

Communities of Customers and the Organization: New Service Relations on Web 2.0 Platforms

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Web 2.0 technologies give customers ever more opportunities to participate in the creation of services. Because the web makes it possible for a very large number of customers to interact and cooperate globally, it has provided the impetus for a new type of service whereby customers work for other customers. They build self-help communities of practice around a commercial product or service, often including products that are IT-based and complex. In travel, sports, and many other areas, they share their experiences and help each other in making consumption choices. Among “digital natives,” these communities are already a familiar aspect of the culture of consumption. Importantly, however, communities of web-based customer services make consumption practices an object of visible, public discussion online, and when this happens, customer service is transferred out of business organizations to the customer community. In this way, web-based communities are changing consumption practices and have made consumption a more significant arena of social behavior – this is the first argument put forth in the following article.

Community-based web services are part of the larger trend of user-producer communities that started to emerge 15 years ago on the internet. These communities of production are nurseries for principles and processes of organization that are quite distinct from conventional predecessors. Academic discussions usually highlight their participatory, socially integrative, and anti-capitalist character (Raymond 1999, Weber, 2004, Bruns 2008, von Hippel 2005). These phenomena have been described as “commons based peer production,” “social production” (Benkler, 2002, 2006), “community-based OSS production” (O’Mahony, 2006) or “mass collaboration” (Tapscott 2006).

While originally these community-based production processes were largely self-initiated and self-organized, business enterprises became involved more often as the phenomenon spread (von Hippel and Krogh, 2003, Wittke and Hanekop, 2011). Thus, issues of organizational borders and of relations between community and organization have become more germane (O’Mahony and Lakhani, 2011, Marquis and Lounsbury, 2011).

This applies also to community-based web services built around commercial products and services, where a company initiates and runs the web platform. This

kind of web activity applies concepts that were pioneered by peer-to-peer communities or wikipedia but ties them to a commercial product or service. While originally these peer-to-peer production processes were largely self-initiated and self-organized, in the kind of web services investigated here, firms build the community and organize the community-based production process. If sufficient participation is elicited, firms may then find themselves confronted by a self-organizing web community of customers, and these same communities can potentially exercise a great deal of influence over whether the company's customer service functions succeed or fail.

Where community-based production meets the working customer, a shift occurs in the relations between organizations and customers in the service sector (Cova and Dalli 2009, Hanekop and Wittke 2010, Ritzer 2012, Rieder and Voss 2010). Not only are customers carrying out the majority of the work that once had been the domain of professional staff, they also become relevant as a collective actor – this is the second argument elaborated below.

Although community-based support and recommendation services are spreading rapidly, social science research on services has had difficulties grasping the phenomenon. Indeed, it is questionable whether services are involved at all, because what is being produced is produced not by an organization but rather by a volatile web-based user community with shifting boundaries. Also, because they are available free of charge on the web, it is unclear how these services fit into the value chain of business enterprises. Many additional open questions revolve around the management and control of production and around the relations between organization and community. Debates on these issues and their ramifications have begun among critical scholars of services (Ritzer 2012, Rieder and Voss 2013, Bayreuther et al 2013, Hanekop and Wittke 2013). Also in the field of services marketing, “firm-hosted virtual peer-to-peer problem solving communities” have drawn attention, albeit more from a management perspective as a potentially effective and low-cost means of delivering assistance and support services to customers (Dholakia 2009).

This article is intended to demonstrate the value of studying community-based service platforms for social science services research, both for explaining the phenomenon itself and for advancing the theory of service work and consumption. Community-based web services built around commercial products is an example of a more general, emergent kind of service in which customers take on a more extensive role in production and, working together, become an efficacious and visible collective actor. At the same time, of course, community-based web services also represent a continuation of previous trends in the service sector. They are

affected by the same, longstanding tension between firms' rationalization and outsourcing strategies on the one hand and their equally important goal of customer orientation on the other. A tension arises also out of the gap between customers' expectations that they are fully sovereign and autonomous in service interactions and the de facto power of the company to control not only the internal production process but also the co-production of customers.

The focus in this article is on the new relationship between organization and community. Customers have taken on new roles as core producers, and in these roles customers no longer interact with the company exclusively as a bunch of isolated individuals – they are enabled by web 2.0 technologies to form a community and confront the company collectively. Looking at the other side of the equation, the study also examines the organizations that operate web platforms and, in end effect, also manage online communities that form on them. In the evaluative case studies below, activities and relationships on two web platforms are analyzed on the basis of data that are collected from those web platforms.

The article is structured as follows. The first section recapitulates the longstanding debate in services research over the inherent contradiction between rationalized service production and consumption. These debates revolve around sovereignty, individual autonomy, and choice. The second section provides a short introduction into recent developments in services provided on the internet. The rapid spread of online shopping and other e-commerce services have radically increased the proportion of self-services. Thereafter, the basic characteristics of community-based web 2.0 platforms for customer support and recommendation are introduced. In the third section, two case studies of community-based services will be presented. The fourth section discusses the results of the empirical analysis within the context of the research on services and organizations.

Services and the Dual Logic of Rationalization and Customer-Orientation

The dynamic expansion of the service sector in the second half of the last century has been accompanied by controversies surrounding the relationship between production and consumption. Production and consumption were thought to be guided by contrary logics of behavior and organization. One side of the debate was led by optimists, who looked forward to mostly positive social repercussions from the increased importance of consumption. They predicted increased employment (Fourastie 1954), the emergence of an emancipated consumption as a sphere of unpredictability and freedom no longer dominated by the exigencies of rational production (Bell 1976), an increase of the power of consumers, an increase of charitable intentions and volunteer activity (Gartner and Riessman 1974), and

even the reversal of the separation of production and consumption roles, forced by industrializing society, in the new role of “prosumer” (Toffler 1980).

Others feared that the growth of services and mass consumption would mean that consumption, too, would be subject to more control as a capitalist logic engulfs services too. The progressively invasive capitalist rationalization of services along Taylorist principles has indeed brought about widespread self-services, the outsourcing of tasks to the customer, and new co-production arrangements. “The defining characteristics of McDonaldisation (efficiency, calculability, predictability and control through non-human technology) involve customers in the rationalisation of service: by getting them to move through lines more quickly and to order large quantities of mediocre food at what appear to be low prices; by standardising orders; by scripting interactions; and, by developing norms of unpaid labour such as disposing of their own litter. Rationalised consumer 'labour' can be as alienating as the labour of paid employees” (Ritzer 2001:104).

The dominance of the organization over the necessarily co-producing customer underscored in the quote above by Ritzer is only half the story, because customers engage the organization not only as co-producers. In market interactions, they also confront the organization as an independent, autonomous key player. In individual exchanges with customers, the service firm may well have a power advantage. But “indeed, the distinction between the collective body of customers and the individual customer, and its implication for shifting power, is an important aspect of the cultural contradiction at the meeting of production and consumption within the service interaction. Dealing with the collective level of customers, in situations of competition, individual producing firms have severely constrained power” (Korzyski and Ott, 2004:582).

During co-production, the two opposing logics of action that guide organizational and consumer behavior meet. Yet, this confrontation occurs simultaneously within a broader mass market, where companies also face customers in the abstract who have to be won over as buyers. To do so, management has increasingly augmented rationalization strategies with “customer orientation” – or, at least, this has been a central proposition in the debates on services since the 1990s. Ritzer describes this strategy as compensatory enchantment: “Management seeks to deal with this tension by using spectacle, simulation and other techniques of re-enchantment to make rationalised settings more appealing to consumers and to obscure the rationalisation that lies at their core.” (Ritzer 2001:104) Korsynski speaks of the enchanting myth of customer sovereignty. “In order to attempt to manage the underlying contradiction, management promotes the consumption of the enchanting myth of customer sovereignty during the service interaction. This form

of enchantment is promoted such that within the interaction it appears to the customer that he/she is sovereign, while at the same time creating space for the front line worker to guide the customer through the constraints of production. (Korczycki and Ott, 2004:581). Gabriel describes it as the orchestration of collective fantasies: "Instead of a preoccupation with efficient production and rational administration, management today is increasingly turning to the consumer as the measure of all things ..Management of organizations thus finds itself increasingly preoccupied with the orchestration of collective fantasies and the venting of collective emotions." (Gabriel 2005:20)

These authors do not claim, however, that these management strategies actually work. The customer remains "unmanageable" on some level (Gabriel 1995). Indeed, the myth of customer sovereignty can easily disappoint customers and provoke resistance. "[T]he promotion of the enchanting myth of customer sovereignty creates the conditions for the myth's negation" (Korczycki and Ott, 2004:594). And looking retrospectively, Korczynski (2001:98) writes: "Although management constantly sought to maintain a 'balance' in these logics, inevitably there were fractures in the fragile social order."

The fragility and self-contradictions of organization-customer relations stem from the fact that the customer, unlike the service worker, is formally autonomous and not a subject of command and control in an organizational hierarchy. The logic driving customers' actions is also ambivalent. Customers may place a premium on the functional quality and efficiency of service production, especially with repetitive and routine tasks. Among consumers there is "an emphasis on getting speedy, efficient, reliable service, and accurate, up-to-date information where necessary. In so doing the customer may readily accept as necessary the constraints that production imposes" (Korczycki and Ott, 2004:592). For this reason, corporate rationalization measures may mesh well with customers' self-interest, especially if the measures appear to widen the range of choice, as is often the case in retail self-services. Customers may willingly assume more tasks if doing so satisfies their desire for autonomy and if the execution of these tasks gives them greater freedom of choice (Guttek 1995). Even the reduction of the personal exchange between customers and service staff to little more than sporadic encounters with random employees – certainly one of the outcomes of increased automation and standardization – can be attractive from the customer's perspective (Guttek, 1995, 2000). Whether customers like it or not, however, customer-oriented management strategies may have boomerang effects on the organization itself (Gabriel 2005:13). The expansion of services on the internet is making the contradictions inherent between businesses and customers more pointed and is expediting changes in their relations.

Services on the Internet: Radical Self-Service and Community-Based Support

The rapid spread of online shopping, online banking, and other internet services since 2000 has strengthened rationalization and has increased the proportion of self-services to conventional services in all areas. This kind of service organization eliminates not only the serviceperson at the point of customer interface, it also shrinks the triad relationship to a dyad between the organization and the individual internet-mediated customer. The customer as informal employee or “working customer” communicates over the internet to a company’s back-office IT system, not to its service worker (Ritzer, 2001, Voss and Rieder, 2006, Hanekop and Wittke, 2006, Cova and Dalli, 2009, Rieder and Voss, 2013). At the same time, internet self-services offer new functions and features: they are efficient and fast, and above all they are fully decoupled from normal constraints of space and time. They give customers the feeling of being able to make an autonomous, sovereign decision on the basis of information provided on the internet platform. The necessity of having to inform oneself is compensated by a greater range of choices and enchanting presentations on the websites.

Despite their advantages, internet services have two major deficits. First, the complete automation of the customer interface makes it hard if not impossible to receive human assistance. This may not be problematic for routine situations or for experienced customers, but in other situations, customers might be required to exert a huge effort to compensate for the lack of human support. Second, although web-based co-production can make one feel autonomous, customers’ co-production tasks are in fact highly formalized and directly integrated into the firm's IT-based production process such that their actions are ultimately controlled by the firm.

Community-based web services built around commercial products and services

The phenomenon of community-based service platforms on the web has grown steadily over the past five years. Today in fact, in the field of IT products there is hardly a manufacturer today who can afford not to offer a user forum or user support website. In other product areas, too, communities of customers share their experience and knowledge about travel services, sports, and other activities. One can think of them as communities of practice (O’Mahony and Lakhani 2011: 16, Wenger 2000) in the field of consumption. In the community, meaning and a sense of belonging are created as members support each other and exchange experiences and knowledge. This form of collective action is grounded in shared goals surrounding the usage of a certain product or service and the reciprocity of exchange among many customers (Ostrom 1990).

Peer-to-peer consulting is one possible way to apply knowledge to a specific task or question. Benkler (2002) actually describes it as the most efficient way. If it is possible to organize a critical mass of customers into a community of active users, it is very likely that regardless of what issue arises there will be someone paying attention who has exactly the experience and specialized knowledge needed to solve the problem. However, Benkler notes that peer-to-peer models only work if they are free of charge (Benkler 2002 und 2006, Wittke and Hanekop 2011). This makes community-based web services a collective good, not a ware. Yet this does not mean that market conditions play no role at all. Community-based web services built around commercial products or services are usually integrated in the existing value chain. Commercial enterprises use community-based web platforms in order to augment the value of the product or service to which the web community directs its activity. For doing so, there are various models that make community-based web services appealing as a management strategy (Dholakia 2009, Ostrom 2010). One such model is the classic outsourcing of customer support by the manufacturer of a product (first case study). Another model is a new form of intermediary who offers consulting services, the creation of which is outsourced to a community. This model generates revenue through advertising or commissions. Major advertisers are typically the companies who sell the kinds of products or services that are the focus of the community platform (second case study).

Companies who want to offer community-based services can use off-the-shelf web 2.0 technologies and models for solving the technical problems of running peer-to-peer services. However, their main problem is not technical but social: generating a critical mass of customers who are willing to help other customers on the manufacturer's website. Companies have no way to force contributions from customers, who are not employees; and trying to "buy" contributions would likely run contrary to the interests of customers and the expectations of the community. At the same time, if the company has no active community of sufficient size, it loses out on the valuable resource such communities can provide.

Of decisive importance is that the company has a web platform concept that makes customers believe that the platform is home to a friendly community of customers who are willing to help newcomers and who have similar needs and problems. Depending on the orientation or topics involved, either knowledge or social interaction may be the predominant draw, but only both together create a sustainable "myth of customer community," which is the basis for attracting and keeping a large number of customers focused on the task of collectively solving each other's support and advice needs. This term is borrowed from Korzynski's thesis of the "myth of customer sovereignty" but also reminds us that management

strategies are reactions to the fundamental contradiction between the logic of doing business and the logic of customer behavior. The “myth of customer community” is particularly convincing when the community is comprised of authentic customers, when customer support is based largely on their contributions, and customers can determine the content of support and organize it autonomously. The myth is endangered when the website concept is too obviously tied to the economic interests of the company or when the contributions are not made by real customers or by customers who receive compensation from the company. The next section will analyse two case studies of successful web-based communities.

The Community-Based Web Service of a Firm: Two Case Studies

The phenomenon of community-based services on the web is dynamic, expanding, and diverse, but empirical research is still rare (Beyreuther et al., 2013; Kleemann et al., 2012). The two explorative case studies reviewed here were designed to provide better insight into what roles organizations and communities play and how the relationship between businesses and customers develops over time, given the likely conflict between businesses’ economic intentions and customers’ community orientation.

The case study method offers a good way of investigating various actor constellations and their varying forms of interaction in context. Contrasting case studies and a mixture of quantitative and qualitative methods are appropriate for initial evaluations of new phenomena. For data collection, we took advantage of the fact that the entire process of customer service can be reconstructed from documentation stored on the websites themselves. In both cases, the delivery of services and coordination among the persons involved were accomplished using the web platform’s software, which both enables and records interactions among users (including moderators).

The case studies were guided by two questions. First, how is the process organized: what is the underlying concept of the web platform’s architecture and how does it work in practice? With this question, we investigated how the company running the site did its main job, which is restricted to the organization of the platform and its processes. Second, how does customer service by and for customers function on the platform? To answer this question, we drew a sample of customer contributions for each case. Contributions were analyzed quantitatively in terms of their structure and authorship and qualitatively in terms of their content (Kuckartz, 2012; Welker and Wünsch, 2010; Fraas, Meier and Pentzold, 2013).

For the case studies, we selected two large community forums that engage in the kind of web services of interest here. Both are operated by companies headquartered in the United States and are global players in their respective markets. Both operate web platforms in English and other languages, including German, which was the language used on the websites we examined. Both sites can be used free of charge, are public, and are highly frequented (for an overview of the cases, see Table 1). In both cases, support and advice is outsourced almost completely to customers. Any customer may participate and is fundamentally autonomous in terms of how contributions are written and what topics may be addressed. Both websites follow the principle that the customers determine the content, not the company. In this respect, both cases are perfectly suited for the study of how the assumed “myth of customer communities” as a corporate strategy is generated in practice and what this implies. At the same time, however, the cases each represent a different kind of service and market constellation. The first case is a leading manufacturer of GPS navigation devices who outsources support functions to customers in order to secure good customer support at low cost. The second case is an internet start-up company that established a large travel-community website where customers make travel recommendations for other customers free of charge. The company generates revenue from advertising.

A structured sample was taken from both web forums at the beginning of 2014. Their structure, actors, and content were analyzed qualitatively and quantitatively. For a pre-defined period, all contributions on a specific support and advice topic were extracted into Excel- and SPSS-compatible data files. For the first case study we took 300 questions and answers (threads) about eight different navigation devices in the period between the 20th of November, 2013 and the 20th of January, 2014 (for a total of 2,558 single contributions, Table 1). For the second case study we took a sample of 436 reports of 26 hotels in Düsseldorf – a large city and popular travel destination in Germany. This sample includes all customer reports of the selected hotels written in 2013.

Table 1: Overview

Support forum website		Travel community website	
<i>Total (Jan. 2014)</i>	<i>Sample</i>	<i>Total (Jan. 2014)</i>	<i>Sample</i>
37 devices	8 devices	750,000 hotels	26 hotels
since 2004	20 Nov.13 - 20 Jan.14	since 2009	Jan.-Dez. 13
20.000 questions	292 questions	100 million reports	436 reports
150,000 contributions	2,558 contributions		
100,000 members	600 members	57 million members	400 members

The User Support Forum (Case 1)

The user forum of the first case is one of several customer support channels offered by the manufacturer. The demand for customer support is high, making customer support an expensive part of company operations. The management's strategy for its platform was two-fold: to save money by outsourcing parts of its customer support operation and to expand market share by improving customer orientation. In its operation of the website, however, the firm did not always strictly follow this business logic. It had to adapt to customer's wishes for the purpose of securing a critical mass of customers willing to work for other customers. Nonetheless, the firm's initial task was to create a convenient workflow for customers and to define acceptable rules for participation.

In order to attract customers to the site, the website operator makes clear that answering questions is the central activity of the forum: "This forum is first and foremost to be used for users' questions and for the exchange of information regarding the use of" the manufacturer's GPS devices. The company's website concept regulates exactly how mutual support is to be carried out and what the customers should and should not do. However, the concept actually closely resembles the structure of a normal conversation among customers. Any customer can post a new question. This is called "starting a new thread" – a thread is a recorded series of contributions comprising the question and all responses to the question. Threads are usually started to describe a problem with one of the manufacturer's devices and to ask for help. Customers who register using the number of their GPS device and email address, plus their real name or a pseudonym, become members of the community. Customers' questions about their GPS devices aggregate to create the fundamental structure of the site. For each device there exists a sub-forum on which customers may open a new thread. On the basis of their own experience with the same GPS device, other customers may resolve or discuss the problem, sometimes also sparking debate. In this manner, customers determine what topics are discussed. In their communications with each other, they organize mutual support by themselves in a self-determined manner.

Some rules for contributions are adapted from the community-based practices of open source or other peer-to-peer projects. Generally, for example, contributions must be written in a polite tone, and every contribution must be welcome. Contributions must also conform to more specific rules that regulate, for example, how a contribution is to be written and what kind of content is disallowed. Moreover, the manufacturer also put in several rules that protect its economic

interests. Contributors may only discuss the manufacturer's devices, for example. Other devices may not be named, not even by way of casual comparison. The company protects itself from dissatisfied customers with the rules that criticism must be objective and concrete and that employees must not be mentioned by name. Posts not fulfilling these conditions are removed. Potentially, these rules could be used to censor unwanted critical contributions.

Moderators of the company monitor the observance of these rules and enforce them. They also respond to criticism, bug reports, and customer suggestions and handle product returns. It is not their job to answer customers' questions unless the community of customers is stumped. The core moderator activity appears to be enforcing compliance and responding to questions and requests directed specifically to the manufacturer. Moderator intervention in customers' communication was rare.

Because all contributions are public, they can be read by customers who are not members of the community. This makes the public support site more efficient, because customers can find answers to their questions among the site's contributions without having to pose the question again themselves. And indeed, the community's knowledge base is much used by persons outside the community. The 2,596 contributions of our two samples had been viewed a total of 152,133 times, or about 60 times per post on average.

The community of customers and their contributions

Customers carried out the major part of the customer service work produced on the site (98% of all contributions, 88% of all problem solving). Indeed, the solution of problems with devices seemed to be the main motivation for customer participation. Quite a wide variety of questions were posed (292 questions or threads in our sample). They can be differentiated in beginner questions, which comprised about half of all contributions, and complicated questions that elicited long discussions among the community's top experts ("long threads") and comprised one quarter of all contributions. Some very long threads – seven per cent of all threads in our sample – accounted for 30 per cent of total contributions and generated 30 per cent of all reader hits.

The quality of this kind of service is demonstrated by the fact that most questions were answered to the satisfaction of the questioner. Our analysis showed that three-fourths of all problems were resolved and 40 per cent of those asking questions explicitly expressed thanks for the help they received. Many questions were answered in less than one day, often within a few hours. Only 22 per cent of all questions in our sample went unanswered, and many of these led to the identification of defects or other problems with hardware or software. These are

problems that can only be fixed by the manufacturer, not by users' expertise (the software is not open source). The quality of support expert customers provided thus often surpassed the performance of conventional customer support staff.

The analysis of the contributions in our sample also showed that community members' contributions were distributed unevenly. A small group of 12 persons (2 per cent of all contributors in our sample) accounted for a fourth of all contributions (648 Beiträge). About 45 per cent of contributions (1272) were distributed among circa 350 other users. Among these individuals was a group of experienced customers that contributed frequently, but focused on one particular device. They worked together intensively on specific problems, new products, software updates, tests, bug reports, and possible product improvements. Over 50 per cent of all contributions in long threads came from them. An additional third of contributions came from the person who started the thread. Moderators belonging to the support personnel of the firm authored only 2 per cent of all contributions.

Also, problem-solving depended disproportionately on a few very experienced and active "heavy users." About one half of problems were resolved by a few heavy users; about 10 per cent were resolved by the moderators. A small group of 12 heavy users shouldered the main part of user support, answering on average two to three posts per day. It could not be determined definitively whether some of these individuals received compensation, but they did apparently have some kind of special relationship with the manufacturer.

A sensitive issue in the company's relationship with the community is potential public criticism of the company or its products. In fact, explicit criticism was absent in 85 per cent of threads. In general, posts were sober and fact-oriented even when the problem being discussed was caused by a product defect. Returns were handled swiftly by moderators. However, criticism was expressed in 15 per cent of the threads. Usually, criticism was directed at the product (13 per cent of all threads), but 5 per cent of threads contained strong criticism of both the product and the manufacturer. Because critical threads were often long, they accounted for 19% of all answers and 19% of all hits (Table 2).

Table 2: Criticism from community

Criticism from community in the Threads	threads (total)	in % per threads	in % per answers	in % per hits
Of products	38	13	19	19
Of company and products	13	5	10	8

Thus, a significant amount of criticism was voiced in spite of the restrictive rules and the presence of moderators. And when criticism was voiced, it often elicited responses with broad participation. In these situations, manufacturers or moderators sometimes were forced to accommodate new customer demands. More often, however, criticism was ignored or deflected. Dealing with such criticism would have been costly in terms of personnel resources, with implications for the development and production of the devices itself.

The Travel Community Site (Case 2)

The community-based travel site offers customer recommendations for various travel services worldwide. It was created by an internet entrepreneur in 2000 and merged in 2004 with a company that operates online booking sites (Livingston, 2008: 361-375). The community-based web service is free and has attracted a large travel community, making the site a desirable advertising space for companies offering travel services (Table 1). Indeed, the site has acquired a strategic position in the market because the recommendations posted on it can have real repercussions on hotel and travel booking (Birken and Schill, 2012).

The basic concept of the travel recommendation site is that travelers who have visited a particular hotel or restaurant describe and rate their actual experience. Others use these accounts to make their own travel choices. In contrast to information provided by hotel owners or travel agencies, the site is intended to be a platform for authentic information from travelers for travelers. The information complements online booking systems, which generate long lists of offers but no assistance in evaluating quality. Although the website makes recommendations for a variety of travel services, the case study focus solely on hotel recommendations.

The structure of the site is quite simple. Contributions are personal reports about hotels, restaurants, and other travel services. Communication and discussion are not possible on those pages, but members can contact each other in forums or via messaging functions provided on the site.

Some rules govern the structure and content of traveler-written hotel reports, designed to ensure that authentic customers write reports of authentic experiences. The first rule is that only “real” hotel guests may contribute. Hotel employees, owners, owners’ families, or competitors may not participate, and contributions that are “bought” with discounts or bonuses for hotel guests are disallowed. But a downside of the site’s market power is that the incentive for hotels to fake or “buy” positive reports has become quite high. The second rule is that customers are only allowed to report on their own experiences, not what they have heard from others. Third, reports must be based on fact and sober in tone, although they may offer subjective evaluations. Hurtful, discriminatory, or

unserious formulations are censored. Compliance with these rules is checked by travel site employees with the aid of software. Each post is checked before being published.

The community of customers and their contributions

The main message of the website is that it is a place where one can go to find out what a hotel really looks like and to get answers to the questions that really matter to customers such as how loud the rooms are, how friendly the staff, and how pleasant the general atmosphere. The reports contain authentic impressions, as in this example: „Please do not be put off by the entrance to the hotel as it is a bit uninspiring as once inside the hotel you will be pleasantly surprised. The rooms are large , modern, spotless.... This is a family run hotel and the staff are really helpful and nothing is too much trouble for them.“ This language makes clear that the reports are intended to be read by other travelers. Although travelers have no possibility of communicating back and forth about specific hotels, the site gives the impression to users of being in a community of travelers helping each other find a good hotel. Given enough reports, most readers should be able to find answers to their individual questions despite the fact that individualized advice is not given. The opportunity to write about one’s experiences is most likely an important additional incentive for writing reports, and the effort required to write a report is low.

We examined what kind of reports were posted, how hotels are reported, and who contributes. The hotels in our sample were described an average of 20 times each in 2013. Thus a certain quality standard and relevance of the recommendation service is guaranteed, which depends both on the number of reports per hotel and on the scope of overall coverage. Because the reports are subjective impressions, meaningful information about a hotel emerges only when a numerous individual reports are filed. Thirty per cent of reports were explicitly tagged as “helpful” by readers.

Reports are generally factual in tone and positive. Sixty per cent of the reports contained no criticism whatsoever, 30 per cent articulated isolated points of criticism. Only eight per cent of reports contained a clearly formulated and prominently placed criticism that was also reflected in the standardized overall rating. Travelers tended to report those things that were particularly memorable.

The contributors were not dominated by a specific group such as frequent travelers or travel professionals. Sixteen per cent of authors in our sample were first-timers. One-third had written 2-10 reports, the majority (40 per cent) had written 11-50, and 15 per cent had written more than 50. For some contributors, writing was routine, for example during extended trips. They submitted a steady

stream of reports, which visibly boosted their ranking and profile. This suggests that personal profiles served to motivate some users.

The tension between the companies involved and the community of customers is different from the user support forum in the first case. Reports and recommendations are highly relevant for the travel market, and contributors are quite aware of the effect they have as community on a hotel's market position. The customer community here, in fact, has the ability to confront companies on the market as a collective actor. Hotels seem to feel the power shift, as they complain about the "arbitrariness" of reports. This demonstrates the new strength and affirms the increased power of the community of customers. It could be seen as a new balance of power. Yet this power was not normally used to damage companies. The vast majority of reports were positive, and most hotels are recommended with criticism mentioned only in passing. This may be explained by the fact that guests often build a personal relationship with hotel staff during their stay, which would prevent them from expressing harsh criticism. But this could also be an effect of the website operators' efforts to assert control, because no one knows how many contributions were deleted before publication. Public criticism of hotels certainly harms the hotel more than the platform operator, which might lead us to expect the operator to be unfazed by critical reports. Yet, criticized hotels are often important advertising customers. Hotels have been allowed to respond to criticism in the space directly under the customer report. This function is used quite intensely. In our sample, well over a third (36%) of reports elicited some kind of response from the targeted hotel, but the trend is increasing. As a result, the site no longer reflects the customer perspective exclusively.

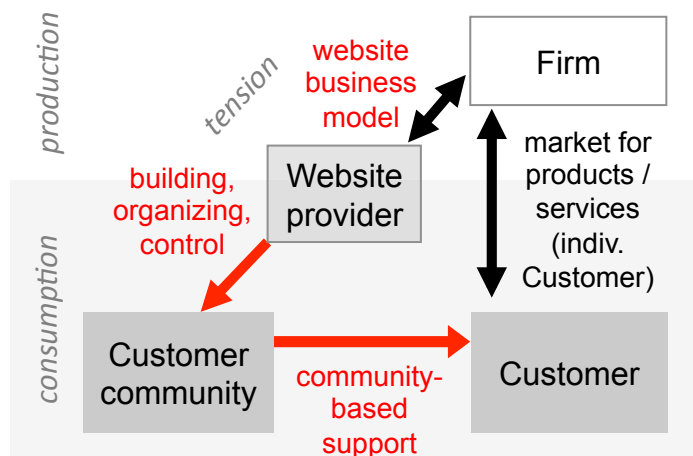
Community-Based webservices built around commercial products – discussion and outlook

The companies in our case studies were able to build highly frequented, community-based websites for customer support and recommendation services. They generate value from the sites, although these services are created by the community as public goods. This, on its own, would not be surprising today. Yet both business models are remarkable because they combine community-based, decommodified customer support with online self-services to compensate for short-handed staff. In doing so, they also participate directly (case 1) or indirectly (case 2) from the value that is created by the self-services. This arrangement gives rise to serious implications for current developments in web-based services and for the theory of service work and consumption.

The shift that occurs in the relations between service organizations and customers in the service sector due to the emergence of community-based service production

built around commercial products and services leads to two new types of actors: (a) the website provider as organizer of the service and (b) the community of customers as core producers of consulting services for other customers. There is a tension in these two roles and their interaction, quite characteristic of services, between the logic driving customers' actions within the sphere of consumption on the one hand and business organizations' logic of producing and selling cost-efficient, rationalized services on the other. In order to outsource consulting services to customers and thus to manage this tension, website operators were established in the cases we examined who behaved as if they were playing a neutral, independent moderator role between the profit-oriented business and the customer. In this situation, website providers had to find a balance between the economic goals of their website business model and the tasks required to organize a community of customers (Figure 1). In some aspects, the role of the website operator is similar to the role of frontline workers in traditional service relations. But, a new actor comes on the stage for helping customers consult other customers: the community as a collective of customers.

Figure 1: Community-Based Services Built Around Commercial Products/Services



The basic idea behind websites in both cases is to get customers and users of specific products to communicate via the website about their problems and experiences and to help each other. In the first case study, the manufacturer of GPS devices offers an additional support channel targeted to customers who bought their devices online or in retail outlets with no support staff. In the second case, the website operator offers recommendations as an augmentation of online direct-booking services with the goal of selling advertising space on the website to travel service companies and hotels. Over the years, the operator developed a sophisticated set of marketing services for travel service providers, which are also

sold for revenue. Moreover, the travel site itself belongs to an online travel booking company. Both business models are quite different, but both generate value by connecting a web-based support and advice to a company that sells products or services for which the support and advice is offered. This constellation can be interpreted as a variant of the service triad (Figure 1), in which decommodified advisory services built around commercial products are provided by a community. Characteristic of the new service triad is that on the web, sales is separated from support. As in offline constellations, support is a free add-on to the act of purchase. In contrast to offline constellations, support is not the job of service workers (who in the interaction with the customer have to cope with the tension noted in the introduction, Korczynski, 2005) but rather by customers. It requires a website operator to make this possible.

Website operators perform tasks for the community. They organize the website on which customers can communicate freely and autonomously. Customers as a community ("community" being a critical number of participating customers with shared goals and interpretations of the meaning of their being together) are capable of creating a new and attractive service based on their own habits of consumption of specific services or wares and the specific knowledge they thereby acquire. The relationship between the website operator and the community is characterized by mutual dependency, not hierarchical control; nor is there at this point a market relationship. The success of community-building depends on the promise that customers are free to make any contribution they wish and can read the unmanipulated contributions of other customers. Yet this brings up a potential problem for the company: with such a platform, customers could be handed the means to publish highly effective criticism of the company and its products. Thus, outsourcing of support and advice functions to a publicly visible community of customers has consequences. For companies running community-based service platforms, they indeed perform a balancing act between economic goals and successful community-building.

Website operators certainly have the technical ability to control website content and can prevent the publication of unwanted contributions. Should they make use of this power, however, they risk losing trust and legitimacy and could chase away its valuable users. In our case studies, the companies kept a balance between freedom and control by giving community members nominally complete freedom to write what they wanted but setting clear rules about what kind of content is allowed and disallowed. Of course, the rules also help to ensure a certain quality standard, yet their usefulness in protecting the interests of the company is obvious. Our study revealed significant public criticism of products and services on the websites, but this criticism was channeled by the rules onto specific points.

Contributions that did not follow the rules as set out in the terms of use were deleted by the website operator. Because our access was limited to published content only, we could not estimate how often website operators used their technical abilities to prevent the publication of unwanted contributions. Deleted contributions could only have been identified with the support of the company or by interviewing members of the community. Future studies should consider this strategy. Such data is necessary for a more complete answer to the question of how free and authentic these communities are or whether here, too, “community” is just an enchanting myth, promoted by the company, to cope with the tension between promoting an autonomous customer community and protecting its bottom-line economic interests. However, our results strengthen the conjecture that in their role as website providers, the firms do grant customers autonomy in what they write and publish. Collective criticism was not be completely squelched, and this limitation of company power was tied to the community’s emergence as a collective actor. Similar arguments are made by Ritzer and Jurgenson (2010, 2012), Rieder and Voss (2013) and Beyreuther et al. (2013).

The case studies demonstrate how customer communities grow up around consumption practices that community members aim to improve through cooperation (Wenger 2000). The constitutive moment of such communities is defined by the fundamental purpose of the website. An element essential to building communities of this sort is that community members are visible to each other and to others on the internet.

Without a doubt, both of the communities studied were influential outside the realm of the sites. The growing market relevance of their platforms strengthened the participants’ sense of their collective identity and purpose. On the basis of these findings, there is every reason to take these communities seriously: they are new collective actors in service relations. At the same time, however, these new social formations are quite precarious. They are not just simply volatile, they often fail to generate a clearly identifiable social order, in contrast to most open source communities (Gläser 2001 and 2007, O’Mahony 2007). In our second case, the community existed merely as an aggregate of customers who did not engage in interactive communication. It was addressed as a collective by the other actors involved but did not develop potency as a collective. In our first case, the active members of the community interacted and built a social order with different kinds of users: a core of heavy users and experts who made regular contributions, a continual flow of new members with questions, and a large number of customers whose principle activity was reading others’ contributions. Being an expert conferred social recognition, which was an incentive for continuous participation. The members of the inner core had influence in the community. However, we

found no decisionmaking processes or persons with the authority to make binding decisions on the collective – and these are correctly considered key criteria in the definition of community-managed projects (O'Mahony 2007). In fact, both websites were designed by the website operator to work without the need for decisions. Support activities led sometimes to problems that begged for solutions – for example when a correctable product defect was discovered – but the company retained the power to decide what was to be done. In sum, the company-community border in our cases did not seem to be as porous as in comparable projects in the context of innovation processes (O'Mahony and Lakhani 2011, Lakhani et al 2013, Marquis, Lounsbury and Greenwood 2011). The question of whether customer communities change business enterprises' borders, or similarly, what the management of these borders and interfaces mean for them, cannot be answered sufficiently on the basis of this study. The study is limited not only by the small number of cases examined but also because it relied on publicly available website data only. The analysis of website content allowed much insight, but this method should be augmented by interviews with community members and company employees in future studies.

Several aspects of the case studies could be relevant for the theory of service work and consumption. On the web, advice and support functions are separate from the market-based company-customer relationship and can be organized as an independent field of activity. Thus, a new kind of consulting service is possible that draws on the practical knowledge and experience that customers accumulate using particular products. The building of corresponding communities of practice enables peer-to-peer services.

The new type of consulting takes place in the sphere of consumption, and it could contribute to a new consumption culture that not only gives wings to collective emotions and fantasies (Gabriel 2006), but also enables a new form of collective consumption. And because of their highly visible presence on the web, these communities can become very influential. The emergence of powerful communities is not assured, however, and our case studies showed, the commercial organizations that organize communities can use both blatant and hidden or subtle methods of steering and control. Nonetheless, this new variant of the old tension between the spheres of production and consumption in services calls for further research, as does the social order of those web communities of customers.

Notes

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