

User-Designed Products – Are they Beneficial to New Venture Success?

Miriam Lohrmann

German Graduate School of Management and Law

Tomás Bayón

German Graduate School of Management and Law

Cite as:

Lohrmann Miriam, Bayón Tomás (2019), User-Designed Products – Are they Beneficial to New Venture Success?. *Proceedings of the European Marketing Academy*, 48th, (8672)

Paper presented at the 48th Annual EMAC Conference, Hamburg, May 24-27, 2019.



User-Designed Products – Are they Beneficial to New Venture Success?

Abstract

Currently, different new ventures have included their users in the product development process and have marketed their products as designed by users. Although, prior research has regarded many relationships between low-complexity user-designed products and customer response, several questions remain open, especially those in a new venture context. The introduction of valuable and needed products is crucial for new ventures to enhance customer cognitive legitimacy (CCL). Therefore, this work examines the potency of low-complexity user-designed products on customer response and the mediating effect of CCL in a new venture context. The results of the underlying work confirm this relationship. As a boundary condition, we further examine the effect of user-designed products and positive word-of-mouth (WOM) on CCL. Our findings imply that marketing products as designed by users is not always beneficial. When there is positive WOM, labeling products as designed by users backfires on CCL.

Keywords: *User-designed products; customer cognitive legitimacy; new venture success*

Track: Innovation Management & New Product Development