

Enabling SME internationalization Foreign market knowledge acquisition through user-innovation activities in virtual worlds

'Making Sense of Virtual Worlds and User Driven Innovation'

Workshop

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Source: Eklund (2009)

Born Global

- Opportunities in multiple countries since their inceptions
- Active in markets characterized by:
 - Rapid change
 - Fast growth
- Successful internationalization is tightly linked to market knowledge

User Innovation / Co-creation



- Two major approaches to user involvement
 - Lead User Method (von Hippel, 2005)
 - Co-Creation approach (Prahalad et al., 2004)
- Delivers superior innovations
- Products are likely to be more successful
- Challenge:

Research Triggers

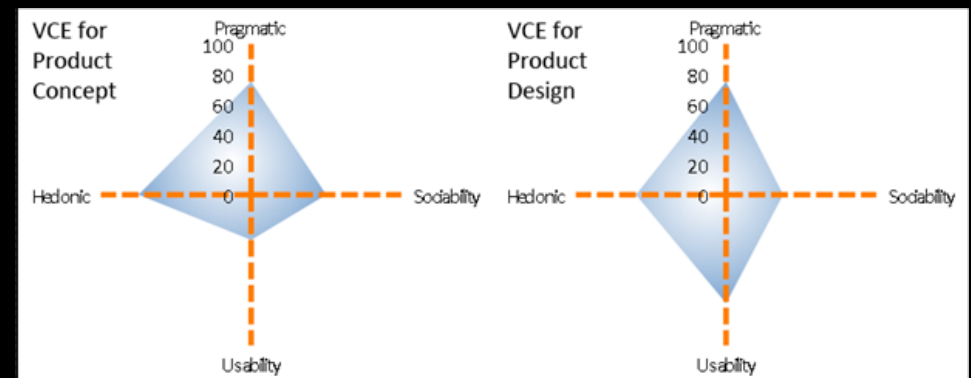
- E-services fast growing market, highly competitive and internationalized.
- User involvement is deemed beneficial to increase the service success.
- Avatar Based Co-Creation concept showed the potential of involving the user in co-creating new physical products using the support of Virtual Worlds.

Research Question

“To what degree do avatar-based innovation activities enable SMEs to acquire foreign market knowledge necessary for internationalization?”

Workshop Development

- **4 steps method, complemented by a workshop environment in Second Life**
- Accounts for the Virtual Customer Environment (VCE) experience components and Flow
- Specific VWs Design needs:
 - Reasonably short process
 - Interactive
 - Playful
 - Self Informative



source: Nambisan & Nambisan, 2008

Data collection

	1 st Session	2 nd Session	3 rd Session	4 th Session
Number of participants	5	6	5	6
Countries represented	<ul style="list-style-type: none"> oUSA oThe Netherlands oSweden oSlovenian 	<ul style="list-style-type: none"> oUSA oUK oHungary oNorway 	<ul style="list-style-type: none"> oUSA oSweden (Pakistanis Origin) oNorway oBelgium 	<ul style="list-style-type: none"> oSweden oUSA oFinland
Occupations	<ul style="list-style-type: none"> oConsultant oTeacher oWeb project manager oAcademic Researcher 	<ul style="list-style-type: none"> oScholar oDoctoral Candidate oBusiness Ecology consultant 	<ul style="list-style-type: none"> oStudent oPhD Student oHCI Researcher oEducator 	<ul style="list-style-type: none"> oConsultant Learning Strategist oInfo Cruncher oProgrammer oResearcher

Participants Survey	Interviews	Observation	Entrepreneur
18	10	4	1

- Data Triangulation

- Pre-workshop Challenges: Attracting people and managing several withdrawals/no-shows (50%)

Findings 1/3 - Response Analysis

Session	Respondent	VCE Components + Flow					Knowledge exchange
		Hedonic	Pragmatic	Sociability	Usability		
1	A	+			=	><	
	B	++			><	+	
	C	++			++	++	++
2	D	+	--	+	++	-	-
	E	+	++	++	><	=	><
	F	+	++	++	><	+	++
	G	+	+	+	-	+	+
	H	++	++	++	++	+	><
3	I	++	++	++	><	+	++
	J				+	+	
	K	++	=	+	><	++	+
4	L	++	++	++	><	><	++
	M	+	++	+	><	++	++
4	N	><		+	-	+	><
	O				><	+	><
	P	++	++	++	><	+	><
4	Q	++	++	++	++	++	++
	R	><		+	-	><	><

Int. ID	Hedonic	Pragmatic	Sociability	Usability	Flow	Knowledge exchange	Quest. ID
1	++ •the simulation •the discussion	+		++		++	P
2	++	+	-	><	-	++	/
3	+						
4	•the discussion •the environment •being empowered as participant	><	++	++	++	++	N
5	•the discussion •NO attention to the environment	++	-	+	+	+	G
6	•the run was NOT inspiring •the chance to reflect about the topic	+	><	--	--	++	O
7	•the run •the clothing	+	-	+	+	+	I
8	•the run •the outdoor environment	++	+	++	+	++	K
9	++	+	-	+	++	++	F
10	•initial run	++	-	++	++	++	L

- ▶ Language Problems
- ▶ Novice Users
- ▶ Knowledge Exchange
 - ▶ Sociability question appeared not to be fully representative

Findings 2/3

WS Output Analysis

One participant commenting on the environment he run through: *“...it looks good you have the ocean you have all the warm good feelings and even though I’m not used to running around in warm areas like this you get really good feelings that made me motivated...”*

Discussing the ability of exchanging knowledge:

“I think, the group had many ideas that inspired, too.”

“I was able to tell about a new trend where a handful of people started running, which today gathers several hundreds each week”

One participant about the experience:

“I remember being here, the colors, the layout, the tables, the decision board, I remember you, I remember wearing those tennis shoes, the shorts, t-shirts, I have all of that as part of memories set about the all issue running ”

Findings 2/3

WS Output Analysis

▸ The entrepreneur angle:

- felt like gaining new insights about foreign markets

“getting broader pictures from other countries, that I cannot get locally”

- found two or more new features from every session

- Remarks:

 - longer duration might have helped participants to extract even more value from the discussion

 - limited capability of avatars of making two-dimensional drawings or sketches

 - Overall, it delivered insightful knowledge

Next Steps

- Cultural aspects - how this affect the experience and interactions of the participants?
- One more case study in Service Innovation:
 - SMEs interested in internationalization

The logo for the Nordic Virtual World Network (NVWN) is displayed in a dark grey rectangular box. It features the acronym 'NVWN' in large, stylized, outlined letters. Below the acronym, the full name 'NORDIC VIRTUAL WORLD NETWORK' is written in a smaller, all-caps, sans-serif font.

NVWN
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- www.nordicworlds.net

- #NVWN