Sonja van Dam

BETWEEN A ROCK AND A HARD PLACE

HOW CO-CREATION CAN FOSTER SCALING UP THE CIRCULAR ECONOMY

WHAT IS CO-CREATION?

- Co-creation is the creativity shared by two or more people who create something collectively.

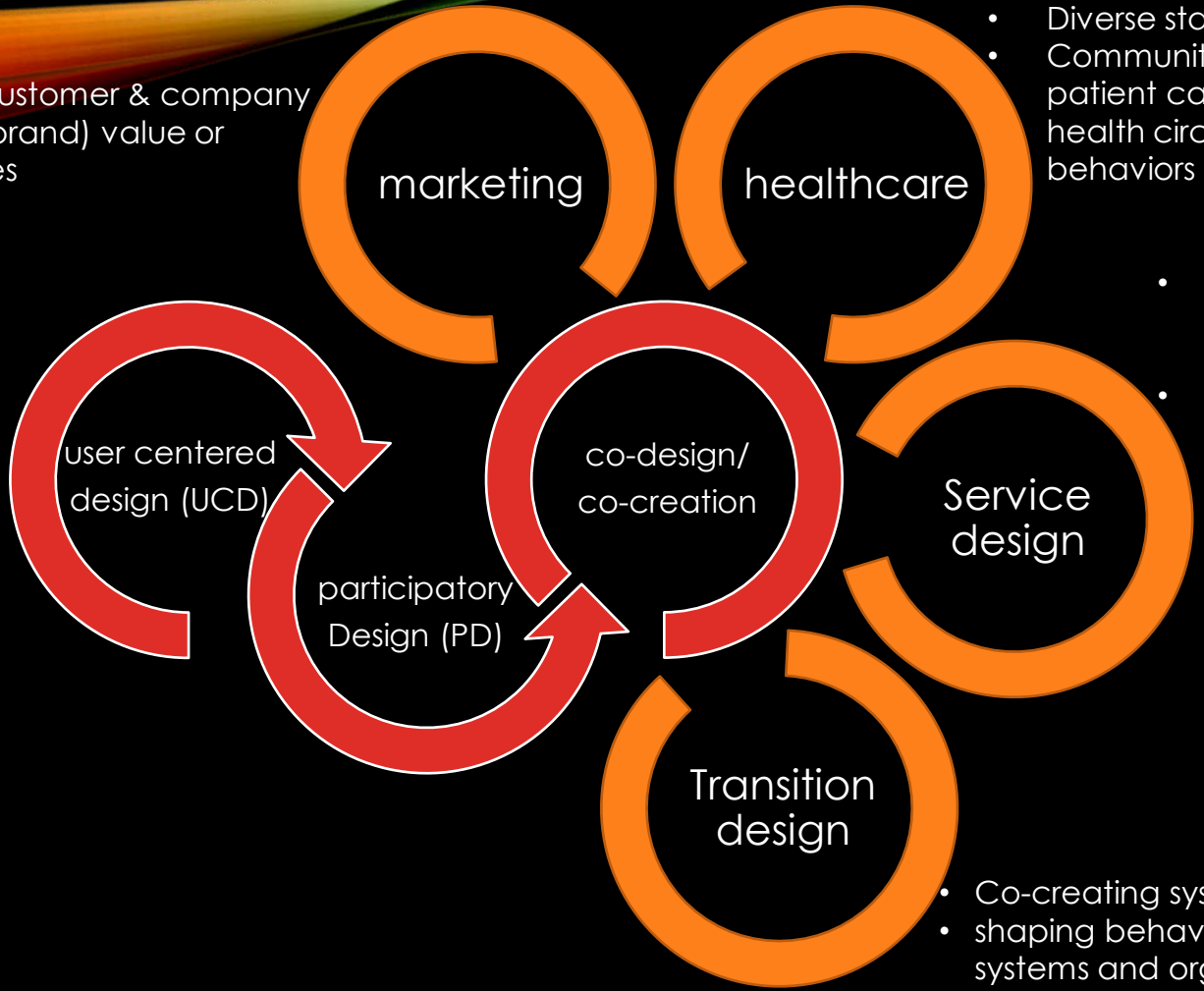
008)

GOAL OF USING CO-CREATION

- To inspire and inform project/design team
- In the early phases of designing products & service

→To ensure that they will fit the way they will be used in practice
→vastly increasing chance of success in the market

- Between customer & company
- Creating (brand) value or experiences



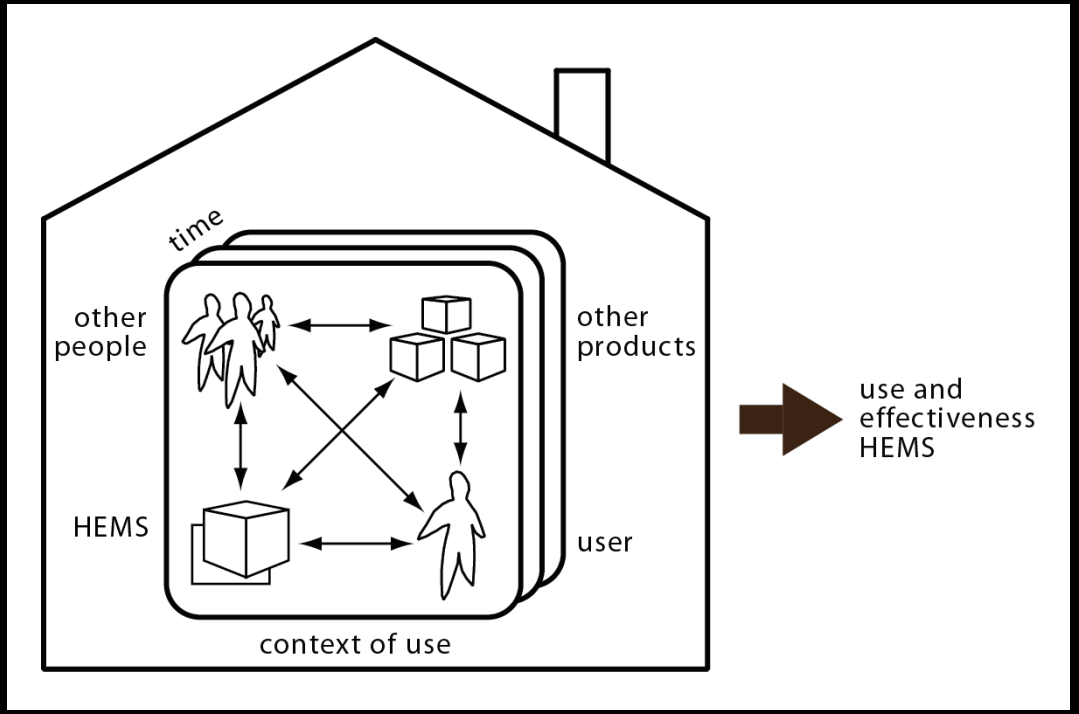
- Diverse stakeholders
- Community engagement in patient care for challenging health circumstances and behaviors

- collaboration or ‘co-development’ with value chain
- Contribution designers little explored

- Co-creating system transformation
- shaping behavior – of people, systems and organizations

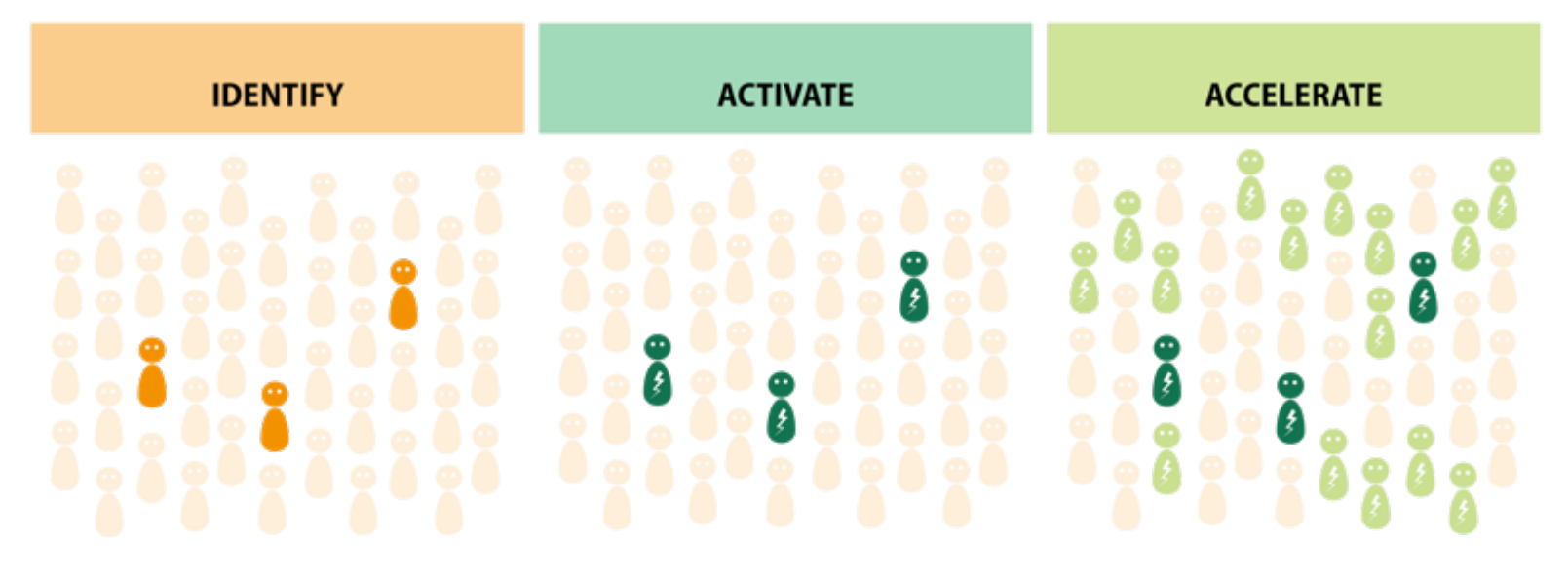
PHD - Home Energy Management Systems

building comprehensive understanding of use and effectiveness

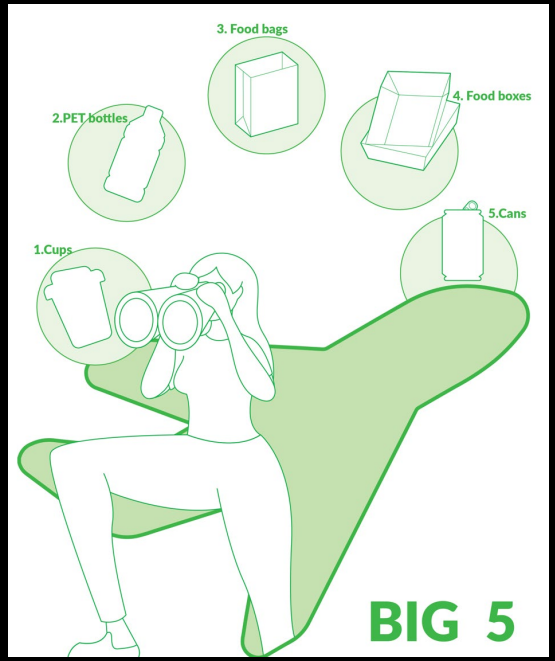


ENRGISED - Fostering energy transitions through social contagion

Role cocreation in transitions

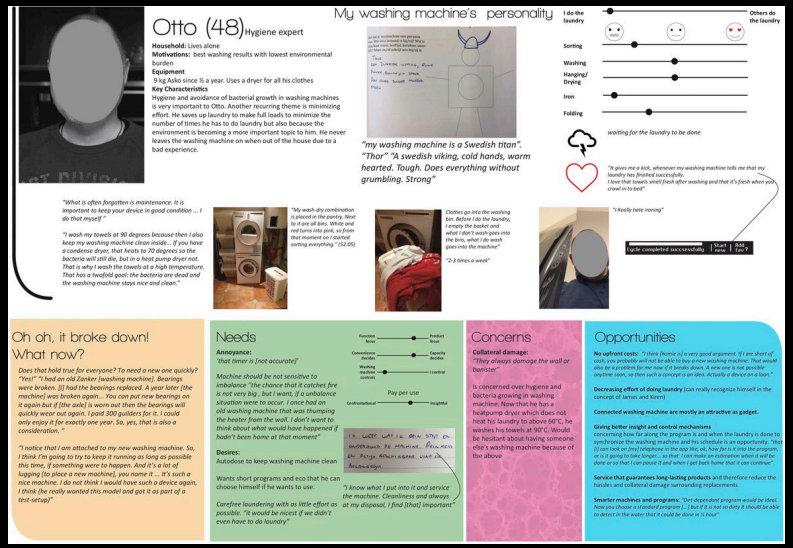


TULIPS - Engaging Stakeholders to Co-create Novel Waste Reduction Schemes And Upcycling Solutions



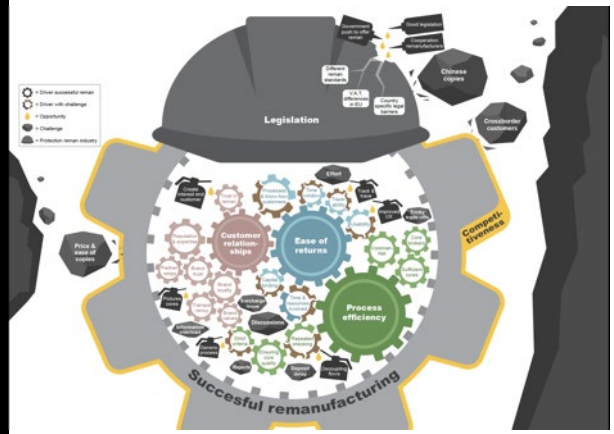
RECIPSS - Circular Washing Machines As A Service

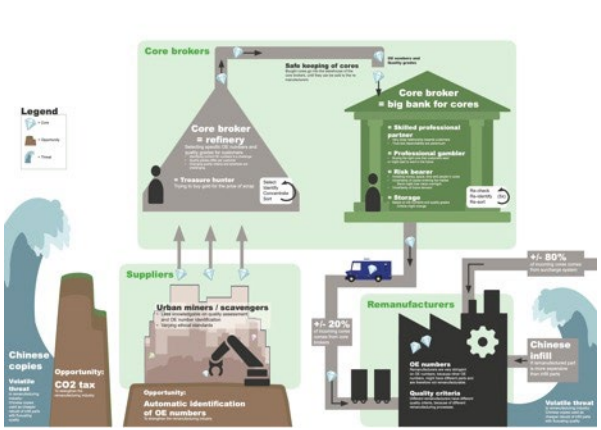
Co-creating circular business models



RECIPSS - Cocreating Reverse Logistics Platform For Car Parts

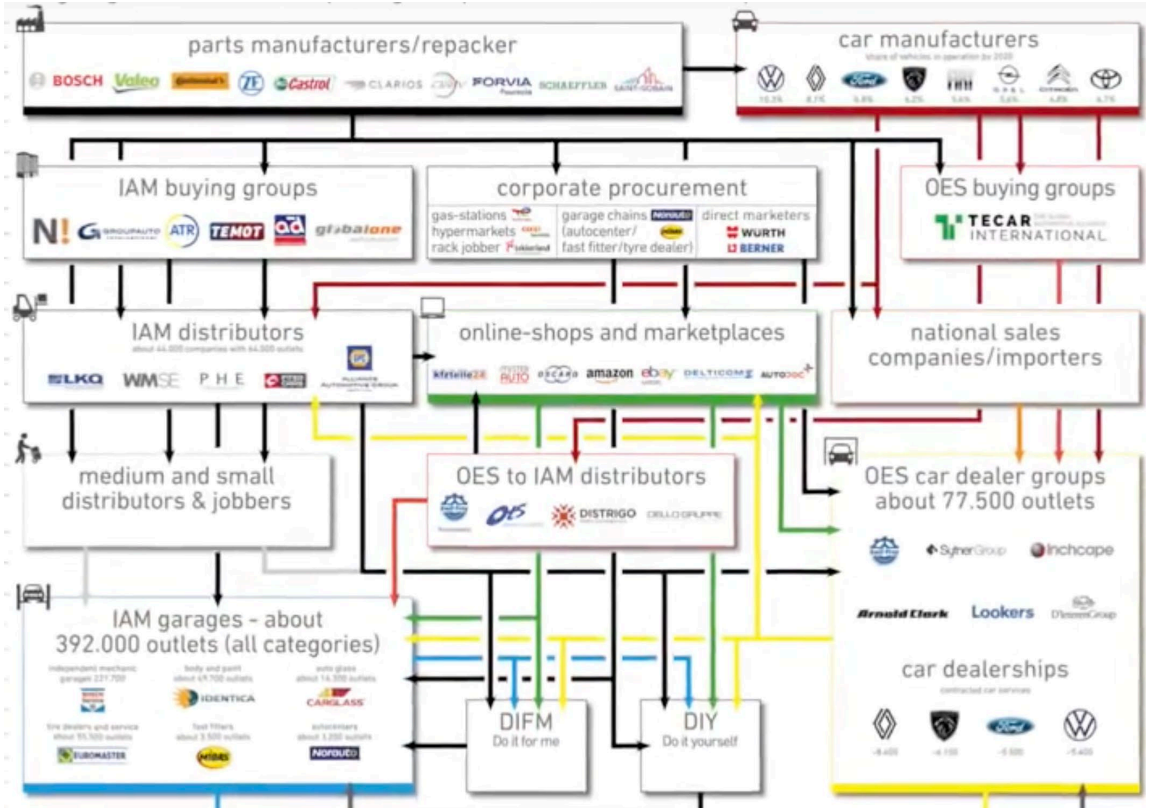
Co-creation in complex value chains

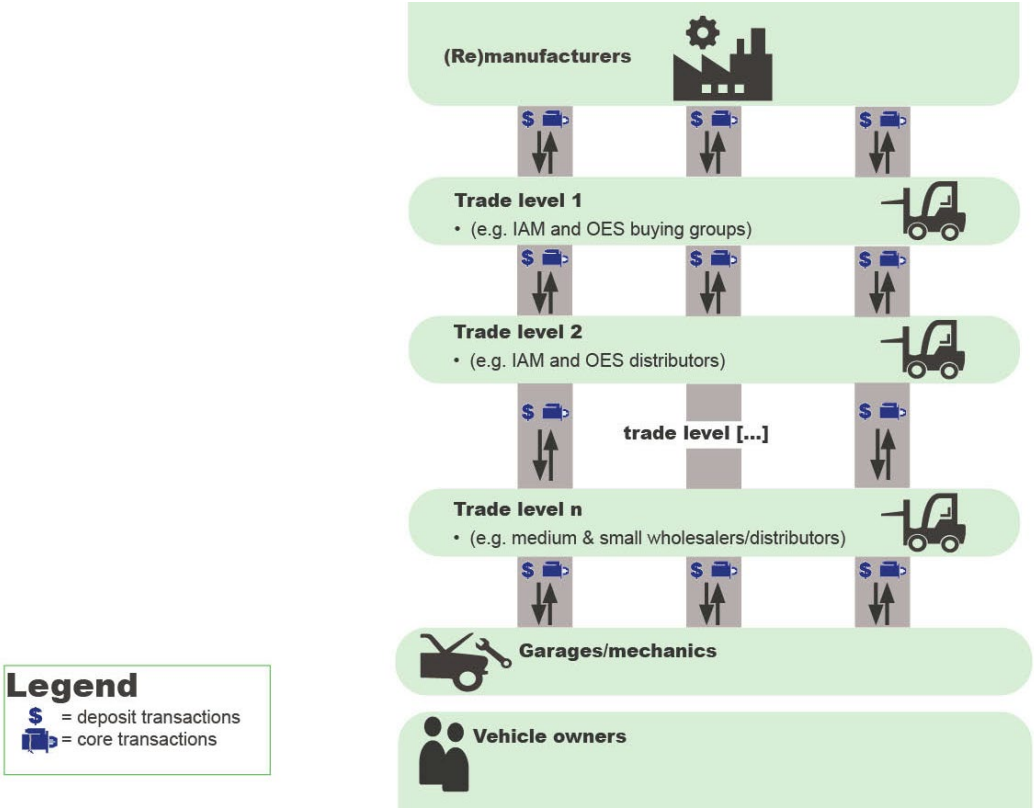


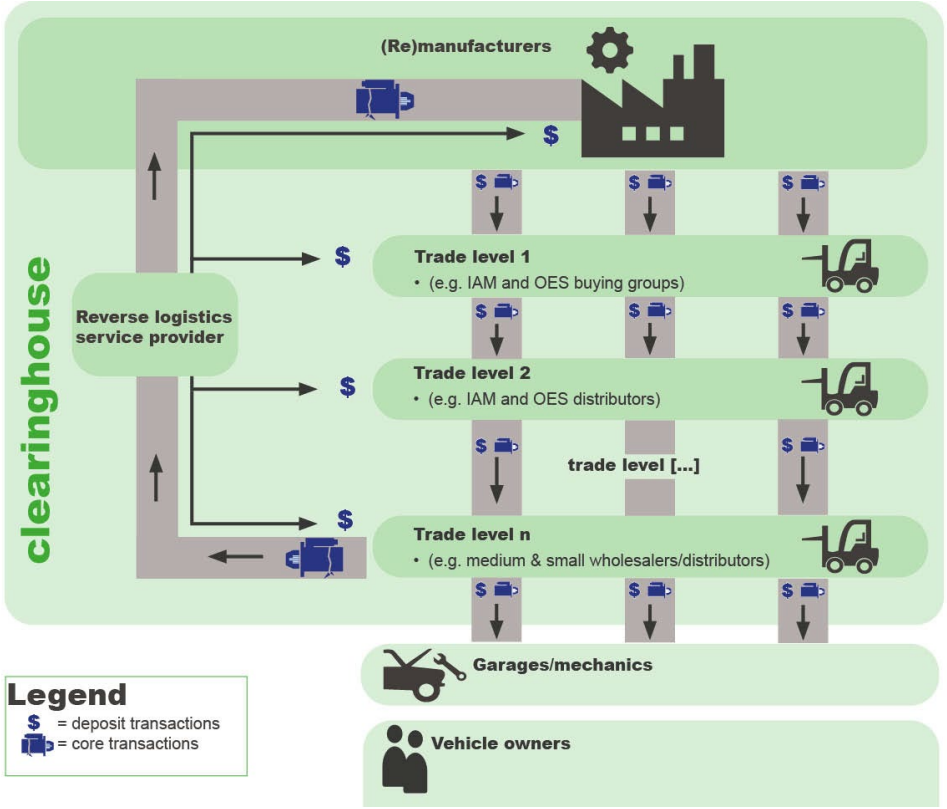


HOW MANY OF YOU OWN A CAR?

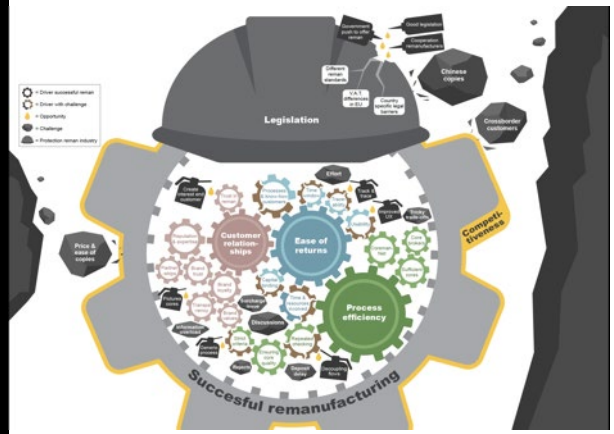
- How many of you know if a remanufactured part was used during repairs?
- How is a broken part (core) returned to the factory to be remanufactured?

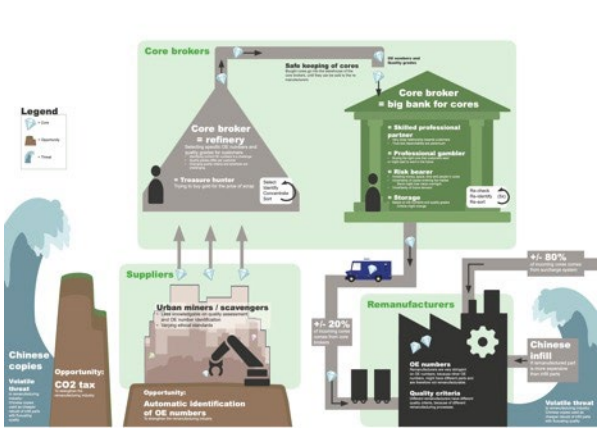

parts manufacturers/repacker
BOSCH
Valeo
Castrol
CLARIOS
FORVIA
SCHAEFFLER
car manufacturers
IAM buying groups
TEMOT
corporate procurement
gas-stations
hypermarkets
rack jobber
garage chains
(autocenter/
fast fitter/tyre dealer)
direct marketers
WURTH
BERNER
OES buying groups
TECAR
INTERNATIONAL
IAM distributors
LKQ
WMSE
PHE
online-shops and marketplaces
amazon
ebay
national sales
companies/importers
medium and small
distributors & jobbers
OES to IAM distributors
DISTRIGO
OES car dealer groups
about 77.500 outlets
Sytner Group
Inchcape
Arnold Clark
Lookers
car dealerships
IAM garages - about
392.000 outlets (all categories)
IDENTICA
CARGLASS
EUROMASTER
Norauto
DIFM
Do it for me
DIY
Do it yourself


(Re)manufacturers
Trade level 1
• (e.g. IAM and OES buying groups)
Trade level 2
• (e.g. IAM and OES distributors)
trade level [...]
Trade level n
• (e.g. medium & small wholesalers/distributors)
Garages/mechanics
Vehicle owners
Legend
= deposit transactions
= core transactions


(Re)manufacturers
$
clearinghouse
Reverse logistics service provider
$
$
$
Trade level 1
• (e.g. IAM and OES buying groups)
Trade level 2
• (e.g. IAM and OES distributors)
trade level [...]
Trade level n
• (e.g. medium & small wholesalers/distributors)
Garages/mechanics
Vehicle owners
Legend
$ = deposit transactions
= core transactions

4 Co-creation sessions (Wholesaler, Core brokers, 2 remanufacturers)
8 interviews with garages





KEY ISSUE IN REVERSE LOGISTICS OF WHOLESALER 'X'

Legend

? = Most important points

CORE VALUES OF WHOLESALER

TRANSPARENCY

If they don't receive transparency, they can't give transparency to their customer

NO TRANSPARENCY ?

"it's not us, so it must be them"

"I would say, don't trust anyone. It is not just us who have that [money loss] problem. It's a problem on the whole market."

REMANUFACTURING CRITERIA ?
- Brand-related
- Original OEM
- Infill
- Etc.

OVERVIEWS
- Inflow-outflow cores ??
- Cash balances cores ??
- Detailed overview rejects
- Time limits supplier ?

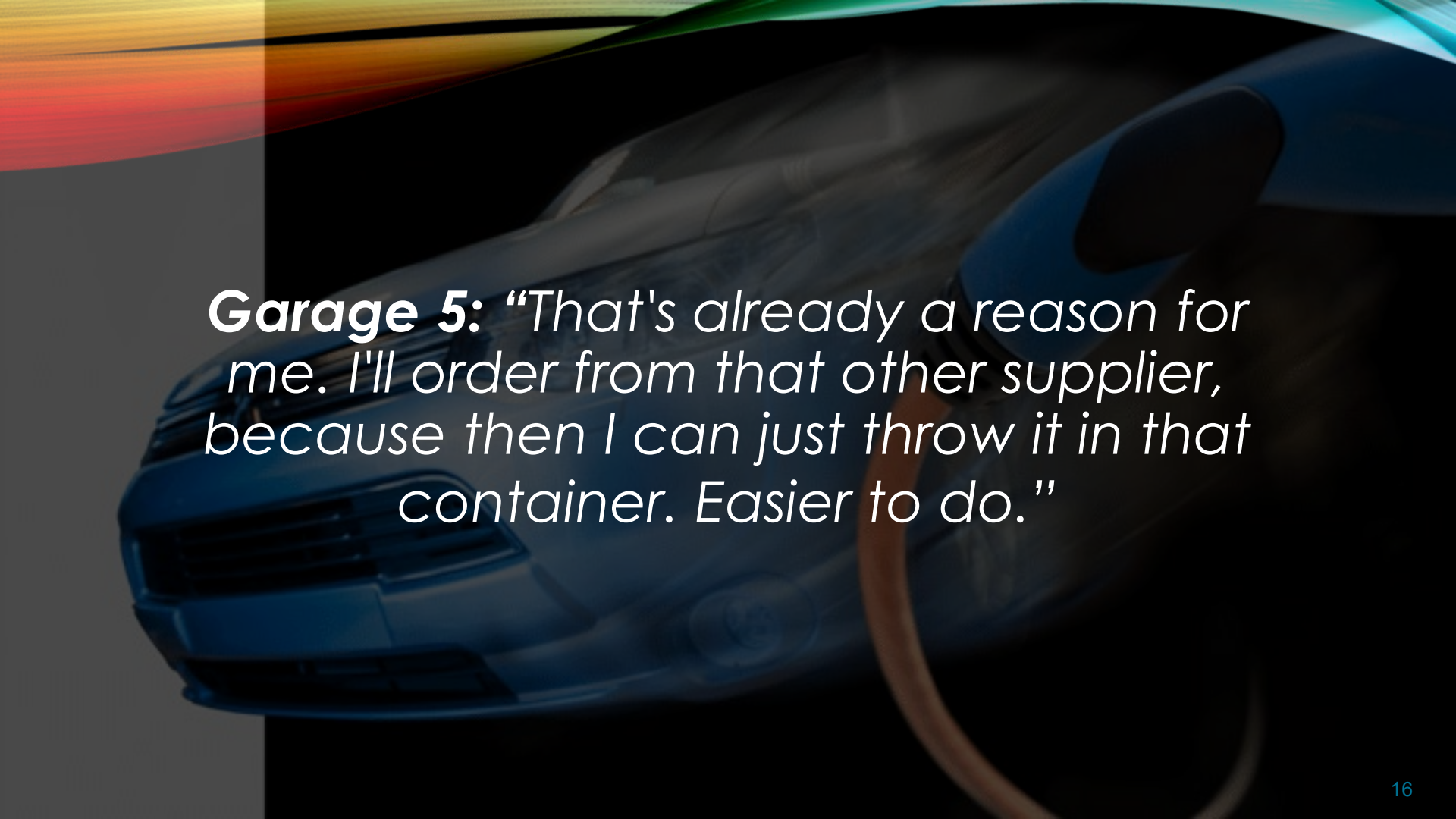
STICKER/LABEL ON THE BOX

Including part number, order number

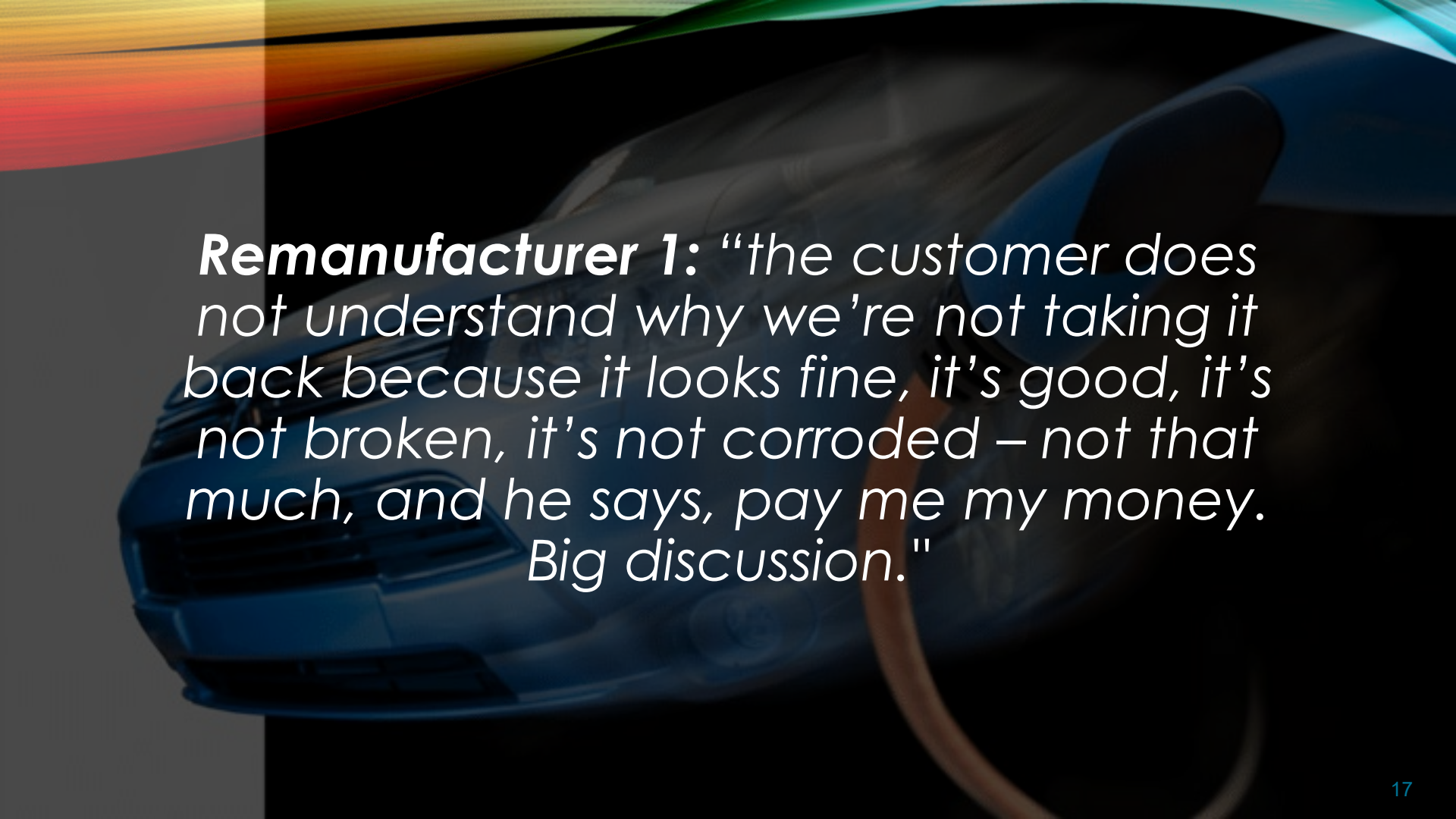
Currently to improve internal processes
- Psychological effect of being checked
- Clearly visible which cores have been checked

Ideally the sticker would also improve external processes
- If remanufacturer rejects core, sticker can be used to trace back, thereby helping to reduce losses and improve internal processes

BEST ?
- include the reverse logistics in SAP, so everything is in SAP from when 1st deposit is paid to final refund.
- have criteria in techdoc



Garage 5: *"That's already a reason for me. I'll order from that other supplier, because then I can just throw it in that container. Easier to do."*



Remanufacturer 1: *"the customer does not understand why we're not taking it back because it looks fine, it's good, it's not broken, it's not corroded – not that much, and he says, pay me my money. Big discussion."*

BENEFITS CO-CREATION IN COMPLEX VALUE CHAIN

- Coming in as independent, Impartial party
- Creating trust
- Game changer in understanding:
  - different perspectives
  - interplay between stakeholders
  - discrepancies in perceptions
  - conflicting interests
- New directions for design → transparency became focal point

CHALLENGES CO-CREATION IN COMPLEX VALUE CHAIN

- making stakeholders aware of the value of their participation
- Competition laws: bringing different stakeholders together to one table
- Have company listening in to gain empathy vs. allowing participants to speak freely
- Time-intensive process
- Online vs in-person sessions

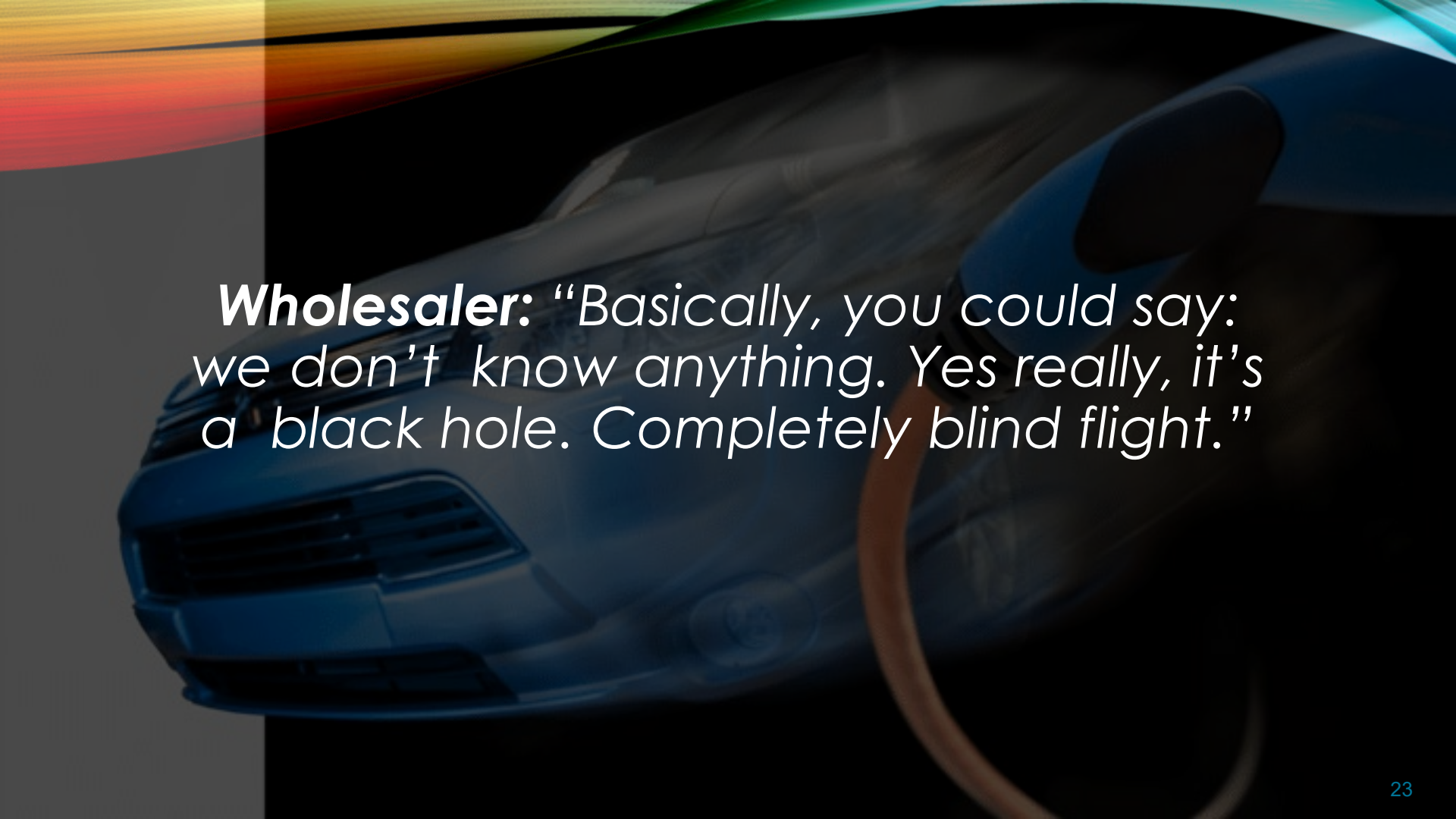
COLLABORATION

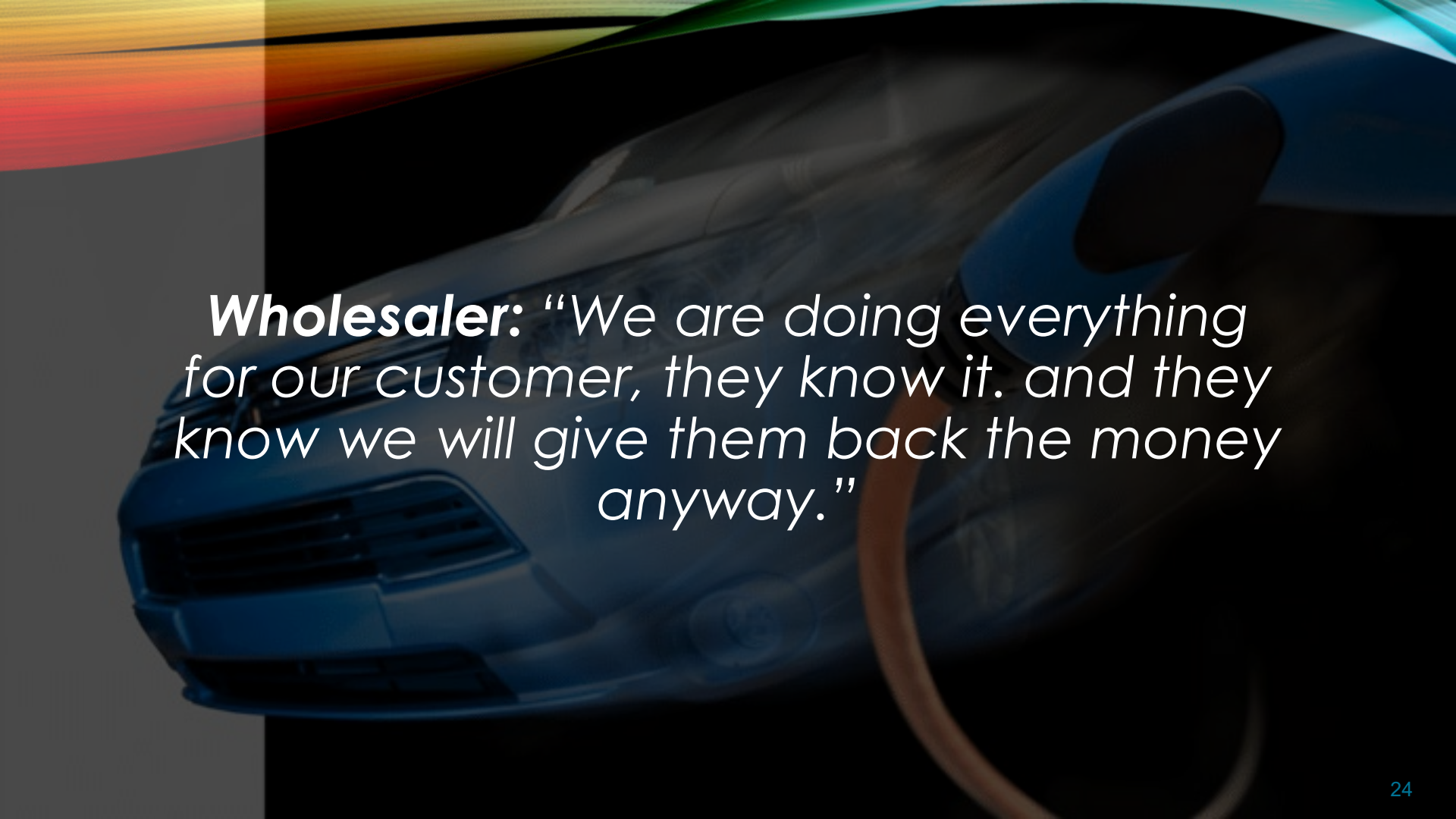
- New PhD
- Looking for case studies
  - How co-creation was applied
  - applying co-creation in specific contexts

LINES OF ENQUIRY

- When and how during the development of circular propositions should co-creation be applied?
- Which stakeholders should be involved in co-creating circular propositions and what qualities should they bring to the process to enhance co-creation's impact?
- How can the governance of co-creation processes contribute to successful outcomes?
- how can co-creation effectively bring together relevant stakeholders in the value chain, including end-users, and align their interests to create new value propositions that promote circularity?

END


Wholesaler: *"Basically, you could say: we don't know anything. Yes really, it's a black hole. Completely blind flight."*


Wholesaler: *"We are doing everything for our customer, they know it. and they know we will give them back the money anyway."*

BENEFITS CO-CREATION IN COMPLEX VALUE CHAIN

- Creating trust

"*The co-creation sessions were the door opener for us*" and helped create a "trustful relationship" with the wholesaler

BENEFITS CO-CREATION IN COMPLEX VALUE CHAIN

- Game changer

"[co-creation] "was really a game changer for us to understand really the needs and thoughts of wholesalers in comparison to what we have assumed or imagined."

BENEFITS CO-CREATION IN COMPLEX VALUE CHAIN

- Understanding interplays

"it was very helpful to have this whole network of stakeholders to understand the interplays, also seeing these discrepancies: Why they clearly disagree in some areas, because they have different interests and different understanding of the whole situation."

BENEFITS CO-CREATION IN COMPLEX VALUE CHAIN

- New directions

"it took us into other directions in which we were not heading before... The service, and the platform put very much the transparency into focus"

BENEFITS CO-CREATION IN COMPLEX VALUE CHAIN

- Neutral external moderator

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