

## Value co-creation model in the manufacturing industry

*Seino Satoshi, Jiang Xianghua, Muramatu Junichi, Ohyabu Akira, Zhang Jing*

**Purpose** – Customers interact to create value in use, but if they may not have enough knowledge and skills to create value in use, they cannot create value. In this case, a firm has a opportunity to co-create value in use by directly interacting with the customer. Service firms usually have direct contacts with customers and make direct interactions according to customers' circumstances. But in the manufacturing industry, there is no direct contact with customers. A firm is required the different system from the ordinary marketing system. The purposes of this research are to clarify how a firm practice direct value co-creation in the manufacturing industry and to make a co-creation model applicable to manufacturing industry.

**Design/Methodology/approach** – Case study methodology is adopted. The actual state of value co-creation with direct interaction in the manufacturing industry is based on qualitative approach. The marketing of SONY 's SLR camera is adopted as a case of direct interaction. We derive the key point on how to effectively increase customer value to make a model for applying value co-creation to manufacturing industry based on the case study.

**Findings** – A corporate system for making direct value co-creation consists of two areas: an area where direct interaction takes place and an area where value co-creation is supported within the company. The area of direct interaction consists of contacts, communication, co-creation, and value in context, and the area to support consists of the process of preparing value co-creation and the company-wide backup.

**Research limitations/implications (if applicable)** – The study makes a better understanding of mechanisms of value co-creation with direct interactions from a theoretical point of view.

**Practical implications (if applicable)** – The study gives suggestions on organizational functions to be held within a manufacturing firm when the firm turns into service.

**Originality/value** – The system of value co-creation in a manufacturing firm is clarified.

**Key words** (max 5) – Value co-creation, Servitization of manufacturing firm, Value in context, Empirical study

**Paper type** –Research paper