

User Innovation and Firm Boundaries: Organizing for Innovation by Users

(Short title: Organizing for User Innovation)

Symposium organizers:

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Presenter Symposium

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User-Driven Innovation

- Users as sources of knowledge and even innovation (von Hippel, 2005)
 - Local and sticky knowledge (Lüthje, Herstatt, & von Hippel, 2005; Ogawa, 1998; von Hippel, 1994, 1998)
- Underlying explanation: bounded rationality and local search (Helfat, 1994; Henderson, 1993; Hill & Rothaermel, 2003; Martin & Mitchell, 1998; Nelson & Winter, 1982; Rosenkopf & Nerkar, 2001; Simon, 1957; Stuart & Podolny, 1996)
- Manufacturers vs. users: different knowledge bases and innovations (cf. Franke & von Hippel, 2003)
- How can a manufacturer organize to optimally take advantage of users' knowledge and innovations?

Firm Boundaries

- **Boundary between user and manufacturer**
 - Distribution of problem-solving activities
 - Dynamic and non-traditional firm boundaries (cf. Brusoni, Prencipe, & Pavitt, 2001; Jacobides & Billinger, 2006; Leonard-Barton, 1995; Pisano, 1994; Thomke & von Hippel, 2002; von Hippel, 1990, 1994, 1998)
- **Redefining the innovative boundary of the firm** (cf. Afuah, 2001; Chesbrough, 2003; Chesbrough, Vanhaverbeke, & West, 2006)
- **New innovation models: hybrid R&D** (cf. von Hippel & von Krogh, 2003; West, 2003)

Organizing for User Innovation

- **Relationship between innovation and vertical scope** (Afuah, 2001; Jacobides & Billinger, 2006)
- **Toolkits for innovation/user communities** (Franke and Piller, 2003; 2004; Franke and von Hippel, 2003; Jeppesen, 2005; Jeppesen & Frederiksen, 2006; von Hippel and Katz, 2002)
- **Co-creation of value, democratized innovation and open innovation** (Chesbrough, 2003; Chesbrough, et al., 2006; Gassmann, 2006; Prahalad & Ramaswamy, 2003; von Hippel, 2005)

Presenters

- **Joel West** (San Jose State University)
 - *Open, Cumulative and User Innovation*
- **Allan Afuah** (University of Michigan)
 - *User Innovation Life Cycle Model*
- **Wim Vanhaverbeke** (Hasselt University & Eindhoven University of Technology)
 - *Role of Lead Users in Radical Innovation*
- **Lars Bo Jeppesen** (Copenhagen Business School)
 - *Users as Complementors*

- **Frank Piller** (RWTH Aachen University)
 - *Discussant*