



Journal Homepage: -www.journalijar.com

INTERNATIONAL JOURNAL OF ADVANCED RESEARCH (IJAR)

Article DOI:10.21474/IJAR01/15144
DOI URL: <http://dx.doi.org/10.21474/IJAR01/15144>



RESEARCH ARTICLE

EMERGING NEW PRACTICE: CREATING NEW VALUE PROPOSITION FOR INNOVATIVE APPROACH TOWARDS DESIGN PRACTICE IN MALAYSIA.

Ramlan Jantan, Dr. Norfadilah Kamaruddin, Dr. Shahrman Zainal Abidin, Khairol Ezedly Abd. Rahman and Dr. Afeez Nawfal Mohd Isa

Faculty of Arts, Computing and Industry Creative, Universiti Pendidikan Sultan Idris (UPSI), Malaysia.

Manuscript Info

Manuscript History

Received: 05 June 2022

Final Accepted: 09 July 2022

Published: August 2022

Key words:-

Co-Creation Method, Co-Creation Framework, Co-Creation, Co-Creation Report

Abstract

In dire straits we always look for ways to equip our self with latest information or knowledge available so that we can have a grasp of what is happen. Eventually, design production issues in Malaysia seriously need a new frontier for future design development in Malaysia. Co-creation value, the new approach or method most debated for the past few years, re-known as efficient tools to create new value proposition. The new approach is customer centric, rather than products only focus. Hence, involving customer, design and stakeholder to create new value creation, this new approach create new opportunities that lead to competitive and innovative services and products. Whereby, user share their personal interest and personal behaviours to erect and actualized new value creation by envision future services. This study aims to investigate a unique proposition actualized from nuances of co-creation value attributes and characteristic. Whereby, the attributes and characteristic of co-creation value can be apply to design production in Malaysia, and create value-in-exchange in good services or products. Thus, this paper propose a critical report and suggestion obtain, pertinent to characteristic and attributes of co-creation value. The report and study clearly provide an insight of what co-creation value approach can promise to Malaysia design studies and root of design production. This paper further contributes to the literature on the co-creation of value and digital ecosystems.

Copy Right, IJAR, 2022.. All rights reserved.

Introduction:-

New Value in production; measure and implementation in Malaysia

Malaysia design production in need of new change in order to cope with the new trends presented by new world market. Although, we Malaysian realize since the economic downturn Malaysia design company are facing a financial crisis. Whereby, Multimedia or advertising firms are reducing staff numbers and losing revenue. Somehow, not much research conducted on this topic, and few that are available are still less considering the necessary effort to conduct research. According to Barker, T. and Y. B. Lee. (2017), not many firms or multimedia companies in Malaysia have succeeded in sustaining their business, especially during the economic downturn, when non-government-funded companies are facing difficulties to sustain their business (Barker and Lee Adrian 2017). Why this is happening and why Malaysia's design production is non-competitive or lacks innovation.

Corresponding Author:- Ramlan Jantan

Address:- Faculty of Arts, Computing and Creative Industry, Universiti Pendidikan Sultan Idris (UPSI), Malaysia.

Hence, according to Kamaruddin, N. (2011) conventional design production practiced in Malaysia focuses on the feature of the development process and utterly leaves the management to decide on the design decision. The result, of this action, triggered unwise decision-making from the management division which failed to recognize the importance of innovation in design production. Alternatively, these consequences result in the user being avoided participating during the production processes.

Alternatively, the research is conducted to identify if a popular and effective new approach can be implemented in Malaysia's design production. Data collected revealed a few issues that needed to be taken seriously by many organizations including government and non-government agencies in Malaysia. The implication of this delay to change the landscape of design or Creative Economy (CE) in Malaysia can be a big gap for Malaysia's creative industries (CE). As a result, Isa, Siti & Author, Isa & Isa, Siti & Ali, Abu. (2011), discussed issues of limited research data on creative economy conduct in Malaysia, whereby leads to limited access regards of design industry production situation. Conversely, seldom discussion of topics arises also contributed to fewer data recover for innovation and knowledge and effects of the design industry in Malaysia (Isa, Author, et al. 2011).

Although a few scholars and academia have realized the situation arouses in Malaysia regards of design production, this matter has been resolved by necessary action. According to Nabil Hasan, Azizah Abdul Rahman, Faisal Saeed, (2015), Alternatively, UTM idea bank which has been established in 2010 is proof that co-creation value have been applied in Malaysia. The approach of co-creation value is implemented within this idea bank to gain new perspectives on how user involvement can enhance its achievements. Whereby, co-creation value have been acknowledged to inspire creative and innovative culture in the UTM community (Al-kumaim, Abdul Rahman et al. 2015). The implementation of the co-creation value approaches has been proved effective to ensure a production process is targeted to innovation and competitiveness. According to Jantan. R, Kamaruddin et al. (2020), Co-creation value an approach that rather share than disclosed. Whereby, customers are always considered a source of business by the new method, and engaging customer in the early stages for co-creation value is essential (Jantan, Kamaruddin et al. 2020).

Meanwhile, engaging customer by involving them in the creation of value for production is the main concern for co-creation value characteristics. Co-creation value method believes that the nature of their research methods is engaging customers to create potential value. Despite co-creation value claimed that the real value or actualized value is when the customer is experienced with the value-in-use. This was also explained in the central research of co-creation value, the value-in-use is the customer as a value creator who creates value in exchange for money.

According to Grönroos, C. and P. Voima (2012), who stated that the value suitable for the customer is when the firm creates potential value and the customer transforms those value into value-in-use as a real value or value actualization (Grönroos and Voima 2012). Also, this means a firm or company will prepare a comprehensive document and explicit content as a guideline on how the customer can co-create with the stakeholder and firm. Similarly, the results of this facilitation by the firm to the customer or user then they can actualize a certain value that is most important for them. For instance, the value that has been created by the user is usually the most desired by the user in terms of functionality for example. In accordance with these facts, the products or services that the user most need is worth the payment that the customer has paid. In fact, as stated by Grönroos, C. and P. Voima (2012), value spheres are a space where the customer and firm are engaged and should be analyzed by the roles of the customer and the firm. Hence, this recognition that encompasses the provider and customer is recognizable and agreed upon by both parties. Somehow, if the system and value sphere is closed for a customer, co-production cannot take place in the production process. The same applies to co-creation, which cannot take place if the customer's process is closed to the provider. Indeed, co-creation only occurs when two parties can influence each other and interact (Grönroos and Voima 2012). The seriousness of this issue today has affected many platforms from the front desk to design and to the production process.

Literature Review:-

Malaysia today is drawn into new technologies every day, adapted to suit ourselves with the latest technology and knowledge that we can. Malaysian consumers not only adapt to new behaviors made popular by electronic media and the internet, but also try to apply them to our everyday life and routine. The result of this shows that Malaysians are still limited in terms of research and innovation on customer experience. According to Golooba, Moses & Ahlan, Abd Rahman. (2013), "there is a need to explore ways of increasing in both the volume and value of research in Malaysia" (Moses Golooba 2013) (P.342-347) (Moses Golooba 2013).

In fact, according to Hussein, Idyawati & Abu Seman, Esmadi Abu & Mahmud, Murni. (2009), who highlighted that Malaysian interactive design production an appropriate usability standard procedure to be developed, and correct interaction design to ensure tremendous information usability. Furthermore, there is confusional arousal debated on the interaction design in Malaysia and no clear distinction has been laid down to overcome this problem (Hussein, Abu Seman et al. 2009)

To further elaborate on the need for revising the existing framework of multimedia interactive design production in today's practice, Kamaruddin, N. (2011), argued on the conventional design model which only focused on some aspects of development leaving the firm manager to do the decision making for design development process (Kamaruddin 2011). When considering this subject, it's worth noting that studies including consumer orientation should be prioritized as one of the ways to improve the quality of design management standards. Today's commercial organizations are battling to stay afloat in a volatile market. They want to improve their creativity, innovation, and competitiveness. The performance of businesses is influenced by a variety of factors. The 'customer focus' is one of the elements that has been identified to influence corporate performance.

According to Madhani (2020), In both transactional and relationship-oriented firms, a customer-oriented strategy has a favorable impact on customer experiences, and customer experiences have a major impact on future spending. This is also noted in an endeavor to improve the design industry's quality and strategy, particularly in the package design business. Customer-centric strategies promote an organizational culture focused on increasing customer value and strengthening customer connections. Every person and process in the organization should be involved in creating customer value. Customer happiness is based on value creation, which has a long-term impact on customer relationships.

Previously, in her literature review, Ekstrom (2001) discovered that one explanation for consumers' aversion to new product advances could be that businesses have misinterpreted – or even failed to identify – their genuine desires. Many organizations, according to Cooper and Kleinschmidt (1987, 1990, 1995), lack a strong market orientation and consumer emphasis. Companies may claim to be customer-oriented by emphasizing the importance of client desires, but the question is whether this is true or whether the concept of "the customer in focus" is only a cliché. The situation, or if the phrase "customer first" is just a cliché, a catchphrase rather than a genuine style of functioning.

Thus, in her research on the subject, she discovered that by doing a qualitative analysis of a few organizations, companies A and B (and, to a large extent, C) may be classified as having a reactive approach to product development. Trends, benchmarks, and external events, for example, prompted the start of product development. Company D, on the other hand, took a more proactive strategy by methodically searching for new problems that could be solved by technical solutions, as well as involving customers in the systematic review of new product concepts. Furthermore, the growth of companies A, B, and C might be classified as predominantly product-driven. (Ekstrom, 2001)

Background of study

The background study of this research involves a prolonged discussion mingled with issues to the Malaysian creative industry. Hence, what has been practiced so far is insufficient for the Malaysian creative industry today. Whereby, the Malaysian creative industry needs a fresh new start or a new beginning for the creative industry economy to expand (Jantan, Kamaruddin et al. 2020). Alternatively, issues brought up usually involved the designers in the design production process and also the representatives of firms or management. Alternatively, this brings the question, of whether this practice of corporate behavior in the design industry is beneficial for the development of the creative industry in Malaysia? Considering the CE (Creative Economy) economic growth, only a certain design field appears moving forward in terms of innovation. Though, its current limitation has caused design production in Malaysia to lack of innovative approach and less competitive. The animation industry, for example, is making good progress with local content, somehow multimedia and advertising is losing growth (Ali, Suriawati et al. 2011). Moreover, results of less research conducted in the mentioned field of study or resulting in conventional design practice are no longer viable to the latest marketing and demand trends. Further, the changing nature of today's market extremely requires the firm or a design company to be competitive through active involvement with customers or users. Therefore, serious thinking requires a change to explore new available trends is essential to increase the value of research in Malaysia (Kamaruddin 2011).

This research is intended to explore the characteristics and approach proposed by co-value creation and attributes suitable for Malaysian design production. Whereby, emphasis is to focus on understanding value co-creation and what it can offer to the Malaysian design scene, and the factors influencing the application of co-creation value.

The co-creation method is a concept that has been discussed extensively. It concerns the participation of users with designers or firms while focusing on customer services, rather than products. Design studies have started to explore and discussed the co-creation method in design production. The emerging practice of a few well-known design method has been combined with the co-creation value method. Whereby, this method has been further discussed in literature and research. Hence, the debate mainly focuses on nuances of co-creation value which places customer involvement with firm representatives within a sphere of engagement. Whereby, These spheres were known as the customer sphere and provider sphere, in which engagement took place to create new opportunities and new value creation (Venkat Ramaswamy 2010).

Table 1.1 (A):- Comparison of Characteristics and Attributes of Co-Creation Value with Service Design.

No	Service Design			Values
	Natures	Characteristic	Attributes	(Emotion) (Personal) (Knowledge)
4.	Capacity to shape, capacity to grow	Efficiency- Increasing capacity existing system	The challenge in their term, to grow autonomy simultaneously	New capacity, Increase new capacity

The main concern of this research stimulates by the characteristic of co-creation value, which sounds promising to the new merging practice. Hence, the emerging practice and method or knowledge that we try to seek today in Malaysia should be considered seriously in the co-creation values approach. Subsequently, it was concluded that the actions of the management team and designers have only led the firm to be non-competitive without taking into consideration the needs of users (Kamaruddin 2011).

It is learned the nuance of a business or services and products can grow with a capacity to shape its audacity of new significance value. Although, we learn in other methods or approaches that the approaches or method is emphasized new value driven, usually the decision comes from the management team. Hence, the capacity to grow and to shape is within the limit of management or stakeholder understanding. Somehow, co-creation value enables collaboration with stakeholder and the management team together with a designer team to achieve the same aims. This is the new capacity of collaboration values and also increase new capacity for product or services to grow (Wetter-Edman 2011). Alternatively, matters of communication barriers and boundaries that existed in the firm have been resolved. Hence, by communicating the same ideas the stakeholder, management team, and designer team are increasing new capacity. Whereby, the option for finding new opportunities for innovation exists in the existing services system. Pertinent to this nuance of dynamic characteristic offered by the co-creation value approach erect the capability for new value creation or unique value proposition (UVP) (Jantan, Kamaruddin et al. 2020).

Table 1.2 (B):- Comparison of Characteristics and Attributes of Co-Creation Value with Service Design.

	Co-creation values			Service Design			Values
	Natures	Characteristic	Attributes	Natures	Characteristic	Attributes	(Emotion) (Personal) (Knowledge)
1	Engaging customer in their term	Engaging, Interaction	Creating value jointly between company and customers	Service	Alteration, Optimise	Alteration of existing service, Capability to optimise service to maximum potential	Customer is source of value/ Service or products are potentially innovation driven

Engaging customer in their term; characteristic of co-creation value

Moreover, engaging customer on their terms is to require user/customer personal behavior experiences as part of the joint creation value in graph 2.1 value creation perspectives below. Capability, another category that requires the intention of firms, is another ingredient to actualizing collaboration value. Typically, being able to engage a customer or user is essential and advantageous but being able to define a value in exchange is an important issue that needs to be debated. Creating value jointly and engaging users or customers must provide a meaningful value in exchange that is beneficial for both parties.

However, if only one party benefits from this ‘creating value jointly’, the meaning of co-creation values is neglected. It is important to ensure that both parties are equally measured in terms of key benefits of collaboration values. In reference, the joint sphere created must visualize both parties accurately and define collaboration values in their terms, enough to be valued as value in-exchange. Managing to cover these factors involves creating value jointly which can proceed to another proposed characteristic whereby both parties must have ‘active dialogue in joint problem solving’. Hence, engagement and creating jointly value must be accompanied by dynamic actions of an active dialogue between both parties. To clarify, a progression of active dialogue includes, for example, constructive comments and sharing ideas or thoughts. Total involvement of customer or user while involved in the dialogue includes problem-solving. Thus, problem-solving must include design matters, such as the dream design of users, and functional design for users instead of just creating aesthetic values. Moreover, the nature of the characteristic is ‘allowing the customer to co-construct the experience to suit their content’. According to Grönroos, C. and P. Voima (2012), the core of value creation is user personal experience and personal behavior constructed with user experience while interacting with firm representatives such as designers (Grönroos and Voima 2012).

Creating value jointly between company and customers; attributes of co-creation value

Customers are always considered a source of business by both methods, and engaging customer in the early stages for co-creation value are essential as referred by table 1.1 (A) above. Meanwhile, engaging customer by involving them in the creation of value for production is the main concern for service design. Both methods believe that the nature of their research methods is engaging customer to create potential value. Despite co-creation value claimed that the real value or actualized value is when the customer is experienced with the value-in-use (Grönroos and Voima 2012)(Katarina Wetter-Edman 2014). This was also explained in the central research of co-creation value, value-in-use as a sphere, or jointly creation sphere where the customer is a value creator who creates value in exchange for money. The roots of central research of marketing and management, trust that in exchange for goods and product services offered by firms are meant to be customer-centric and user friendly. Nevertheless, without value-in-exchange constructed by a customer in the jointly sphere, service or product is not considered innovative and competitive. To actualize the desired value creation, the customer or user must construct value-in-use in exchange for money that the customer pays for. According to Grönroos, C. and P. Voima (2012), who stated that the value suitable for the customer is when the firm creates potential value and the customer transforms those value to value-in-use as a real value or value actualization (Grönroos and Voima 2012).

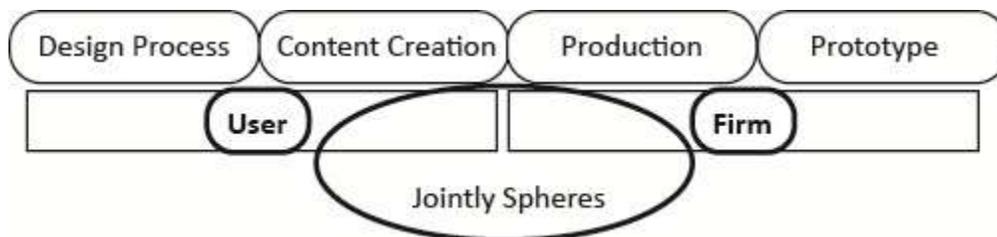
Table 1.3 (C):- Comparison of the Characteristics and Attributes of Co-Creation Value with Service Design Value Proposition.

Co-creation values			Service Design			Values
Natures	Characteristic	Attributes	Natures	Characteristic	Attributes	(Emotion) (Personal) (Knowledge)
2 co-construct the experience	Active dialogue, joint problem solving	Allowing customer to co-construct the experience to suit their content	Construction of technological network	Customer experience, influence and behaviour	Cross-disciplinary collaboration, Knowledge sharing/ customer perspectives integrated	Service network/ Customer experience

Active dialogue, and joint problem solving, characteristic of co-creation value

The attributes of co-creation value have been recognized as valuable to be adapted by design study or design research in Malaysia is co-construct the experience. Hence, Collaboration constructs experience pertinent to the development of design studies. Especially when discussed on certain issues in regards to Malaysia design studies or design methods practiced. Whereby, customers focus on the nuances proposed by the co-creation value approach and emphasize customer involvement in the decision making (Katarina Wetter-Edman 2014). Creative dialogue and joint problem solving is another characteristic of co-creation value which this research believed provides a potential for adaptation by existing design production in Malaysia. Given the above, it is understood that the open channel for creative dialogue leads to many possibilities and also provides a platform for interaction to co-construct new value activities (Grönroos and Voima 2012). The design value phase not only provides open dialogue and key activities per se to be applied but also initiated a reference for future analysis. The capability to record every single decision made and interaction that occurs between the designer and user is a novelty. Thus, being a sensitive listener not only gives an advantage for a firm to excel in producing desired products but also provides hope or dreams for the customer.

Methodology:-



2.1 Jointly spheres graph by Grönroos and Voima, (2012)

Value creation perspectives:

A jointly sphere theory of user involvement process by Grönroos and Voima, (2012)

Technology has the enable concept of new creation and has begun raising curiosity amongst many providers in Malaysia and overseas. The concern is usually related to production value, the new method and techniques to create innovation for services and products. Hence, technology is always the fastest way and applicable to create new market value services or products. Somehow, utilizing the technology one's requires guidance and comprehensiveness of research for guidance. Whereby, the challenge to providers and stakeholder to answer the question of innovation always lead to research of new methods and approach suitable for the intention. Alternatively, the co-creation value approach is the new method or approach that is suitable to lead the conventional production to new value creation.

Whereby, the figure above explained an involvement process by providers or firms to start to create the innovation process and competitiveness. As the figure above indicated, there is a phase of customer involvement that embraces operant resources, intangible knowledge sharing, and capacities to collaborate (Jantan, Kamaruddin et al. 2020).

Hence, the customer involvement phase embraces operant resources, the intangible knowledge function to capacities to collaborate. Whereby, intangible knowledge shared amongst participant include customer personal behavior information. Which is considered viable and important data to be practiced by the company to further understand customer expectations and needs to their product or services. Hence, customer personal behaviors that have been shared within the sphere of engagement known as the jointly sphere, can be apply to company research and development. The data collected from customers' personal behavior information is essential as a source to enhance company/ firm services and products.

Alternatively, co-creation approach is focused on service experience and as a core to value creation, user experience such as user social interaction is a contextual aspect to user liability to co-create with firms or companies. Accordingly, co-creation value considers the resource data of users such as social interaction with products or services including memory, thoughts, and personal experience (Grönroos and Voima 2012).

Alternatively, the co-creation approach or method focused on the service experience of a customer, which is considered a core of value creation within the jointly sphere. In fact, customer or user experience according to co-creation method is the contextual aspect for user liability to co-create or collaborate create with firms or companies. Social interaction is one of the important data collection viable and necessary source of new knowledge for firms to understand their customer or user behavior. Similarly, a user shared memory, thoughts and personal experience consider a crucial source of social interaction deemed necessary to the development and research of new products or services (Grönroos and Voima 2012). On the other hand, social engagement within the jointly sphere proved the user as a social constructionist for value creation. Moreover, the nuance of co-creation value explains, a company or firm creates a new value creation firmly within a social context. Especially, by applying and locating within user and designer social context. In fact, value-in-social context as explained, is not similar to value-in-use (Hannu Saarijärvi 2013). Correspondingly, user involvement with products is considered a partnership relationship with companies or firms, which is essential for the user to become a co-creator of new value. Although user involvement is the core of value creation it requires comprehensive analysis before it can be applied. (Chathoth, Ungson et al. 2016).

Conclusion:-

This research is intended to explore the characteristics and approach proposed by co-value creation and attributes suitable for Malaysian design production. Whereby, emphasis is to focus on understanding value co-creation and what it can offer to the Malaysian design scene, and the factors influencing the application of co-creation value. Although, Malaysian design production value is ready to embrace a new method that is well known to be an agent of transformation Geist for management and services. However, Malaysia still has an issue with conventional production practices that are equally familiar to Malaysia today. Hence, it is understood its current limitation is the drawback of today's design production process. Hence, this research intended to propose a new method focused on understanding the characteristics and attributes of co-creation value for Malaysia's design production. Intentionally, to better understand the social interaction between users and designers with products or services through production value. Hence, any capacity towards finding a new significant value related to the discovery of innovation changes is fully desired.

The engagement of users towards proposing the production of a new value proposition is based on co-creation value characteristics and attributes recommendation. Although co-creation value method is still new and multi-faceted, the theory of characteristics and attributes for example is promising for innovation change. It is hoped that the new theory of production characteristic from co-creation value was able to introduce an innovation process and new engagement capability towards Malaysia's design production and increase the value offered. Alternatively, this finding discussed an outcome that requires a quick answer for design firms in Malaysia, whether Malaysian need to change their approach or method to be competitive in the market.

References:-

1. Al-kumaim, N., et al. (2015). "Motivations for Value Co-creation in Higher Education Institutions Using Online Platforms: Case of Idea Bank." *Jurnal Teknologi* 73.
2. Ali, A., et al. (2011). "Development of creative industries in Malaysia as experienced by Les'Copaque production. The case study."
3. Barker, T. and Y. B. Lee Adrian (2017). "Making Creative Industries Policy: The Malaysian Case." *Kajian Malaysia* 35: 21-37.
4. Chathoth, P., et al. (2016). "Co-creation and higher order customer engagement in hospitality and tourism services." *International Journal of Contemporary Hospitality Management* 28: 222-245.
5. Grönroos, C. and P. Voima (2012). "Critical service logic: making sense of value creation and co-creation." *Journal of the Academy of Marketing Science* 41(2): 133-150.
6. HannuSaarijärvi, P. K. K., HannuKuusela, (2013) (2013). "Value co-creation: theoretical approaches and practical implications." *European Business Review* Vol. 25(No. 1): 6-19.
7. Hussein, I., et al. (2009). *Perceptions on Interaction Design in Malaysia*.
8. Isa, S., et al. (2011). *The Development of the Creative Economy in Malaysia as Experienced in Two Different Case Studies*.
9. Jantan, R., et al. (2020). "Value In Exchange: The Importance of User Interaction as the Center of User Experiences." 2020.
10. Kamaruddin, N. (2011). "Practices of Interactive Courseware at Malaysia Primary Smart School: Usage Standing and Causes Attributing." 5: 1-11.

11. Katarina Wetter-Edman, D. S., Bo Edvardsson, Stefan Holmlid, Christian Grönroos, TuuliMattelmäki (2014). "Design for Value Co-Creation: Exploring Synergies Between Design for Service and Service Logic." *Service science* Vol. 6,(No. 2): pp. 106–121.
12. Moses Golooba, A. R. A. (2013). "Service Value Co-Creation in Research & Innovation Practices in Higher Education Institutions in Malaysia." 4th International Conference on Electrical Engineering and Informatics, ICEEI 2013 volume 11(2013): Pages 342-347.
14. VenkatRamaswamy, F. G. (2010). Build it with them to boost growth, productivity, and profits *The Power of Co-Creation*
15. Wetter-Edman, K. (2011). *Service Design - a conceptualisation of an emerging practice*. Faculty of Fine, Applied and Performing Arts, University of Gothenburg. Faculty of Fine, Applied and Performing Arts, University of Gothenburg, University of Gothenburg: 170.
16. Madhani, P. M. (2020) Building a Customer Focused Strategy: Conceptual Frameworks and Research Propositions. *SCMS Journal of Indian Managements*, Volume 18 (3): pages 6-25.
17. Ekstrom, K. M. (2001). Customer Product Oriented Development? An exploratory study of four Swedish SME'S (Research report REPEC) retrieved from https://ideas.repec.org/p/hhb/gunwba/2001_380.html.