

# CoCo Tool Kit

Welcome to the wonderful,  
exciting and challenging  
world of co-creation



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## Overview

The emergence of the service economy (Ostrom et al. 2010; Spohrer & Maglio 2008) challenges companies to understand co-creation as it seems to be a central notion in service marketing and management (Grönroos & Voima 2013; Vargo & Lusch 2006; Vargo 2011), service design (Mattelmäki & Visser 2011; Meroni & Sangiorgi 2011; Sanders 2008) and service innovation (Chesbrough 2003; von Hippel 2005b; Magnusson et al. 2003). Additionally, businesses are increasingly interested in developing service operations together with their customers and in order to do this they need to work more closely with them. Furthermore, existing knowledge challenges companies to understand how they can engage with their customers' value creation and become value co-creators (Grönroos 2011a). Adding value through comprehensive customer solutions and getting new or changed services effectively into the market has become an important competitive advantage for companies. (Keränen 2015.)

Reasons for the emergence of co-creation might be the changed business landscape of having services as a dominant factor (Grönroos 2006a; Ostrom et al. 2010; Spohrer & Maglio 2008; Vargo & Lusch 2004) and Web 2.0 as an engagement platform fostering communication and interaction between companies and customers (Ostrom et al. 2010; Ritzer & Jurgenson 2010). Moreover, companies are finding it difficult to keep up with the competition and to meet customer demands through traditional business approaches. Based on management stream of co-creation literature, co-creation can offer a powerful mindset (tools) for businesses to tackle the challenges they face not only today but also in the future. (Keränen 2015; Prahalad & Ramaswamy 2004a; Prahalad & Ramaswamy 2004c; Ramaswamy & Kerimcan 2013; Ramaswamy & Gouillart 2010.)

However, despite continuing research on a theoretical level, there is evidence that managers still lack methods and tools which help them to fully understand and integrate co-creation activities into their business practices. (Ojasalo 2010; Keränen & Ojasalo, 2011). In the CoCo project, Laurea University of Applied Sciences together with its partners has addressed the problem stated above and has developed a practical co-creation tool kit, the CoCo Tool Kit. The CoCo Tool Kit increases the understanding of the co-creation phenomenon and supports co-creation in service businesses. (Ojasalo & Keränen 2011; Keränen et al. 2013.)



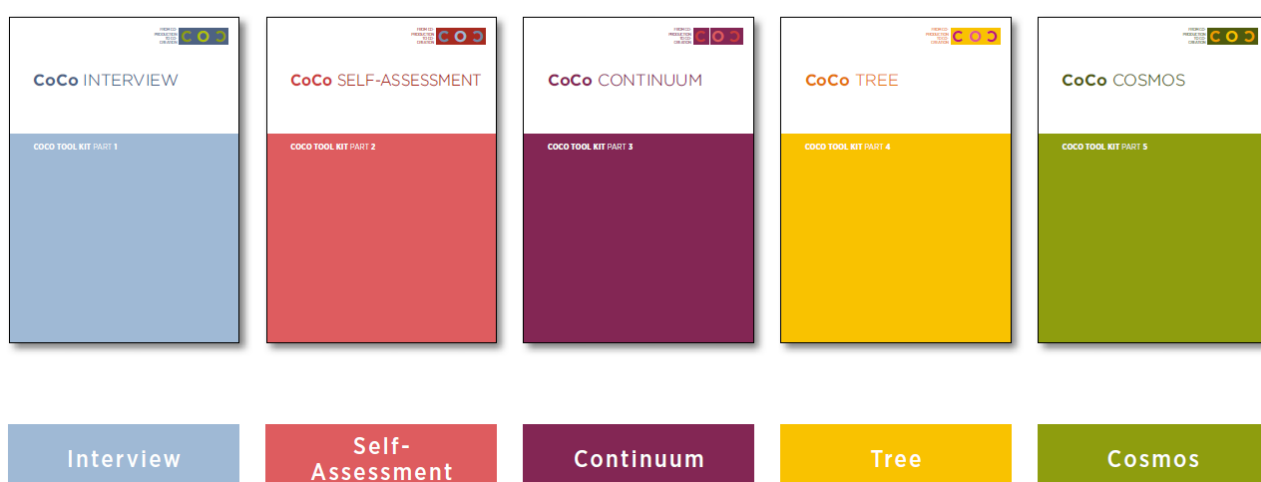
## CoCo Tool Kit

This tool kit is an outcome of the CoCo project 2010-2015, which was set up to investigate the transition from conventional business approaches to the notion of co-creation. The project was mainly funded by Tekes (the Finnish Funding Agency for Technology and Innovation), managed by the Laurea University of Applied Sciences, Espoo, Finland, and carried out in conjunction with four case companies, VTT (Technical Research Centre of Finland) and the University of Cambridge/Design Management Group IfM. The purpose of the CoCo project was to identify co-creation activities and roles in B2B service relationships and to develop models and management tools for effective and efficient co-creation in service business.

CoCo Tool Kit was developed in several development cycles including many workshops both among businesses and academia. The final testing as a part of the doctoral study included 18 workshops in 12 companies. (Keränen 2015.)

CoCo Tool Kit is a collection of five tools and a workbook that is primarily designed to support service businesses for understanding and adapting co-creation activities. First four tools (CoCo Interview, CoCo Self-assessment, CoCo Continuum & CoCo Tree) are dynamic analyzing tools and they communicate about a company's current business approach. The innovators of the CoCo Tool Kit are Dr Krista Keränen, Dr Bernhard Dusch and Dr Katri Ojasalo.

## COCO TOOL KIT – OVERVIEW



**The most powerful tool** of the kit is the CoCo Cosmos. CoCo Cosmos is a visual and participatory service design game for co-creation (Keränen et al. 2013) which primary purpose is to support business partners to become more co-creative and to better understand the possibilities for value creation among the stakeholders. As a participatory service design tool it enables collaborative communication and better understanding, and opens new possibilities among the partners (Keränen 2015; Mitchell et al. 2011; Vaajakallio 2012).

The game involves six sets of cards, three white board markers and a game board which sets the scene for capturing a service business setting. The six sets of cards include three sets of stakeholders (blue, green, and turquoise cards). One set can be used as the supplier's actors, one set can be used as the customer's actors and a third set can be used as customers' customers' actors. The fourth set of cards indicates all the locations (black cards) where the business can be done. The fifth set includes all business actions (grey cards). The sixth set includes all the entities, here understood as the results of business actions (pink cards). Each set of cards includes blank ones, which makes it possible to create new cards, allowing for creativity (Vaajakallio 2012, 221). All the cards and the game board are laminated so that the cards can be personalised and players can draw on the game board with white board markers. (Keränen 2015.)

The white board markers are black, green and red. Black is used to personalise the cards and to draw connectors between the cards. Connectors are shown by arrows/lines, demonstrating a one-way or a two-way relationship. Green is used to show the enablers of the service business: things that are crucial to the relationship, which work well and raise the quality of a service. Red is used to show the barriers to the service business: things that slow down or prevent the service delivery and lower the quality of a service. (Keränen 2015.)

## COCO COSMOS ELEMENTS



## Effect of the CoCo Tool Kit

The CoCo Tool Kit includes a powerful collection of tools which enable service businesses to assess their current business approach, to understand what co-creation means in practice and how to co-create value and new service provisions with customers and other stakeholders.

The CoCo Tool Kit has enabled business practitioners to better understand and activate the potential of the co-creation phenomenon and its advantages. Moreover CoCo Cosmos as a research method enables to collect deeper and richer data than more traditional ways of interviewing people.

As part of doctoral study the service design game CoCo Cosmos was used in 18 workshops in which both suppliers and customers built separate maps to visualise the current supplier-customer relationship involved with the service being provided by the supplier. During the study CoCo Cosmos demonstrated its power engaging informants to play a game which delivered powerful information to the parties involved. The game reveals effectively participants' latent needs, demonstrates value-in-use, and it specifies the enablers and barriers of the service business in empowering, easy and effective way.

Up to date:

- CoCo Tool Kit has won the category of Capacity Building in the European Union Women Inventors and Innovators Network 2013 (EUWIIN)
- CoCo Tool Kit has been sold more than 50 pcs
- CoCo Tool Kit has been involved in more than 20 conferences and seminars
- CoCo Tool Kit has been used as a consultancy tool
- CoCo Cosmos has been tested/used in one doctoral study at the University of Cambridge (Keränen 2015) and in several master/bachelor thesis
- CoCo Cosmos has been used in several university courses as an innovation tool
- CoCo Tool Kit has been used in various different publications

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