The long standing business and marketing paradigm based on the assumption that a customer-centric approach leads to value creation and increased firm profit performance (Rust and Zahorik 1993) has been challenged by some researchers who argue that, given times of uncertainty, a less customer-centric approach is more appropriate. However, this alternative paradigm fails to acknowledge the growing body of evidence in support of the effective use of participatory Web 2.0 technologies for building customer relationships and harnessing their creative potential to collaboratively influence and improve product development and reach a larger market. This paper outlines a third paradigm, focusing on the increasing importance of engaging with customers as both “produsers” (Bruns 2008) and marketers through social media, and the creativity skills required of future graduates to make more effective use of these technologies to solve increasingly complex problems, build customer relationships, and market products more effectively.

ALTERNATIVE BUSINESS AND MARKETING MODELS

This section provides a discussion of the evolution from what should be industry best-practice in moving from a product-centric to a customer-centric marketing model. While theoretically this has occurred, in practice, most firms still cling to their products at the expense of focusing on their customers. Exacerbating this problem is an emerging technology wild card that now dictates a new emergent customer participatory model to replace (or at least extend) the traditional customer-centric model. Firms that do not embrace the emergent technological changes, and the new and innovative ways of doing business that are associated with these changes, face serious consequences.

The Move from Product-Centricity to Customer-Centricity

At the completion of World War II, there was a significant customer pent-up demand for new products. During this period, the marketing function focused on “… promoting, pricing, and distributing products for the mass market” (Sheth, Sisodia, and Sharma 2000, p. 55) with profits aligned to the market-share firms obtained. Firms were internally focused with an emphasis on producing superior products vis-a-vis being customer or consumer centric. During the 1950s, as competition increased, significant changes occurred in marketing thinking and there was an impetus for firms to move from product to market orientations. It was during this period that the contemporary marketing concept evolved (Sheth et al. 2000). Accelerating the metamorphosis from product to market focus were the huge leaps in ICT in the latter half of the 20th Century. These provided significant advancements in the collection, storage, analysis, and transmission of information. These advancements provided the basis to enhance relationships with customers via
investment in customer relationship management systems and database software marketing packages so as to reach out and provide “personalized” attention to valuable customers.

A key mainstay underpinning the marketing concept is that firm success in the marketplace is achieved through putting the concerns of the customer foremost. Customer-centric firms develop a competitive advantage because they are able to respond to different customer groups with a somewhat personalized service tailored to the customer’s needs (Galbraith 2005). Firms that develop this capability are more likely to attract and maintain satisfied loyal customers and both practitioners and researchers agree that this is a key contributor to firm success (Rust and Zahorik 1993). Although evidence of the importance of customer satisfaction continues to accrue, there are many in industry that fail to appreciate that firm success is linked to customer satisfaction. The reality is that most firms remain product-centric despite the rhetoric that they have a customer focus (Galbraith 2005).

**Post Customer-Centricity: An Emerging Participatory Model**

While many firms remain in “catch-up” mode in moving on from a predominantly product focus, technological advances have yet again underpinned changes to how new age customers want to be involved in the marketing function. Web 2.0 (a group of technologies that are associated with terms such as blogs, wikis, podcasts, and RSS feeds that facilitate a more socially connected World Wide Web where individuals are able to augment and modify the information space) provides the basis for building customer relationships by empowering customers to not only be managed through customer relationship management systems, but to actively contribute in their capacity as product users - “produsers” (Bruns 2008).

Obasanjo’s (2004) classification of social software enables us to easily identify the core features and particular applications that incorporate the principles of social networking espoused by O’Reilly (2005). Obasanjo (2004) identified five classes of social software … communication, sharing, discovery of old and new contacts, relationship management, and collaborative gaming. These applications are well suited to “produsage”, which Bruns (2008) suggests is characterized by community-based production, fluid roles, unfinished artefacts, and common property. This kind of “produsage” is said to erode the production and marketing value chain by increasing the capacity of more diverse non-market producers to both produce and market goods by collapsing the cost of producing and exchanging information, thus elevating informal social marketing to a more central role in the information economy. Consumers are also using this new democratic marketplace to shape public perception of products and services through effective use of Web 2.0 social media. This phenomenon has resulted in a clash between traditional institutionalised approaches to production and marketing, and emerging social practice.

Another significant trend emerging in parallel with this shift toward more participatory modes of production, marketing, and distribution has been the emergence of a new generation of digitally literate “produsers”: These young people are said to display particular characteristics including the ability to multi-task, a desire for immediacy, a preference for multi-modal learning, a need to be socially connected through networked activities, responding best to experiential activities, and an interest in “things that matter”. It is also argued that these “net gen” learners are entering university already equipped with skills in the use of a wide range of Web 2.0 applications such as wikis, social networking, blogging, podcasts, and 3D gaming. However, evidence is also mounting of the challenges in adapting these technologies to the teaching and learning curriculum.

The increasing demand to equip graduates with both the ability to respond to an increasingly complex world and the ability to make effective use of new and emerging technologies, requires a new paradigm in marketing education; one that leverages off the digital literacy of our changing student and customer demographic. This includes those who develop their creative capacity through lateral thinking to develop problem solving skills and who make effective use of social media. Thus, it is timely to develop a new kind of customer relationship model whereby the “produsers” are the ones who contribute to the development of products and market them via wider Web 2.0 based distribution channels. In this regard, Table 1 provides a comparison of the product-, customer-, and produser-centric approaches.

**NEED FOR CREATIVITY IN AN INCREASINGLY COMPLEX NETWORKED INFORMATION SOCIETY**

It is evident from the preceding discussion that the shift to a networked information society has profound implications. The combination of technological developments and globalization, combined with volatile markets and increasing uncertainty in a complex networked society, necessitates fundamental changes in the ways in which firms identify