

Relational Capabilities for Value Co-creation in the Context of the Blogging Industry: A Multiple Case Study

Author: Nassim Eshaghi
University of Twente
P.O. Box 217, 7500AE Enschede
The Netherlands

ABSTRACT,

Purpose – The purpose of this paper is to explore the relational capabilities developed by actors of the blogging industry in relationship with strategic partners on the horizontal level, and to investigate the influences of these relational capabilities on value co-creation.

Design/methodology/approach – A multiple case study was conducted with 10 respondents of the blogging industry with a variety of backgrounds. It is an explorative study with semi-structured interviews.

Findings – The results revealed 12 concepts of which 11 were subsumable into three categories. Relational utility, the first category, displayed the capabilities that indicate whether two firms or individuals are of strategic benefit to each other. Secondly, human relational capabilities reflect the inter-personal competences, which add a considerable extent to the persuasion of one another. The third category entails managing capabilities, those that are necessary during the co-creation process. Finally, relational incrementalism indicates a method to gradually approach and get to know each other by starting with small value co-creation projects and slowly increasing those by frequency and size.

Practical Implications – The data offers practical insights for stakeholders of the blogging industry and provides inspirational impulses for firms to benchmark their relational capabilities against those discovered in this study.

Theoretical Implications – The study contributes to the growing body of literature concerning “value co-creation” as well as “blogging” by revealing the relational capabilities between co-creating actors in the blogging industry.

Originality/value – The research results highlight several relational competences that have been unexplored in the specified field and provide a useful basis for scholars and practitioners.

Supervisors: 1st Supervisor Dr. R. Loohuis
2nd Supervisor Dr. M. de Visser

Keywords

Value Co-creation, Coopetition, Relational Capabilities, Co-creation Competences, Blogging, Influencer Marketing

Permission to make digital or hard copies of all or part of this work for personal or classroom use is granted without fee provided that copies are not made or distributed for profit or commercial advantage and that copies bear this notice and the full citation on the first page. To copy otherwise, or republish, to post on servers or to redistribute to lists, requires prior specific permission and/or a fee.

7th IBA Bachelor Thesis Conference, July 1st, 2016, Enschede, The Netherlands.

Copyright 2016, University of Twente, The Faculty of Behavioural, Management and Social sciences.

1. INTRODUCTION

With the emergence of the Internet and an ever-growing globalizing world, organizations have become increasingly dependent upon each other. Companies are becoming more and more connected and therefore rely on resources beyond those found within their own boundaries (Theoharakis, Sajtos & Hooley, 2009), which are only implicitly considered in the resource-based view (Srivasta, Fahey & Christensen, 2001). Hence, for many industries, specialization, knowledge intensiveness and technological complexity are gaining significant relevance (Jacob & Ulaga, 2008; Möller, 2006; Sawhney, 2006). Furthermore, relational resources which go beyond organizational boundaries have been recognized as being decisive for achieving a competitive advantage (Dyer & Singh, 1998).

In order to benefit from these changes, organizations increasingly create value together. This concept of joint value creation is understood as *value co-creation* or *co-value creation*. Recent literature increasingly draws on this concept, where “firms act in collaboration with actors such as suppliers, customers, [strategic partners] or competitors and with other non-commercial knowledge-generating organizations” (Coombs and Metcalfe, 2000 p. 209), in order to remain competitive. Galvagno and Dalli (2014) offer an extensive review of the current literature at hand. They deliver an overview of the following theoretical paradigms, which the co-creation literature encompasses: (1) service science, (2) innovation and technology management, and (3) marketing and consumer research.

Although there is quite an extensive amount of literature on value co-creation, several areas in this field require deeper investigation. Much of the extant co-creation research focuses on big companies instead of SMEs, although the latter are considered to be the backbone of the economy, representing 99% of all businesses in the EU (Europa.eu, 2016). Moreover, co-creation is often looked at from an upstream or downstream perspective, but less from a horizontal one. Value co-creation does not only happen with customers and suppliers. It is also of importance on the horizontal level. In other words, companies should consider co-creating value with strategic partners and competitors in order to fill their resource gaps or to increase their network. Powell (1996) argues that the value of a company can be derived from the quality and size of its network.

The concept of co-creating value with competitors is referred to as “coopetition”. Through the commercialization of pioneering technologies SMEs call niche markets into existence (Jacobides & Winter, 2007). However, given the lack of key resources, limited market presence and dependence upon narrow product or service lines on niche customers (Baum, Calabrese & Silverman, 2000), firms often struggle to put innovations through successfully. For the purpose of creating and perpetuating opportunities and to overcome those challenges, firms develop coopetitive relationships and other partnerships, especially at the commercialization stage (Lee, Park, Yoon & Park, 2010). As many of these companies are confronted with similar challenges and act within related markets, using similar or complementary resources through collaboration strengthens their capabilities (Gnyawali & Park, 2009; Lechner & Leyronas, 2009).

Although, the importance of networking for SMEs has been extensively stressed and the potential for effective value co-creation has been proven, there is currently a lack of research about the necessary relational capabilities that need to be developed in order to put it through successfully (Ngugi,

Johnsen & Erdélyi, 2010). Dorn, Schweiger and Albers (2016) lend support to this and suggest “that the role of resources and capabilities [need] to be further analyzed with regard to their impact on coopetitive relationships” (p.13). Analyzing the relational capabilities between co-creating actors has a high practical relevance, as understanding these could potentially increase the effectiveness of value co-creation outcomes.

Another important point is the fact that little research is conducted on co-creation of SMEs within the digital environment. The world is changing rapidly, and the Internet is exemplary for this “high velocity environment” in which business models need to be modified for new problems on a regular basis (Wirtz, Mathieu & Schilke, 2007).

Many new ventures with zero, negative or unprecedentedly low revenues sought financial capital from the public markets, as promoters managed to persuade investors that traditional revenue and profitability models no longer applied (Teece, 2010). Business models which thrive in the Web 2.0 environment differ drastically from traditional Internet business models. In order to remain competitive, firms thus are forced to revamp their existing business models and adjust them to their environment (Teece, 2010; Wirtz, Schilke & Ullrich, 2010).

It is the marketing streams in particular, that have undergone a shift. Since the emergence of the Web 2.0 “blogging” is an inherent part of the media landscape (Usbeck, 2015). According to NM Incite (2012) the conventional blogosphere has quintupled between 2006 and 2011, reaching 173 million blogs worldwide. Blogging is the act of adding to or maintaining a blog. The definition of a blog, however, is controversial. Many insiders have their own ways to describe or define this medium (Boyd, 2006). This paper will use a more open definition of blogs, and argues that blogs can range from conventional blogs such as Wordpress sites to microblogs such as Twitter. Blogs do not have to be restricted to written texts, but can also involve photos (such as Instagram or Steller), video blogs or “vlogs” (such as YouTube), or audio (such as podcasts). The act of blogging can also involve multiple authors per blog (MABs) and guest blogs. Blogging is all about collective interaction and co-creation of content (Baumer, Sueyoshi & Tomlinson, 2011). However, bloggers do not only co-create value with their readership, but largely also with other bloggers or businesses. Their opinions and activities can have a profound influence on their audience, and increasingly do. There is a shift from traditional marketing streams to those involving bloggers, which are also called “influencers” in the marketing jargon. Doing influencer marketing can be highly cost-effective if done right (Bakshy, Hofman, Mason & Watts, 2011) and is still considered an arbitrage opportunity (Hall, 2016), as many firms continue to be stuck in conventional marketing paradigms. Consumer trust in online content is especially high on “word of mouth” and “content written on specialized blogs” (Statista, 2015). Moreover, social media usage has been rising exponentially. Take for instance the number of monthly active users on Instagram: It has been growing from 90 million users as of January 2013 to 400 million in September 2015 (Statista, 2016). Additionally, the engagement rate remains remarkably high, with only 23% of the users spending every few weeks or less often on Instagram (Statista, 2016). However, and perhaps due its the rapid transition, this landscape remains an underexplored topic in the scientific literature.

Considering the high practical relevance of value co-creation competences as well as the scientific shortage in the field of blogging the purpose of this paper is:

To explore the relational capabilities developed by actors of the blogging industry in relationship with strategic partners on the horizontal level, and to investigate the influences of these relational capabilities on value co-creation.

This paper will not only contribute to the existing literature by investigating the co-creation competences, but also by providing practical insights for firms that strive to create value in conjunction with other companies.

The paper is organized as follows. Existing literature will be introduced to provide an overview of the theoretical background. Subsequently, the methodology used to conduct the study will be explained. The results following will highlight the main insights gained from the study. Finally, the concluding section will accordingly discuss and summarize the results.

2. THEORITICAL BACKGROUND

In the subsequent segment, current literature considering co-value creation and relational capabilities is critically reviewed and connected. In line with this, the underlying concepts are examined creating a foundation for an analysis of the research question.

2.1 Co-value Creation

Co-creation has many altering definitions. For the sake of clarity this paper adopts the definition enhanced by Perks, Gruber and Edvardsson (2012): “Co-creation involves the joint creation of value by the firm and its network of various entities (such as customers, suppliers, and distributors) termed here actors” (p. 935). This definition can be slightly enhanced by adding that actors can also entail competitors, horizontal relationships and other non-commercial knowledge-generating organizations (Coombs & Metcalfe, 2000).

Co-creation can offer ample contingencies for innovation to companies and their network of actors, since every party provides access to different resources through a process of resource integration (Frow, Nenonen, Payne & Storbacka, 2015).

2.1.1 Architecture of Co-creation

Designing co-creation successfully obliges the lead firm and its co-creating partners to clarify the “architecture of participation” (O’Reilly, 2003). In order to get a more in-depth grasp of what co-creation entails this paper makes use of the co-creation design framework (see Appendix 10.1) by Frow et al. (2015). They offer a comprehensive perspective that helps to further understand, and above all, conceptualize co-creation. The co-creation framework is displayed as a morphological field for co-creation design. It offers six dimensions which together form a holistic outline of the entire co-value creation process. In the following this framework will be briefly introduced, as it forms a legitimate backbone of co-value creation theory. The dimensions are: 1) co-creation motive, 2) co-creation form, 3) engaging actor, 4) engagement platform, 5) level of engagement, and 6) duration of engagement.

Motives for co-creation. Reasons for why companies invest in co-creation activities vary. Frow et al. (2015) identified nine different inducements from the perspective of the lead firm: 1) Access to resources, 2) enhance customer experience, 3) create customer commitment, 4) enable self-service, 5) create more competitive offerings, 6) decrease cost, 7) faster time to market, 8) emergent strategy and 9) build brand awareness. This list is not exhaustive, but overall covers a majority of their inducements.

Co-creation forms. Frow and Payne (2013) distinguish between 12 different types of co-creation. They recognize that in the future, further forms of co-creation may arise. Moreover, they elucidate that several co-creation forms may exist in unison. Some forms include: co-conception of ideas, co-design, co-promotion (e.g. Facebook groups, mutual referrals), co-production (e.g. joint content creation such as videos, blog posts, e-books or digital classes), co-experience (e.g. adventure holidays) or co-distribution (e.g. releasing content on a consolidated channel, selling products on the same platform).

Engaging actor. Working on joint value creation always requires at least two or more actors (Frow et al., 2015). Based on the relationship marketing literature Frow et al. (2015) identify five relevant actor groupings, including: 1) customers (upstream actors), 2) suppliers (downstream actors), 3) partners (collaborators for any types of exchange), 4) competitors (actors with a similar offering), and 5) influencers (indirect collaborators such as media, opinion leaders, government and regulatory bodies). The focus of this paper are the latter three actors, representing strategic partners on the horizontal tier.

Engagement platform. Usually effective co-creation involves an engagement platform (Ramaswamy & Gouillart, 2010) empowering actors to share their resources and adjust their procedures to each other. Frow et al. (2015) consider engagement platforms as “a resource for enabling efficient and effective co-creation” (p.10). According to the authors, an engagement platform is willfully conveyed to the co-creation context by the lead actor. The authors identify five types of engagement platforms: 1) digital applications, 2) tools or products that are continuously or repetitively used as an agent to connect actors, 3) physical resources, where mutual co-creators convene for knowledge sharing and augmentation, 4) joint processes involving multiple actors, as well as 5) committed personnel groups.

Level of engagement. The levels of engagement identified by Frow et al (2015) include: 1) cognitive engagement, 2) emotional engagement, and 3) behavioral engagement. Cognitive engagement entails that an actor contributes his cognitive resources to the lead actor, whereas emotional engagement implicates that the actor is dedicated to devote unrestricted endeavors in engaging with the lead actor. An actor is behaviorally engaged, when he alters his behavior, because of the lead actor (Frow et al., 2015). The degree of an actor’s engagement depends on the situation (Brodie, Hollebeek, Juric, & Illic, 2011) and is ingrained in the social, political and cultural setting (Vibert & Shields, 2003).

Duration of engagement. The duration of co-creation, including both the relationship as well as the cooperation, fluctuates from case to case (Fuller, 2010). The longer actors take part in co-creation activities the more they will have at stake in maintaining their relationship (Wasko & Faraj, 2000). The duration of engagement can occur through one-off interactions, recurring interactions and continuous interactions (Frow et al., 2015). “One-off interactions may typically occur in a single channel, whereas continuous interactions may benefit from multiple channels that support continued interactions” (Frow et al., 2015, p.11).

2.2 Coopetition

The succeeding section is going to cover theory on coopetition. Coopetition is a substantial component of co-creation and broadly speaking involves co-creation between actors on a horizontal level. Precisely speaking, coopetition is a strategic approach calibrating both cooperation and competition (Jorde & Teece, 1989). It is a paradoxical interplay between two or

more parties, irrespective of horizontal or vertical nature of the relationship (Bengtsson & Kock, 2014). According to this strategy, businesses can collaborate to realize their overlapping goals as well as competing with each other when certain benefits collide. Akdogan and Cingöz (2012) identify mutual benefit, trust, and commitment as the three key dimensions of coopetition, and stress that trust is the most critical one. Further they underline that these dimensions should interact with each other in order to execute the strategies successfully.

Firms that pursue coopetition are not necessarily only competitors, but can also be partners. Two firms might for instance work together in their purchasing and service provision operations while simultaneously competing in marketing and manufacturing areas (Laine, 2002). Dorn et al. (2016) provide an extensive literature review on the levels, phases and themes of coopetition. They provide a conceptual map of coopetition research with central themes along five major areas: 1) the nature of the relationship, 2) governance and management, 3) the output of the relationship, 4) actor characteristics, and 5) environmental characteristics. As this paper primarily deals with the relational interplay between strategic partners, the following section will elaborate on the nature of the relationships as well as actor characteristics.

According to Dorn et al. (2016) the most frequently applied methods for elucidating actors' motivations are the resource-based view, transaction cost theory, and game theory. These frameworks provide central foundations for examining competitors' incentives to collaborate. Likewise, they all share the underlying assumption that competitors are intrinsically motivated to collaborate (Dorn et al., 2016).

In order to reach the potential benefits of a cooperation and to establish an effective work atmosphere, actors demonstrate similar characteristics with respect to their structures, cultures, or administrative processes (Saxton, 1997). Bierly and Gallagher (2007) explain that strategic fit and organizational similarity are antecedents of trust, which in times of uncertainty becomes a principal pillar of coopetition (Bierly & Gallagher, 2007; Baruch & Lin, 2012; Gnyawali & He., 2006; Lui & Ngo, 2005; Lydeka & Adomavicius, 2007).

Coopetition can involve two or multiple actors. Multi-partner arrangements encompass issues such as coalition building possibilities, higher structural complexity as well as partner dynamics (Albers, Schweiger, & Gibb, 2015; Heidl & Phelps, 2010; Lavie, Lechner, & Singh, 2007).

When actors are involved in conflicting roles or when they have to cooperate and compete concurrently, tensions and conflicts may arise (Dorn et al., 2016). Nonetheless, tensions are recognized as a natural outcome of cooperative activities and therefore should be balanced (Tidström, 2009, 2014).

To efficiently innovate in a cooperative context, absorptive capacities are of the essence (Ritala & Hurmelinna-Laukkanen, 2013). One should bear in mind, though, that as much as high absorptive capacity brings about efficient and effective innovation, it also brings along the risk of easy knowledge appropriation (Dorn et al., 2016). Schiavone and Simoni (2011) argue that past experiences may offer an explanatory fundament for the type of coopetition that actors might go for. All in all, however, Dorn et al. (2016) suggest that "the role of resources and capabilities needs to be further analyzed with regard to their impact on cooperative relationships" (p.13). This paper will make a contribution to fill this gap.

2.3 Relational Capabilities

This section will address literature on relational capabilities. Building and managing relationships is becoming increasingly indispensable in marketing and marketing management in general (Grönroos, 1996). Dyer and Singh (1998) establish several factors of inter-organizational competitive advantage. They include relation-specific assets, knowledge-sharing routines, complementary resources and effective governance and may conceivably generate positive relational results. Relation-specific assets include inter-relational capabilities that, united with a complementary actor, offer value creation greater than the sum of the individuals. In accordance with relationship and network theory, the boundaries between competences accumulated and cultivated inside a company and those adopted via external relationships become indistinct (Gadda & Håkansson, 2001). Hence, the importance of external actors in capability building rises and the competences of a firm may be influenced by the interaction with third party relations (Ngugi et al., 2010). In other words, resources and capabilities may be developed and activated through the synergy of two or more actors. What is more, as smaller companies are often viewed to be possessing fewer resources and capabilities as compared to larger ones, they are obliged to acquire their resources through relationships with other businesses (Johnson & Ford, 2006). Relational capabilities explain how firms can accommodate each other, the role they will have, as well as the significance and scope of these roles (Håkansson & Ford, 2002). Johnson and Ford (2006) investigated the interaction capability development of smaller suppliers in relationships with larger customers and identified four types of mandatory capabilities: 1) technological capability, 2) human capability, 3) managerial systems-based capability, and 4) cultural interaction capability. Ngugi et al. (2010) enhanced these capability concepts by positively correlating them with innovation and value co-creation. For a detailed overview on the concepts it is advised to take a look at the above-mentioned papers. Although, these capabilities principally revolve around vertical relationships between suppliers and customers, there are yet some useful insights provided for this paper. For one, it can be argued that some of the capabilities show parallels between other relationship types such as horizontal relationships. This of course has to be verified by research. Secondly, these concepts provide an inspirational starting point for the ensuing interviews.

The attractiveness of a company within a network may be high to other actors based on the firm's technical capabilities and the resulting positive effect it may yield for its partners (Håkansson & Snehota, 1995). Note, that this presupposes the condition of these capabilities being exclusive to the firm and therefore providing an asset to its partners. According to Lane and Lubatkin (1998) knowledge obtained by virtue of collaborative appropriation is more likely to allow a business to add unique value to its internal capabilities. What is more, firms can develop greater intensity and value co-creation perspectives to enhance relationships, by cultivating a shared culture and values (Ngugi et al., 2010).

2.3.1 Relational capabilities and value co-creation

Relationships can be defined as the "mutually oriented interaction between two reciprocally committed parties" (Håkansson & Snehota, 1995, p. 25). The definition stresses the synergistic aspect. It clarifies that relational gains are co-created by two or more companies, and that the same benefits would not be attainable by the individuals alone (Dyer & Singh, 1998). Moreover, this puts an emphasis on the interdependency of relationships, meaning that companies rely on each other's

resources and capabilities (Ford, Gadde, Håkansson, & Snehota, 2003).

Srivastava et al. (2001) explain that relational and intellectual market-based assets are valuable, rare, inimitable and non-substitutable. Relational assets denote “external, intangible relationships, whereas intellectual asset refer to the knowledge residing within the company” (Theoharakis et al., p.915). Likewise, the relational view, developed by Dyer and Singh (1998), broadens our comprehension about how relational returns can create a competitive advantage (Theoharakis et al., 2009). The competition paradigm has been shifting towards competing networks of strategic partners as opposed to mere inter firm competition (Dyer & Singh, 1998).

Lastly, one should keep in mind, that the number of relationships a company maintains can also have ineffective consequences, since merely a limited quantity of relationships considerably affects a company’s performance (Håkansson & Snehota, 1995).

3. METHODOLOGY

In order to investigate the delineated research problem and realize the aim of this paper an explorative multi-case study was conducted. Case research is especially suitable for those types of problems, in which research and theory are at their early, formative stages (Roethlisberger & Lombard, 1977), and “sticky, practice-based problems where the experiences of the actors are important and the context of action is critical” (Bonoma, 1983). As Yin (1993) suggests, the way to conduct multiple cases is akin to carrying out multiple experiments. One should follow a “replication logic” rather than a “sampling logic” received from survey data. That said, it implies that at least two or more cases should be included within a study, as the investigator predicts that replication occurs. In case similar results are actually found, confidence in the overall research findings grows. Consequently, the deployment of consistent results throughout several cases can be considered a strong discovery (Yin, 1993).

This paper exerts a purposive sample of participants (Miles & Huberman, 1994). It entails the selection of information-rich cases unveiling the phenomenon of interest (Patton, 2002) and to grasp in-depth insights instead of making statistical generalizations. Purposeful or theoretical sampling allows researchers to explore those concepts relevant to the problem and population, and enables in-depth investigations of the targeted concepts (Corbin & Strauss, 2008). It is of notable relevance when “exploring new or uncharted areas because it allows for discovery” (Corbin & Strauss, 2008, p.145). Eisenhardt (1989) suggests that in order to generalize case study results at least four to ten samples should be analyzed.

3.1 Subjects for Study

To identify subjects suitable for partaking in this research, the following criteria were applied: 1) existent engagement in co-creation practices, especially on a horizontal level, 2) firms/participants must have an active foot in the blogging/influencer industry, 3) diversity of participants in terms of platforms using, 4) firms must be experienced and to some extent successful with their practices. In total 10 subjects were selected, all of which based in Germany. Since the majority of the interviewees wished to remain anonymous, aliases have been used for their names. The table below shows a short overview of the major platform they are operating in, their initiation years and the reach they have with their platforms, indicated in number of followers (rounded).

Interviewee	Age	Starting Year	Main Platform	Followership
John	25	2014	Lifestyle Blog	6,000
Lukas	27	2014	Health Blog	5,000
Martin	27	2014	YouTube	53,000
Peter	31	2013	Food Blog	11,000
Anna	27	2009	Fashion Blog/Instagram	90,000
Maria	42	2007	Beauty Blog/Agency	130,000
Wilhelm	72	2010	Marketing Blog	2,500
Doris	56	2011	Food Blog	2,000
Max	53	2014	Photo Blog/Steller	53,000
Felix	32	2012	Blogging Agency	-

Table 1: List of Participating Experts

3.2 Data Collection

The data collection method used is semi-structured interviews. The reason for choosing this method over structured interviews is that it offers enough flexibility to approach individual respondents differently, adjusted to their situation, while still covering the same domains of data collection. Although, the interviews were mainly conducted via video calls, a third of the respondents were met in person, two of which were overnight stays. This enabled the researcher to get to know the respondents better and gain access to a wider range of relevant information, outside of an interview setting. With the exception of one interview, all of the conversations were recorded to secure an accurate account of the dialogues and to avoid losing information. In this way the interviewer could focus his attention entirely on extracting the data, as writing words down would take too much time and possibly risk sacrificing the completeness of the generated data. To further ensure confidentiality, the recordings were deleted after the research study. The interviews lasted from 20 to 45 minutes.

3.2.1 Validity and Reliability

“Examining a number of organizations enhances the accuracy, validity and reliability of the results by capturing the holistic essence of the subject studied” (Noor, 2008). Matters concerning reliability and validity are of distinct relevance for case-based studies (Ellram, 1996; Meredith, 1998; Voss, Tsikriktsis & Frohlich, 2002). External validity indicates the extent to which the investigated phenomenon is represented by the results, in other words, if the outcomes are generalizable (Yin, 1981). Critics of the case-based approach underline the issue of external validity as a major barrier in undertaking case studies. Unlike in quantitative research, generalization in case studies happens not from samples to population, but from each case to a broader theory. In this paper, generalizability, as recommended by Yin (1994), has been advanced by ensuring that the in-depth cases included in the study represent several unique blogging platforms to ensure a greater diversity.

Another issue with qualitative research is reliability, which ensures that an experiment is repeatable, and that replication is possible leading to equal results. To further increase the reliability of the interview questions, a pilot test with one of the chosen experts was conducted before moving on with the remaining interviewees. This ensured possible refinements of the research procedure as well as the content (Auramo, Kauremaa & Tanskanen, 2005). Additionally, the researcher took notice that the subjects identified had altering definitions of co-creation, or described the same concept using different terms. Thus, the researcher shortly explained the concept and appropriately framed the context at the beginning of each interview session. Also, a brief outline of the interview was sent to the respondents prior to the appointments, to allow them to grasp the possible types of questions asked.

Whether or not the adequate operational measurement for a given concept is investigated is addressed as construct validity. An approach to circumvent any construct validity issues, is to pass the interview reports back to the respondents for verification (Yin, 1994). With the exception of four participants, the remaining informants reviewed their summarized interview script to ensure correctness.

3.2.2 Interview Questions

“A previously identified theoretical framework can provide insight, direction and a useful list of initial concepts” (Corbin & Strauss, 2008, p. 40). Although, this research explores new grounds there are still parallels between a few other studies. Hence, the construction of the semi-structured interview questions was inspired by the framework developed by Ngugi’s et al. (2010), which aimed to examine the influences of larger customer-smaller supplier relational capabilities on value co-creation and innovation. Again, the framework only dealt as an inspiration as the contextual differences are too significant to allow direct adoption. Hence the researcher remained open to new ideas, willing to let go, in case that a particular “imported” concept would not suit the interview results. “The importance of remaining ‘open’ is essential even for experienced researchers working on their own program of research” (Corbin & Strauss, 2008, p. 40).

A set of open-ended questions were constructed to focus the discussion. They were based on the following five overriding topics:

1. Background information about the blogger
2. Background information about the business
3. Co-creation and value creation
4. Cultivating relationships
5. Problems and challenges

See Appendix 10.2 for the full interview guide.

3.3 Data analysis

The interviews were manually transcribed. However, Nvivo 10 software was used in analyzing the transcripts. This mainly involved coding into free nodes based on the themes that emerged. The idea, however, is not merely to use parts of sentences of the raw data and deploy them as sheer labels. In fact, coding involves looking for the correct terminology that “best describe conceptually what the researcher believes is indicated by the data” (Corbin & Strauss, 2008, p.160). Identifying the core or meaning of the interview data is far more important than the actual practices for parsing the data. Utilizing software supported making sense of the raw data and keeping the interviews better organized. Clearly, the benefit of using a computer is that it “has the ability to augment the human mind by doing a lot of the detailed and tedious work involved in many endeavors, thus freeing up the user to be creative and thoughtful” (Corbin & Strauss, 2008, p.314). Throughout the coding procedure commonalities emerged. For later reference, the researcher noted down memos of themes appearing in the dissected transcripts. Qualitative research incorporates complicated and cumulative thinking, which would be burdensome to accomplish without the employment of memos (Corbin & Strauss, 2008). Memos “stimulate and document the analytic thought process and provide direction for theoretical sampling” (Corbin & Strauss, 2008, p.140). Once the codes were sorted and conceptualized a second coding cycle was applied (Saldaña, 2009). This second cycle was primarily used to sort the first cycle concepts, identify common themes, and summarize those into sub-categories or isolate them. Subsequently, a third level of coding, axial coding, was applied

in order to recognize the categories’ properties and dimensions and to explore “how the categories and subcategories relate to each other” (Saldaña, 2009, p.151). Finally, the research findings and memos of the findings were reviewed and triangulated, to check back and verify the analysis.

This type of method is inductive in that the findings are derived from data. It is deductive in the sense that the concepts and the linking statements are interpretative; that is, designed by the researcher from the data (Corbin & Strauss, 2008).

4. RESULTS

The following section reveals the core results of the study. Figure 1 summarizes the key findings from the case studies, ranked by frequency of individual mentions. It represents the relational capabilities as well as relational conditions that were developed by small companies from the blogging industry in relationships with their partners, competitors or influencers, in order to co-create value.

Primary cycle coding was accomplished by means of structural coding, descriptive coding and in vivo coding (Saldaña, 2009). Coding of the raw transcripts led to the generation of 12 labels: complementary competences, friendship, relational incrementalism, strategic fit, altruistic favors, chemistry, mediating competences, empathy, goal setting, professional relationship, dependability and implementation capabilities. These labels are named in order of collective significance. In other words, the first concept was of concern for the largest amount of respondents, whereas the latter concept was merely elaborated on by a single interviewee.

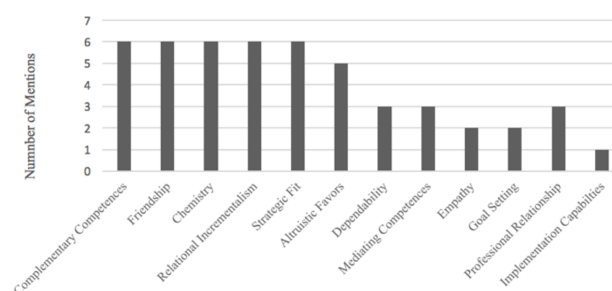


Figure 1: First Coding Cycle

The practice of structural coding is intended to arrange data around specific research questions (Saldaña, 2009, p.51). The memo-codes derived from the initial coding phase reflect diverse components of relational capabilities that are essential in co-creation activities between micro-firms in the active blogging industry.

Within the second coding cycle, pattern coding was conducted. Pattern codes are sort of meta-codes that pull together several themes and concepts into a smaller and more meaningful set of concepts (Saldaña, 2009, p. 152). Thus, the researcher reorganized the 12 concepts from the first coding cycle by assigning them to three overarching categories that revealed as predominantly present in the study: relational utility, human relational capabilities and managing capabilities. These were brought into connection in the third coding phase, axial coding. Figure 2 below displays these meta-level coding themes including also their corresponding first-level concepts. Finally, triangulation demonstrated the relevance of the data and themes developed.

4.1 First Cycle coding

1. Relational incrementalism. Whether a potential partner is the right candidate for a cooperation is not always easy to assess

in advance. A majority of the respondents, six out of ten, confirmed this. In order to evade this issue, the participants take small steps and make incremental commitments with another person. In other words, they start a small project that requires little resources. If the interaction proves to be successful, the intensity of subsequent commitments increases over time.

2. Complementary Competences. Analyzing the interview data showed that many of the respondents place a lot of emphasis on the fact that a co-creation partner should have competences that are complementary to their own. It is one of the most significant concepts explored in this study. Six out of ten respondents stressed this and emphasized in particular, that it is a critical factor to consider before committing oneself to a joint project with another actor. On the flipside, however, one participant noted that being too similar could cause many problems, a situation which he claims to have experienced several times before.

3. Strategic fit. Next to complementariness an equal amount of respondents, six out of ten, brought up the concept of strategic fit. This concept represents several aspects that were mentioned. One of these entails the fact that a partner should have a certain reach that is similar to that of the respondents. John, for example acknowledged that a follower base similar to his or at least one that is not at its beginning stages was imperative. Further, he added that not only reach was important but also a certain similarity to his company's characteristics. A fellow co-creator should strategically fit to his ideals, and basically what he represents with the business. In support of this notion, others referred to the importance of 'brand-fit'; meaning, whether the collaborating person would match the brand image, as opposed to representing a completely different brand personality. The data revealed that this was deemed even more important than a company's size and reach and that one should be careful not to get tempted by the numbers, as Felix explained. Another participant added, that ignoring this issue would probably do more harm than good, as mixing brand personalities could lead to confusion among the customers or followers.

4. Altruistic favors. In analyzing the data associated with the question "how the respondents approach potential partners to convince them to work and co-create value together", answers of five of the interviewees added to the concept of altruistic favors. Specifically, participants spoke about trying to deliver value for a person of interest before asking for something. Lukas pointed out that he always gives a lot without expecting anything back. This philosophy has worked fairly well for him and the other four respondents in attracting partners and subconsciously increases the willingness of many to return the favor, as an acknowledgement of their gratitude.

5. Friendship. When investigating the relationship with a business partner the researcher found that 60 percent of the respondents claim to keep the interaction on a friendly and rather informal basis. John believes that especially in the online marketing and blogging scene, it is important to keep relationships on this level. He knows people attempting to elevate their relationships to a more formal business level and create an unwanted distance towards others in the scene. Since the scene at hand can be conceived as a small community in which everyone knows each other, it is more sensible to become friends with one another. Comparable statements were made by the other five bloggers.

6. Professional relationship. On the contrary, however, three respondents try to keep their relationships on a professional and rather formal level. In her interview, Maria stated that she need not to be friends with every blogger she collaborates with. "I

am too old for this" she declared, being 42 years old, "I think younger people have a different stance at this". Indeed, the other two respondents who have similar opinions are also older, 56 and 72.

7. Chemistry. This in vivo concept refers to the interpersonal fit between two people. As already implied by the specification "in vivo", the concept is literally derived from the respondents' language. Thematically the concept revolves around the personal fit, hence the chemistry between two co-creators. Six interviewees attached substantial meaning to the personality of their partners and to the fact that they should be on equivalent "wavelengths". Lukas additionally stressed that skill is less critical to him than what type of person he is collaborating with and whether he or she is a passionate and motivated individual.

8. Mediating competences. Another noteworthy competence brought up by three respondents, is the ability to reconcile tensions, the ability to openly speak about problems, to agree if one is wrong about something, and generally to serve as a good role model or leader.

9. Empathy. Not far away from the previous label is the concept empathy. Although only two respondents brought this notion up, their arguments were quite convincing. Wilhelm explained how important it is for his co-creation projects to put himself into the shoes of his partners, to understand their motivations and to adjust his behavior to theirs if necessary.

10. Goal Setting. While analyzing the joint value creation process, it was pointed out that setting clear and measurable goals is crucial to implement a project.

11. Dependability. Dependability has been stated to be an essential relational competence according to three respondents. All of them have had experience with unreliable partners which made them pay more attention to this trait.

12. Implementation capabilities. Similar to dependability, this concept describes a person's willingness to work towards and realize a goal. Wilhelm explained that, as important it is to develop ideas and concepts, it is even more urgent to jointly take action and develop methods and capabilities to coordinate and ensure that.

4.2 Second Cycle and Axial Coding

The primary aim during second cycle coding was to work up a sense of "categorical, thematic, conceptual, and/or theoretical organization from the array of first cycle codes" (Saldaña, 2009, p.149). The method used was pattern coding. The second-level coding phase of the data analysis process resulted in three categorical meta-themes. Subordinated to these categories are the 12 initial labels derived from the raw data. See Figure 2 below, which summarizes the results.

Relational Utility	Human Relational Capabilities	Managing Capabilities
<i>Strategic Fit</i>	<i>Altruistic Favors</i>	<i>Mediating Competences</i>
<i>Complementary Competences</i>	<i>Friendship</i>	<i>Goal Setting</i>
	<i>Chemistry</i>	<i>Implementation Capabilities</i>
	<i>Empathy</i>	
	<i>Dependability</i>	
	<i>Relational Incrementalism</i>	

Figure 2: Second & Third Cycle Categories

The first meta-code theme encompasses strategic fit and complementary competences and it is titled "relational utility". These are competences that are critical for a relationship. A person will most likely look at these competences to evaluate whether the potential co-creator is qualified as a partner or not. Hence these are qualifying competences.

The second meta-code category, called “human relational capabilities”, includes altruistic favors, friendship, chemistry, empathy and dependability. The researcher discovered that these five concepts highly reflect the interpersonal competences and character traits between co-value creation partners. These are capabilities that may win a person over to accept a cooperation. Not all of them are always needed in the beginning phase but most of them are crucial for establishing and maintaining a long-term relationship.

Last but not least, “managing capabilities” reflect the third category. It entails mediating competences, goal setting and implementation capabilities. The three first-level coding labels are assigned to this meta-theme, since they are capabilities that drive the execution of a co-value creation project. They decide whether a collaboration will last or fail over a longer period. The first two categories reflect capabilities that are rapidly detectable, meaning that a person can assess whether a partner may fit or not. However, one cannot always be sure and many problems will emerge in times of crises. The third category reflects the abilities to manage those issues in order to maintain a healthy relationship.

The concept “relational incrementalism” is not assigned to any of the categories. This capability reflects a method to gradually approach and become acquainted with another person. Therefore, this concept has been layered beneath the three concepts to indicate that some of the themes above will be incrementally reassessed and reevaluated before another commitment takes place.

4.3 Triangulation

In order to reach a higher level of verification, a triangulation process was undertaken. The researcher coded and recoded the raw interview transcripts and scrutinized to which extent the new labels may have an effect on the data analysis. In case any further concepts were to arise, which did not fit in one of the 12 existing concepts, they could be left as an independent concept until the second cycle coding. During the secondary coding phase, any novel concepts should match one of the three upper level categories. In fact, no additional labels or at least not any with much deviation of the initial codes were attained. In other words, a significant fit and appropriateness are established between the raw data and the coded categories.

5. DISCUSSION

This paper sets out to explore the the relational capabilities developed by SMEs of the consumer goods blogging industry in relationships with strategic partners, and to investigate the influences of these relational capabilities on value co-creation.

As presented in the results section the researcher found several concepts that relate to value co-creation competences. In the following the researcher will discuss these first cycle and second cycle concepts and discuss them in light of existing research, while also manifesting what is new to the field and in which ways it has implications for the actors involved in this area. The structural order of this section is laid out as such: First, the findings that are congruent with prior co-creation research will be reviewed, followed by findings that were new or surprising to the researcher. Finally, the second cycle meta-categories will be discussed alongside with its concomitant managerial and theoretical implications.

Although, this research sheds light on a relatively unexplored perspective of co-creation there are still visible parallels between research with different kinds of samples or perspectives, as shown below. However, there are also insights which were less obvious in the context of the co-creation

literature and represent new insights, which are explained thereafter.

5.1 Consistencies

This section is going to reflect the findings that are coherent with existing research.

Complementary Competences. What was noticeably consistent between this research and other literature is the fact that the respondents were choosing partners with complementary competences. Complementary resources are proven to determine competitive advantage (Dyer & Singh, 1998), help provide a wide range of products/services or improve product quality (Wong, Tjosvold & Zhang, 2005). Further, SMEs that implement a co-creation strategy with competitors reach somewhat easier market entries by working together in diverse domains and collecting rare and complementary resources (Akdogan & Cingöz, 2012). In fact, some firms even emphasize becoming complementary to those competitors with whom they collaborate, and adapt certain structures and processes accordingly (Dorn et al., 2016).

Strategic fit. Several respondents stressed the importance of strategic fit, implying that a collaborator should have similar goals, ideals, principles and overall needs to be in a comparable or complementary industry. This is congruent with Saxton (1997), who found that for effective and efficient cooperation, companies should display related characteristics with respect to their cultures, structures, or administrative processes. Similarity is an especially vital premise for companies in cooperative environments, as inter-organizational discrepancies may cause significant clashes (Dorn et al., 2016). Furthermore, it has been established that similarity between actors is an antecedent of mutual trust (Bierly & Gallagher, 2007), and trust is a principal pre-condition when joining forces with a competitor (Baruch & Lin, 2012; Gnyawali et al., 2006; Lui & Ngo, 2005; Lydeka & Adomavicius, 2007). This principle of trust and how it can be strengthened is going to be further discussed at a later stage in this chapter (i.e., relational incrementalism).

Goal setting. As described by two interviewees this ability displays a central backbone for realizing projects. Theoharakis et al. (2009) show confirmatory results and present the importance of commitment and goal setting capabilities with strategic partners.

Implementation capabilities. Likewise, it is of equal weight to realize and implement those goals through proper coordination capabilities. The way actors do this is a key factor in the effectiveness as well as the relationship outcome (Dorn et al., 2016). Many researchers are concerned with this questions and have found key activities conducive to master collaborative projects. Partner-specific task assignments are decisive when it comes to the coordination of actions (Bello et al., 2010, Chi et al., 2007).

Meditating competences. Since problems and disagreements are likely possibilities in every relationship, it is not surprising that previous research also investigated capabilities to manage those tensions and conflicts. Hence, one should be aware of, but also accept differences between partners by empathizing with the other person and accommodating each other's concerns, as well as utilizing a dialectic communication style (de Rond & Bouchikhi, 2004).

5.2 New to the field

This section is going to cover the findings that are new to the field of value co-creation.

At the beginning of this research, it was not easy to foresee what the results would turn out to be. The given foundation in the field of value co-creation research is fairly homogenous. This is why certain unconscious pre-assumptions were formed by the researcher. One should keep in mind, though, that many scholars have focused their attention on larger companies or mid-sized companies with fixed structures. Surprising to the researcher was the degree of flexibility the respondents represented; the fact that co-creation is often executed on a friendship bases rather than strict formalities. The inter-personal relationships seem to play a paramount role in smaller firms, such as those firms that are part of the blogging industry. One reason might be that it allows for more efficient and faster interactions, as opposed to strict and formal behavior. This is all fairly counter-intuitive with respect to the conventional co-creation literature. Research on coopetition, for instance, suggests that a setup for a formal organizational structure is required for a stable coopetition relationship (Das & Teng, 1997; Dowling, Roering, Carlin & Wisniewski, 1996; Luo & Rui, 2009; Zeng, 2003). This is true especially for large companies, as formal structures provide better protection, and there is more at stake in terms of resources such as intellectual capital. However, it is reasonable to assume otherwise in micro- or small companies in the blogging industry. Their potential gains through saved time and developing closer relationships seems to outweigh the assurance of risk at the cost of missed opportunities. Nevertheless, three respondents declared to prefer formal relationships, as well. Interestingly, these were also the oldest participants of the sample being 42, 56 and 72. So possibly there is a relationship between age and risk aversion as well as preferred relational distance. However, this is material for future investigation.

What is particularly interesting is the approach some respondents had about persuading a potential co-creation partner of interest to work with them. Instead of directly asking a person, which might seem logical, they pursue a more indirect path. Rather, they first try to create value for potential strategic partners. This is extremely powerful, as the act of giving creates an immediate moral indebtedness in the targeted individual. Many of the respondents have experienced strong appreciation for their helpfulness and often receive something of their interest in return. Psychologist Regan (1971) has actually studied and approved this phenomenon in his paper "Effects of favor and linking on compliance". Another example is Kunz and Woolcott's (1976) study in which a university professor sent Christmas cards to a sample of perfect strangers. Although he had never met any of these people, the response rate turned out excellent. In his book "Influence", Cialdini (2007) declares this behavior of reciprocity as one of the six weapons of influence. But he explains that the rule is exploitable since we have a moral obligation to receive favors and "the obligation to receive reduces our ability to choose whom we wish to be indebted to and puts that power in the hands of others" (Cialdini, 2007, p.23).

The way to go, therefore, seems *not* to only help people and more or less instantly expect something in return. Instead, it is suggested to develop a general attitude towards helping and creating value for people in one's surroundings; an attitude of altruistic favors. This way one can gradually build an environment of people that are thankful to you, and eventually when you are in need of help, people will remember you and gladly accommodate you. A suitable example for this behavior can be found in the bestseller "The Thank You Economy" by Gary Vaynerchuck (2011) who explains, how he became the lead expert for wine related questions on Twitter by spending hours giving advice on the platform on a daily basis. This

indirectly led to individuals searching for him and converting into thankful customers.

Trust, as mentioned before, plays an essential role when having a strategic partnership. It is not always easy to evaluate beforehand whether a partnership will be fruitful or detrimental. Although a person may appear to be a promising partner, one can occasionally be mistaken, as reported by the interviewees, as well. In order to prevent any mistakes or considerable commitments with the wrong partner, the respondents follow an incrementalist logic. Hence the term "relational" incrementalism, which implies that strategic partners take small incremental steps, testing their relationship, and slowly increasing these steps over time.

5.3 The Big Picture

In this final section, the meta-categories are summarized and shortly discussed.

Interestingly, the first-order concepts were classifiable into three categories. This section is going to expand on these second and third cycle categories, which were established through the first-cycle concepts. The categories provide a frame for the necessary capabilities between two cooperating partners. As explained above, the first category, "relational utility", reflects those competences that are necessary for a person to even consider working with the potential counterpart. If these conditions are not met, there is no mutual benefit to be obtained. People that are too similar will eventually come into conflict with one other and overall not add much extra value to their opponents. It is easy to fall into the trap of ignoring those factors, and be blinded by another person's likable character, considering micro-businesses and bloggers. The "human relational capabilities" category entails some more flexible concepts in terms of whether they are unconditionally necessary. For instance, if the co-creation partner represents a proper strategic fit with valuable complementary competences, it might also be fine if the relationship is on a formal level rather than friendship-based. However, befriending one another can yield strong benefits as it helps to be in a person's "good books", meaning that they are more likely to do you a favor. The third category, "managing capabilities" as described earlier are crucial for a smooth co-creation procedure. It is similar to the "managerial systems relational capability" between supplier-customer relationships examined by Ngugi et al. (2010). The capability can make or break a relationship or value co-creation projects. If one is not able to manage conflicts, set goals, or properly implement goals, the remaining abilities become meaningless. Again, to figure out if one's partner fulfills these three competency groups, the capability of relational incrementalism reflects a reasonable solution. Although this approach might not seem downright efficient, it can considerably add to the flexibility of small firms and make them more agile and responsive against possible risks. This makes the actor overall more efficient, as it hedges against unwanted outcomes, which may cause severe damages to the firm.

In summary, for bloggers, or companies aiming to use blogging as an additional marketing stream, that would like to understand the inter-personal culture of the blogosphere, and enhance their knowledge about co-creation capabilities, this research provides some valuable insights. All in all, it is important for these stakeholders to acquire the previously described capabilities, as well as look for those in their future cooperation. In this way a solid basis is set for a fruitful and potentially long-lasting collaboration.

5.4 Theoretical and Practical Implications

This paper serves as an addition to the knowledge of value co-creation. Specifically, it has added to the under-researched area of relational competences in co-creation, based on horizontal relationships. The focus were companies of the blogging industry. Hence it also offers insights to the rather new field of blogging. Several concepts were discovered in this exploratory study. These serve as a foundation for further research, and for developing additional theories. Practically, this paper offers managerial insights for companies that aim at finding a value co-creation partner. They can benchmark their capabilities with those of the findings, and potentially improve or adopt those that are underdeveloped. The practicality is especially high for small businesses, as the unit of analysis reflected their group. However, larger companies are also encouraged to take the results seriously, as it gives valuable insights into the relational behaviors of firms in the blogging industry.

6. LIMITATIONS AND FUTURE RESEARCH

The outlined contributions of the paper have to be seen in the light of its limitations. Although this study has explored a number of relational capabilities, the concepts are probably not exhaustive. For one, this is due to in part to the limited sample size. Further, the results are interpretations of the researcher which differ from individual to individual. There is likewise always a small bias in the way the questions are asked. The paper also has constraints in the degree of generalizations. Although, this is a multiple case study with spread diversity, the sample originated exclusively from Germany and was limited to 10 cases. Therefore, the researcher encourages other scholars to expand on this study either by conducting the study on a larger scale, or by completing this research in different settings and different cultures. Furthermore, the study was conducted on micro and small firms of the blogging industry. The results are therefore likely to be inapplicable with respect to medium sized and large enterprises.

As this study explored new concepts, these may also serve as a basis for future research, meaning that the individual concepts may be examined in relation to other metrics. Lastly, not all of the mentioned concepts are distinct capabilities but methods or approaches that entail several capabilities. Research could therefore go more in-depth on the individual capabilities by breaking down each of them and analyzing how to acquire these.

7. CONCLUSION

The aim of this study was to explore relational capabilities prevalent in co-creating partnerships within the blogging industry as well as their influence on value co-creation. The results revealed 12 concepts of which 11 were subsumable into three categories. Relational utility, the first category, displayed the capabilities that indicate whether two firms or individuals are of strategic benefit to each other. Secondly, human relational capabilities reflect the inter-personal competences, which add a considerable extent to the persuasion of one another. The third category entails managing capabilities, those that are necessary during the co-creation process. Finally, relational incrementalism indicates a method to gradually approach and get to know each other by starting with small value co-creation projects and slowly increasing those by frequency and size. If acquired and applied successfully, these relational capabilities reflect a profound basis for value co-creation between firms and individuals in the blogging industry. It enables actors a smoother and more effective collaboration. Reversely, it can be said that in case some of those relational

capabilities are not present in an actor, problems may arise, as experienced numerously by the respondents. The effect of each relational capability on co-creation is not uniform. Capabilities such as those in the relational utility category are indispensable, whereas not all of the human relational capabilities are critical for successful collaborations.

The study provides a foundation for future research in the field of value co-creation and blogging, with concepts that can be used for quantitative analyses, but also for theory building.

8. ACKNOWLEDGEMENTS

First and foremost, the author would like to sincerely thank Dr. Raymond Loohuis for his support and supervising during this research project and Dr. Matthias de Visser for being the second supervisor. Further gratitude goes to Koen Haagedoorn, Vincent Dziedzioch and Yasin Sahhar for their helpful peer reviews. Last but not least, the author would like to thank his parents and sister for their tremendous support throughout the entire bachelor program at the University of Twente.

9. REFERENCES

- Albers, S., Schweiger, B., & Gibb, J. (2015). Complexity, power and timing in multipartner alliances: an integrative review and research agenda. *Managing Multipartner Strategic Alliances*. New York: Information Age Publishing.
- Akdoğan, A. A., & Cingöz, A. (2012). An empirical study on determining the attitudes of small and medium sized businesses (SMEs) related to coopetition. *Procedia-Social and Behavioral Sciences*, 58, 252-258.
- Auramo, J., Kauremaa, J., & Tanskanen, K. (2005). Benefits of IT in supply chain management: an explorative study of progressive companies. *International Journal of Physical Distribution & Logistics Management*, 35(2), 82-100.
- Bakshy, E., Hofman, J. M., Mason, W. A., & Watts, D. J. (2011, February). Everyone's an influencer: quantifying influence on twitter. In *Proceedings of the fourth ACM international conference on Web search and data mining* (pp. 65-74). ACM.
- Baruch, Y., & Lin, C. P. (2012). All for one, one for all: Coopetition and virtual team performance. *Technological Forecasting and Social Change*, 79(6), 1155-1168.
- Baum J, Calabrese T and Silverman B (2000) Don't go it alone: Alliance network composition and startups' performance in Canadian biotechnology. *Strategic Management Journal* 21(3): 267-294.
- Baumer, E. P., Sueyoshi, M., & Tomlinson, B. (2011). Bloggers and readers blogging together: Collaborative co-creation of political blogs. *Computer Supported Cooperative Work (CSCW)*, 20(1-2), 1-36.
- Bello, D. C., Katsikeas, C. S., & Robson, M. J. (2010). Does accommodating a self-serving partner in an international marketing alliance pay off?. *Journal of Marketing*, 74(6), 77-93.
- Bengtsson, M., & Kock, S. (2014). Coopetition—Quo vadis? Past accomplishments and future challenges. *Industrial Marketing Management*, 43(2), 180-188.
- Bierly, P. E., & Gallagher, S. (2007). Explaining alliance partner selection: fit, trust and strategic expediency. *Long range planning*, 40(2), 134-153.
- Bonoma, T. V., & Wong, K. B. (1985). *A case study in case research: Marketing implementation*. HBS Case Service, Harvard Business School.
- Boyd, D. (2006). A blogger's blog: Exploring the definition of a medium. *Reconstruction*, 6(4).
- Brodie, R., L. Hollebeek, B. Juric and A. Ilic (2011). 'Customer engagement: conceptual domain, fundamental propositions, and implications for research', *Journal of Service Research*, 14, pp. 252-271.
- Chi, L., Holsapple, C. W., & Srinivasan, C. (2007). Competitive dynamics in electronic networks: A model and the case of interorganizational systems. *International Journal of Electronic Commerce*, 11(3), 7-49.
- Cialdini, R. (2007). *Influence*. New York: Collins. (Cialdini, 2007)
- Coombs, R. and Metcalfe, J.S. (2000). Organizing for innovation: co-ordinating distributed innovation capabilities, in Foss, N. (Ed.), *Competence, Governance and Entrepreneurship*, Oxford University Press, Oxford, pp. 209-31.
- Corbin, J. & Strauss, A. (2008). *Basics of qualitative research*. Los Angeles, Calif.: Sage Publications.
- Das, T. K., & Teng, B. S. (1997). Sustaining strategic alliances: Options and guidelines. *Journal of General Management*, 22, 49-64.
- Dorn, S., Schweiger, B., & Albers, S. (2016). Levels, phases and themes of coopetition: A systematic literature review and research agenda. *European Management Journal*.
- Dowling, M. J., Roering, W. D., Carlin, B. A., & Wisniewski, J. (1996). Multifaceted relationships under coopetition description and theory. *Journal of management inquiry*, 5(2), 155-167.
- Dyer, J. H., & Singh, H. (1998). The relational view: Cooperative strategy and sources of interorganizational competitive advantage. *Academy of Management Review*, 23(4), 660-679.
- Eisenhardt, K. M. (1989). Building theories from case study research. *Academy of management review*, 14(4), 532-550.
- Ellram, L. M. (1996). The use of the case study method in logistics research. *Journal of business logistics*, 17(2), 93.
- Europa.eu. (2016). *Entrepreneurship and Small and medium-sized enterprises (SMEs) - European Commission*. Ec.europa.eu. Retrieved 13 June 2016, from <http://ec.europa.eu/growth/smes/>
- Ford, D., Gadde, L. E., Håkansson, H., & Snehota, I. (2003). *Managing business relationships*. Chichester, UK: John Wiley and Sons Ltd.
- Fuller, J. (2010). 'Refining virtual co-creation from a consumer perspective', *California Management Review*, 52, pp. 98- 122.
- Frow, P. and A. Payne (2013). 'Co-creation: a typology and framework', Working Paper, Discipline of Marketing, University of Sydney.
- Frow, P., Nenonen, S., Payne, A., & Storbacka, K. (2015). Managing Co-creation Design: A Strategic Approach to Innovation. *British Journal of Management*, 26(3), 463-483.
- Gadde, L. and Håkansson, H. (2001), *Supply Network Strategies*, John Wiley, Chichester.
- Galvagno, M., & Dalli, D. (2014). Theory of value co-creation: a systematic literature review. *Managing Service Quality*, 24(6), 643-683.
- Gnyawali, D. R., & He, J. (2006). Impact of co-opetition on firm competitive behavior: An empirical examination. *Journal of Management*, 32(4), 507-530.
- Gnyawali DR and Park R (2009) Co-opetition and technological innovation in small and medium-sized enterprises: A multilevel conceptual model. *Journal of Small Business Management* 47(3): 308-330.
- Grönroos, C. (1996). Relationship marketing: Strategic and tactical implications. *Management Decision*, 34(3), 5-14.
- Håkansson, H., & Snehota, I (1995). *Developing relationships in business networks*. London: Routledge.
- Håkansson, H. and Ford, D. (2002), "How should companies interact in business networks?", *Journal of Business Research*, Vol. 55, pp. 133-9.

- Hall, J. (2016). *The Influencer Marketing Gold Rush Is Coming: Are You Prepared?*. *Forbes.com*. Retrieved 16 June 2016, from <http://www.forbes.com/sites/johnhall/2016/04/17/the-influencer-marketing-gold-rush-is-coming-are-you-prepared/#33582feb2964>
- Heidl, R., & Phelps, C. (2010, August). The Influence of Interorganizational Embeddedness on Multipartner Alliance Stability. In *Academy of Management Proceedings* (Vol. 2010, No. 1, pp. 1-6). Academy of Management.
- Jacob, F., & Ulaga, W. (2008). The transition from product to service in business markets: An agenda for academic inquiry. *Industrial Marketing Management*, 37(3), 247–253.
- Jacobides MG and Winter SG (2007) Entrepreneurship and firm boundaries: The theory of a firm. *Journal of Management Studies* 44(7):1213–1241
- Johnsen, R.E. and Ford, D. (2006). Interaction capability development of smaller suppliers in relationships with larger customers, *Industrial Marketing Management*, Vol. 35 No. 8, pp. 1002-15.
- Jorde, T. M., & Teece, D. J. (1989). Competition and cooperation: Striking the right balance. *California management review*, 31(3), 25-37.
- Kunz, P. R., & Woolcott, M. (1976). Season's greetings: From my status to yours. *Social Science Research*, 5(3), 269-278.
- Laine, A. (2002), Hand in hand with the enemy: Defining a competitor from a new perspective, *EURAM-Innovative Research in Management Stockholm*, Sweden, May 9-12, pp. 1-10.
- Lane, P.J. and Lubatkin, M. (1998), Relative absorptive capacity and interorganizational learning. *Strategic Management Journal*, Vol. 19 No. 5, pp. 461-77.
- Lavie, D., Lechner, C., & Singh, H. (2007). The performance implications of timing of entry and involvement in multipartner alliances. *Academy of Management Journal*, 50(3), 578-604.
- Lechner C and Leyronas C (2009) Small-business group formation as an entrepreneurial development model. *Entrepreneurship: Theory and Practice* 33(3): 645–667.
- Lee, S., Park, G., Yoon, B., & Park, J. (2010). Open innovation in SMEs—An intermediated network model. *Research policy*, 39(2), 290-300.
- Lui, S. S., & Ngo, H. Y. (2005). An action pattern model of inter-firm cooperation. *Journal of Management Studies*, 42(6), 1123-1153.
- Luo, Y., & Rui, H. (2009). An ambidexterity perspective toward multinational enterprises from emerging economies. *The Academy of Management Perspectives*, 23(4), 49-70.
- Lydeka, Z & Adomavičius, B. (2007). Cooperation among the Competitors in international cargo transportation sector: key factors to success. *Engineering Economics*, (1 (51)), 80-90.
- Meredith, J. (1998). Building operations management theory through case and field research. *Journal of operations management*, 16(4), 441-454.
- Miles, M. B. and A. Huberman. (1994). *Qualitative Data Analysis: An Expanded Sourcebook*. Newbury Park, CA: Sage.
- Möller, K. (2006). Role of competences in creating customer value: A value-creation logic approach. *Industrial Marketing Management*, 35(8), 913–924.
- Ngugi, I. K., Johnsen, R. E., & Erdélyi, P. (2010). Relational capabilities for value co-creation and innovation in SMEs. *Journal of Small Business and Enterprise Development*, 17(2), 260-278.
- NM Incite. (2012). Retrieved from <http://www.nielsen.com/us/en/insights/news/2012/buzz-in-the-blogsphere-millions-more-bloggers-and-blog-readers.html>
- Noor, K. B. M. (2008). Case study: A strategic research methodology. *American journal of applied sciences*, 5(11), 1602-1604.
- O'Reilly, T. (2003). The architecture of participation. Available at: <http://archive.oreilly.com/pub/wlg/3017> [accessed 26 Mai 2016].
- Patton, M. (2002). *Qualitative Research and Evaluation Methods*, 3rd edn. Thousand Oaks, CA: Sage.
- Perks, H., T. Gruber and B. Edvardsson (2012). Co-creation in radical service innovation: a systematic analysis of microlevel processes. *Journal of Product Innovation Management* 29, pp. 935–951.
- Powell, W. W. (1996). Trust-based forms of governance. In R. M. Kramer, & T. R. Tyler (Eds.), *Trust in organizations: Frontiers of theory and research* (pp. 51–67). Thousand Oaks: Sage.
- Ramaswamy, V. and F. Gouillart (2010). *The Power of Co-creation*. New York, NY: The Free Press.
- Regan, D. T. (1971). Effects of a favor and liking on compliance. *Journal of Experimental Social Psychology*, 7(6), 627-639.
- Ritala, P., & Hurmelinna-Laukkanen, P. (2013). Incremental and radical innovation in coopetition—The role of absorptive capacity and appropriability. *Journal of Product Innovation Management*, 30(1), 154-169.
- Roethlisberger, F. & Lombard, G. (1977). *The elusive phenomena*. Boston: Division of Research, Graduate School of Business Administration, Harvard University.
- de Rond, M., & Bouchikhi, H. (2004). On the dialectics of strategic alliances. *Organization Science*, 15(1), 56-69.
- Saldaña, J. (2009). *The coding manual for qualitative researchers*. London: Sage.
- Sawhney, M. (2006). Going beyond the product: Defining, designing, and delivering customer solutions. In Robert F. Lusch, & Stephen L. Vargo (Eds.), *The service- dominant logic of marketing, dialog, debate, and directions*. (pp. 365–380) New York: M.E. Sharpe.
- Saxton, T. (1997). The effects of partner and relationship characteristics on alliance outcomes. *Academy of management journal*, 40(2), 443-461.
- Schiavone, F., & Simoni, M. (2011). An experience-based view of co-opetition in R&D networks. *European Journal of Innovation Management*, 14(2), 136-154.
- Srivastava, R. K., Fahey, L., & Christensen, H. K. (2001). The resource-based view and marketing: The role of market-based assets in gaining competitive advantage. *Journal of Management*, 27(6), 777–802.

- Statista,. (2015). *Influence Marketing - Statista Dossier* (p. 9). New York: Statista, Inc.
- Statista,. (2016). *Instagram - Statista Dossier* (pp. 8, 32). New York: Statista, Inc.
- Teece, D. J. (2010). Business models, business strategy and innovation. *Long range planning*, 43(2), 172-194.
- Theoharakis, V., Sajtos, L., & Hooley, G. (2009). The strategic role of relational capabilities in the business-to-business service profit chain. *Industrial Marketing Management*, 38(8), 914-924.
- Tidström, A. (2014). Managing tensions in coopetition. *Industrial Marketing Management*, 43(2), 261-271.
- Usbeck, R. (2015). Analyse von Mikro-Blogging-Daten. *Informatik-Spektrum*, 38(5), 400-405.
- Vaynerchuk, G. (2011). *The thank you economy*. New York: Harper Business.
- Vibert, A. and C. Shields (2003). 'Approaches to student engagement: does ideology matter?', *McGill Journal of Education*, 38, pp. 221–240.
- Voss, C., Tsikriktsis, N., & Frohlich, M. (2002). Case research in operations management. *International journal of operations & production management*, 22(2), 195-219.
- Wasko, M. and S. Faraj (2000). 'It is what one does: why people participate and help others in electronic communities of practice', *Journal of Strategic Information Systems*, 9, pp. 155– 173.
- Wirtz, B. W., Mathieu, A., & Schilke, O. (2007). Strategy in high-velocity environments. *Long Range Planning*, 40(3), 295-313.
- Wirtz, B. W., Schilke, O., & Ullrich, S. (2010). Strategic development of business models: implications of the Web 2.0 for creating value on the internet. *Long range planning*, 43(2), 272-290.
- Wong, A., Tjosvold, D., & Zhang, P. (2005). Developing relationships in strategic alliances: Commitment to quality and cooperative interdependence. *Industrial Marketing Management*, 34(7), 722–731.
- Yin, R. K. (1981). The case study crisis: Some answers. *Administrative science quarterly*, 26(1), 58-65.
- Yin, R. K. (1993). Applications of case study research. Applied social research methods series. *London and New Delhi: Sage Publications*.
- Yin, R. (1994). Case study research: Design and methods. *Sage Publications*.
- Zeng, M. (2003). Managing the cooperative dilemma of joint ventures: the role of structural factors. *Journal of International Management*, 9(2), 95-113.

10. APPENDIX

10.1 Graphs and Figures

Co-creation Design Framework (Frow et al., 2015)

	Dimensions					
	Co-creation motive	Co-creation form	Engaging actor	Engagement platform	Level of engagement	Duration of engagement
Categories	Access to resources	Co-conception of ideas	Focal firm	Digital application	Cognitive	One-off
	Enhance customer experience	Co-design	Customer	Tool or product	Emotional	Recurring
	Create customer commitment	Co-production	Supplier	Physical resources, spaces/events	Behavioural	Continuous
	Enable self-service	Co-promotion	Partner	Joint processes		
	Create more competitive offerings	Co-pricing	Competitor	Personnel groups		
	Decrease cost	Co-distribution	Influencer			
	Faster time to market	Co-consumption				
	Emergent strategy	Co-maintenance				
	Build brand awareness	Co-outsourcing				
		Co-disposal				
		Co-experience				
		Co-meaning creation				

10.2 Interview Guide

Interview Guide (German)

1. Hintergrund über den Blogger/das Business
 - a. Name, Name der Organisation, Rolle in der Organisation?
 - b. Erzähl mir etwas über das Geschäft. Wie hat das ganze begonnen?
2. Die Organisation und die Industrie
 - a. Was sind deine **Kern-Services**? Was bietet ihr alles an?
 - b. Was sind deine **täglichen Aktivitäten**? Deine Rolle im Geschäft
 - c. Was ist deine **Haupt-Zielgruppe**? Wer sind eure Hauptkunden?
 - d. **Vision**: Wo seht ihr euch in den nächsten 5/10 Jahren?
 - e. **Strategie**: Wie habt ihr vor das zu erreichen?
 - f. Wer sind eure **Mitbewerber**?
3. Wie und mit Wem kreiert die Firma Werte?
 - a. Wie **interagiert** eure Firma mit **Partnern**/Mitbewerbern? **Wie** funktioniert eure Zusammenarbeit mit Partnern?
 - i. Worauf achtet ihr bei potentiellen Partnern? Was sind **Kriterien** um mit Partnern eine **Zusammenarbeit** einzugehen?
 - b. Was sind Gründe, warum du mit strategischen Partnern zusammenarbeitest? **Beispiel**
 - i. Was für **Vorteile** erhofft ihr euch von dem Partner? Was für Kompetenzen und Ressourcen bringt der Partner mit ein? Beispiele? (technische Kompetenzen, Fachwissen...)
 - ii. Wie **überzeugt** ihr potenzielle Partner mit euch zu arbeiten?
 - iii. Was **bringst du mit ein**? Kernkompetenzen? Erfahrung? Viewer?
 - iv. Was für **Probleme** versucht ihr zusammen zu lösen?
 - c. Welche **Aktivitäten** gehst du nach, um potentielle Partner zu finden? (z.B. Networking Events, Messen, Social Media)
 - d. Kommuniziert ihr gegenseitig eure **Ziele**? Versucht ihr diese **zusammen zu bringen**? Wie?
 - e. *Hast du ein **weiteres Beispiel** parat?*
4. Was tust du um **Kontakte** zu **pflegen**?
 - a. Hat die Zusammenarbeit **Einfluss auf** euer **Netzwerk**? Werden weitere potentielle Partner vorgestellt? Und läuft es umgekehrt genau so?
5. Welche **Herausforderungen** und **Probleme** gab es bereits mit Strategischen Partnern? Wie ist war der **Umgang** damit? (z.B. Kommunikationsprobleme, Meinungsverschiedenheiten, Leistungen wurden nicht erbracht, Timeline wurde nicht eingehalten, Projekte wurden abgebrochen/eingefroren)

Interview Guide (English Translation)

1. Background about the Blogger/Business
 - a. Name, age, name of the organization, role in the organization?
 - b. Tell me something about the business/blog. How did everything start, etc.?
2. The Organization and the Industry
 - a. What are your core services? What value do you offer, etc.?
 - b. What are your daily activities? Your role in the business?
 - c. What is your main target group? Who are your main customers?
 - d. Vision: Where do you see yourself in 5/10 years?
 - e. Strategy: What is your plan to get there?
 - f. Can you think any competitors of yours?
3. How and with whom does your company create value?
 - a. How do you interact with partners/competitors? How does the collaboration work?
 - i. What do you look at in potential partners? What are the criteria in order to start a collaboration with partners?
 - b. What are reasons for you to cooperate with strategic partners? Example?
 - i. What are benefits you are hoping to obtain from your partner? What competences and resources should the potential partner bring along?
 - ii. How do you convince potential partners to work with you?
 - iii. What do you bring to the table? Core competences? Experience? Followership?
 - iv. What kind problems are you trying to solve together?
 - c. Which activities do you pursue in order to find potential partners?
 - d. Do you communicate goals together? How do you try to bring these together?
 - e. Do you have *another example*?
4. What do you do to cultivate your relationships?
 - a. Does your collaboration have an influence on your network? Do you introduce more potential partners to each other?
5. Which challenges and problems have you faced so far with strategic partners? How did you deal with this?