be related to a special interest, even passion, of the consumers, which is also the case for the diving and the camping stores. For example, in the two cases, the diving centre and store have become Denmark's 2nd largest PADI training centre, also arranging diving travels due to their active involvement of their customers. Today, they certify more than 500 divers annually as well create events for other types of user groups to experience and learn about the life beneath the surface. At the same time, they have also been working and co-designing initiatives to inspire other tourism industries to develop. The retailers were rewarded them with several prizes, namely, PADI's Green Star Award for running a green business and the municipalities’ Tourism of the Year prize 2018 for their contribution to brand them as a tourist destination and an exciting place to visit (Ocean, 2019).
Secondly, the consumers in focus need to be *available* in the sense that they are not already involved in other communities that would make it difficult to involve them. For the diving and camping stores, the community needs of a significant number of the ‘motivated consumers’ did not seem to be completely fulfilled by other organisations. An example of this is how the diving centre over the years have made lectures, courses and events to get people interested in their activities. But since the competition from many other outdoor and sports activities are very high, it can be difficult to get new users interested in diving and water sport. For this reason, the diving centre and store have made education to their core business. An illustration of this is that in collaboration with the school in the municipality, they made an elective course to introduce the sport to new user types such as school children (Ocean, 2019).

Thirdly, consumer *homogeneity* needs to be considered because, while a store’s consumers may be motivated, available and share a common overall interest, they may not necessarily have the same exact interests. If such interests are too divergent, then this implies the need for several specific consumer communities, which could be extremely resource-demanding to support. In relation to the two cases studied, only the camping store had made an actual study of its customer types, while the diving store believed that they have acquired a good understanding of this issue through their daily experiences. However, after having participated the last workshop, the diving centre decided to produce some customer profiles to help them become better at addressing the needs of their customers. In neither of these two cases did the stores find that their customers were too inhomogeneous, which would thus prevent the formation of communities across the different customer types.
The importance of these three aspects was illustrated by two of the other companies participating the D2i network meetings: a bike store and a scout store. Both stores appeared to have customers motivated by community participation, but other factors implied that the creation of consumer communities did not appear to be a good strategy in these cases. For the bike store, on an overall basis, many of their customers were just interested in buying a bike without further activities. For the customers having cycling as a more serious hobby, most were members of cycling clubs that fulfilled their community needs. Thus, although certain activities could generate attention and attract consumers, it seemed to be difficult to establish a customer community anchored in the store. As for the scout store, Denmark has a long tradition of young people being members of scout organisations. Thus, although activities initiated by the scout store were well capable of attracting consumers, but such activities did not seem to lead to the creation of a group of customers with special ties to the store, i.e., a community. In other words, such activities generated attention and attracted customers, but they did not create communities anchored in the store.

**Activity types**

Communities are established and evolve around activities. In the two cases studied, activity creation can be seen as revolving around three types of entities: the business, the consumers and the products. These entities do, however, not create activities independent of each other, but through their mutual relations. This is illustrated in Figure 2 and subsequently explained.

Figure 2. Creation of community activities
The relation between the business and the products involves that the business (store) retrieves information about products, as well as actual products, and defines demands for future products. The relationship between the business and the consumers involves that the consumers share their experiences and make demands for products and services for the business to respond to. The relationship between the consumers and the products involves that consumers acquire and use the products.

Activities can emerge from all three of these outer entities, i.e., the business, the consumers and the products. As mentioned, a business may create an activity in order to strengthen its bonds with consumers or stimulate community creation. Activities of all three of these types were identified in the three cases. From the business perspective, the diving store, for example, arranged club nights, while the camping store arranged themed exhibitions. From the consumer perspective, diving store consumers, for example, suggested certain social events, while camping consumers socialised with each other in the store café. From the product perspective, for the diving store, certifications from external parties could be acquired through the store, and in the camping store, suppliers organised product presentations.
Regardless of where an activity emerges from these three entities, that activity needs to consider business, product and consumer aspects. From a business perspective, an activity needs to produce a benefit. This can either be a direct benefit, for example, that consumers pay for participation or buy products while participating in the activity, or it can be indirect benefits, for example, consumer loyalty or community building. From the product perspective, an activity needs to consider the products offered by the store at a minimum in the sense that the activity does not negatively impact the consumers’ interest in the products. More specifically, certain activities may have the focus of strengthening the bonds between the business and its consumers, while not involving the actual products offered in the store. For example, if a bicycle store gave away cinema tickets to a cycling movie, the movie should not directly or indirectly promote bicycle products that the store does not offer, which, in the worst case, could drive the customers to competitors. Finally, in the consumers’ perspective, the activity needs to be interesting so that they would want to participate.

**Activity selection**

Having defined possible activities and realised that realistically only a subset of potential activities can be initiated, the question is: Which combinations of activates should a business choose to initiate? As argued earlier, activities can be consumer initiated or business initiated (‘business’ in this context covers both store and supplier initiatives). Further, as described in the literature, consumers may have a recreational and/or a goal-oriented agenda. In the cases studied, both the recreational and the goal-oriented focus were observed in which the ‘recreational’ agenda refers to participation with the motive of relaxing and having a good time, while the ‘goal-oriented’ agenda refers to a motive of acquiring something. In the cases studied, such goals were mainly
related to acquiring information, but also including getting certain discounts, having certain experiences, being helped fixing defect products and trading used products. Obviously, many of these activities also had a strong recreational (socialising) aspect at the same time. The two distinctions give rise to defining four types of community activities, as illustrated in Figure 3.

Figure 3. Community activity types

When considering the cases in relation to Figure 3, ‘business-initiated recreation’ includes activities such as organising club nights (diving store) and serving hot dogs (camping store); ‘business-initiated goal focus’ includes diving education and lectures about camping; ‘consumer-initiated recreation’ includes socialising with consumers and personnel on the ‘diving ship’ and consumers socialising with each other in the camping store café; and ‘consumer-driven goal focus’ includes consumers sharing experiences about diving on the ‘diving ship’ and consumers offering to give lectures in the camping store. As mentioned earlier, many activities obviously may have both recreational and goal-oriented aspects at the same time.
Often it would be preferable to include both business-initiated and consumer-initiated activities in order to avoid that the business needs to use too many resources and that the community is not connected to the business. Furthermore, if consumers have either, or both, recreational and goal-oriented needs, there is a need to support both types in order to keep as many consumers as possible in the community.

Finally, it should be noted that although outdoor customers may have the same general interest, they may have very diverse preferences and needs. Thus, a store must identify activities that simultaneously satisfy (almost) all customer types or target a subset of their customers. This kind of analysis may be carried out by dividing customers, sharing relevant characteristics, into subgroups, and then map these groups to possible activities, using a rating that describes their expected interest in the activity. This illustrated in Figure 4.

![Figure 4. Mapping consumers and activities](image)

Both of the companies studied employed a mix of business-initiated and consumer-initiated activities for recreational and goal-oriented purposes (Figure 3). Furthermore, the companies chose to develop a sets of activities that would appeal to
different consumer groups (Figure 4). These initiatives are shown in Table 2.

Table 2. Activities identified by the companies in their co-design studies

<table>
<thead>
<tr>
<th>Diving store</th>
<th>Camping store</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Diving club membership</td>
<td>• Repair shop for altering and repairing caravans</td>
</tr>
<tr>
<td>• Club nights</td>
<td>• Store café (in a sparse self-service variant)</td>
</tr>
<tr>
<td>• Dining arrangements</td>
<td>• Lectures in the café (done by personnel, suppliers, or customers)</td>
</tr>
<tr>
<td>• Diving trips</td>
<td>• Lending of their meeting rooms to other companies</td>
</tr>
<tr>
<td>• Fishing trips</td>
<td>• Product demonstrations (by personnel or suppliers)</td>
</tr>
<tr>
<td>• Lectures about diving</td>
<td>• Leisure events (e.g., serving hotdogs, arranging competitions, etc.)</td>
</tr>
<tr>
<td>• Diving education/courses</td>
<td>• Product testing (areas for trying products)</td>
</tr>
<tr>
<td>• Equipment repair facilities</td>
<td>• Games (floor games in the store)</td>
</tr>
<tr>
<td>• Used equipment marked</td>
<td>• Children’s areas (play areas)</td>
</tr>
</tbody>
</table>

The experiences of the diving store after launching these initiatives were that they, to a large extent, had enabled the creation of a community that included both the staff and consumers. The owner described the community anchored in the store as “a special kind of interest community, where there is a feeling that the employees are like one big family”. Further, the activities around the ship and at the diving store were believed to have attracted new customers.

The experiences of the camping store with these initiatives have so far been mixed. While activities, such as leisure events, children’s area and floor games seemed to have drawn attention to the store and increased consumer satisfaction, the store café had not yet had the desired result. The café was not only intended as a self-service café, but also as a space in which the store could arrange lectures, social events and other arrangement in the evening. However, they had never quite gotten this café to operate as
intended, since the store had difficulties in finding resources for arranging such events and because of fewer consumer-initiated events than expected.

Despite the different experiences of the two stores so far, common for both was that they saw a great potential for harvesting the benefits from the initiation of different consumer-oriented activities. On the other hand, a central issue for the stores was that they, like many other SMEs, had limited financial and time resources to invest in such activities. Further, the two cases showed it could be extremely difficult to anticipate which activities consumers would participate in. Thus, there was a need for constantly evaluating initiatives and, if necessary, new ways to activate the community. In this sense, communities may be seen as ever-changing organisms with constantly developing needs.

As mentioned, the majority of the literature on consumer communities focuses on web-based communities. This issue was also found important by the companies in the design network, since they had all recognised an increasing necessity of using social media. On the other hand, the administration of web-based news and forums were found to be rather resource demanding, for which reason the companies in focus found it very difficult to keep up with. Further, the actual effects of web-based activities on the sales numbers can be harder to pinpoint than activities organised at the stores. Thus, in relation to community creation, the case companies had their main focus on store-related activities, while web activities were almost only in the form of one-way communication through webpages to an unknown group of recipients. In other words, such web activities had the purpose of creation attention and attracting customers, not on creating communities.

Discussion

This paper focused on how retail stores can stimulate consumer community
creation through a co-design approach. A focus was made on outdoor activity product stores, since their consumers seem to be particularly relevant because of their often passionate relationship to activities related to the products in focus. Thus, two longitudinal case studies of such companies were carried out. With a basis in the two case studies and to address the question in focus, four issues were explored: 1) the community form to aim for, 2) the premises for creating communities, 3) the relevant activity types and 4) the set of activities to be chosen.

Firstly, in relation to community forms, the paper defined three archetypes: business-consumer (BC), consumer-consumer (CC) and a combination of the two (BCCC). In the two cases studied, the latter seemed to be ideal, as the BC community type implies that the stores needed to spend too many resources on consumer interaction and unfulfilled consumer needs of talking to other consumers, while the CC community type implies a lack connection between the community and the stores, thus posing the threat of the consumers choosing competitors. However, although the BCCC community type was the ideal for the cases studied, it may not always be so. For example, some fashion stores and supermarkets offer memberships to their consumers to create loyalty towards the store or brand in focus, but they may not have a particular interest in their consumers socialising with each other. Thus, in such cases, the BC community type seems to be most suitable. On the other hand, for companies producing a new or special type of product, the CC community may be relevant simply to increase the awareness of the product type. For example, fair trade product producers and ecology producers would have an interest in communities promoting and creating greater awareness of these types of products in general, as this is likely to be beneficial for all, or at least the majority, of such producers.
Secondly, in relation to the premises for the creation of communities, the paper defined three types: consumer motivation, consumer availability and consumer homogeneity. These were all extremely important in the two cases studied, but the question is if this would be the same in other cases? At least the first two seem to be of a general nature, as it would be hard to imagine a well-functioning community without consumer motivation or availability. This homogeneity aspect as a minimum involves that consumers have a common interest in the types of products offered. It could be assumed that, for example, communities initiated with the purpose of learning about consumers or to stimulate innovation could be effective if they included persons with very different perspectives.

Thirdly, in relation to consumer community activities, the paper argued that these could be understood as being defined by three elements: the business, the consumers, and the products. Given that the latter is defined as minimally implying that the activity does not discredit the company’s products or promotes competitors’ products, it seems that this perspective is adequately fundamental to also be useful in other cases.

Finally, the paper defined four overall types of community-initiated activities by distinguishing if they are consumer-initiated or business-initiated and if they have a recreational or goal-oriented purpose. For the two stores studied, it appeared that there was a need for having both business-consumer and consumer-consumer activities, as well as both recreational and goal-oriented activities. This may, however, not be the case for other companies. For example, some malls focus on attracting consumers with recreational activities, while some hi-fi forums seem to be highly focused on sharing information about products. Also, as earlier mentioned in relation to the community form discussion, both pure BC and CC communities may be relevant in some cases.
In contrast to the type of consumer communities that the literature mainly focuses on, namely, Internet-based communities, the two companies mainly focused on communities involving real-world interactions. In fact, the case studies showed that for some SMEs, the work associated with maintaining and evolving Internet-based communities can be too time consuming to employ as a community strategy. On the other hand, the two case studies showed that outdoor product stores can achieve a number of benefits by implementing ‘real-world’ activities that stimulate community creation. Such communities can, for example, provide an incentive to spend more time in stores and produce customer loyalty, while minimising the need for traditional market investigations. As argued, the framework may also be useful for other types of stores, and even other types companies. Thus, besides further studies of the framework in relation to outdoor stores, future research needs to study the framework’s usefulness in other contexts. Future studies should also conduct longitudinal research to investigate the changes upon the uses of a co-design approach in stimulating consumer communities.
References


