



Patrycja Wyciszekiewicz-Zawadzka

The use of open innovations in creating the customer value through running events organizers

Zastosowanie otwartych innowacji w tworzeniu wartości dla klienta przez organizatorów imprez biegowych

Summary of Doctoral dissertation

PhD Supervisor: dr hab. Zygmunt Waśkowski, prof. UEP

1. Relevance of the research topic

This dissertation concerns creating customer value using open innovation by organizers of running events. The idea of the work is therefore the subject of customer value, open innovation and competition, which is presented both in theoretical and practical dimensions.

The issue of innovation has been the subject of research and scientific analysis for many years, but it has not been fulfilled yet. Innovation are transient, which appears when a given activity, process, production technology, product or service becomes a standard in the industry. Only through the continuous modernization of production stages, organizational structures or processes taking place in the organization can it effectively compete with market rivals and try to build a competitive advantage. It can therefore be concluded that the driving factor for the development of the economy of the 21st century is precisely innovation (Sieniawska, 2010, p. 448). They are an indispensable element of the development of enterprises, events or products and services, and also determine the level of market competitiveness of an organization (de Pourbaix, Warzybok, 2018). Currently, innovations are understood as modifications that allow for the development of an organization, product or service, and the scale of their uniqueness has been additionally narrowed down to the enterprise level, due to they can be considered from the level of the smallest economic entity, not only on a macro scale. This approach was first proposed by Peter Drucker, who gave the following statement for the definition of innovation: *"innovation is a sequence of events that allows an entrepreneur to gain a competitive advantage"* (Drucker, 1992, pp. 43-44). It was in reference to the above-cited author that it was decided to place the considerations presented in this dissertation on the plane of a fragment of the sports market, i.e. running events.

A special case of innovative novelties are open innovations. This concept was introduced into the literature in 2003 by W. Chesbrough (2006), who stated that enterprises can, and even should, use processes and ideas that arise not only inside the organization, but also in its environment. Open innovations, in their definition, are understood as a manifestation of cooperation in the environment between various entities operating in it (Stanisławski, Szymański, Trębska, 2018), and the factor that characterizes them is increased efficiency in the organization's activities and the creation of added value in the form of an innovative product, service or consumer experience (PwC, 2017). It is important to emphasize that open innovation is not only the use of ideas "acquired from the market", but also a change in the

use of existing solutions, organization management or creating intellectual value (Pohulak-Żołądowska and Żabiński, 2016).

Therefore, the concept of open innovation is becoming one of the leading ways of building a competitive advantage. The development opportunities it brings are becoming one of the main reasons for its use by organizations and market entities, including those operating on the running events market.

Each process, product or service offered by the enterprise carries some kind of value. Value for customer was introduced to management science in 1954 by Peter Drucker. One of the most frequently quoted definitions of this concept was proposed by Ph. Kotler (2005, p. 60), who understood the value for the customer as the difference between the total value of the product and the cost incurred by the customer to obtain it.

Creating value for the customer is considered to be the source of the organization's market success. However, it should be remembered that the value obtained by the customer may significantly differ from the value that he/she expected to receive through the purchase and consumption of a given good, therefore the author decided to examine in this dissertation both the organizers of running events as entities creating value for the client and customers, who perceive this value in a subjective way.

It is in the scientific theory related to the creation of value for the client, proposed by Kaplan and Norton, that the author embedded her considerations in her doctoral dissertation. The complementary element of the dissertation, which will be subjected to research, is the previously discussed concept of development based on the use of open innovations. Both of these scientific issues discussed above will be related to the sports market, and in particular to running events.

Until now, sport in terms of amateur street runs, not only in Poland but also in the world, has not been the subject of in-depth scientific research. While browsing the literature on the subject, the author noticed only fragmentary research and scientific codifications related to the organization and management of mass runs. Most of the existing publications do not have a scientific dimension, but are only statistical data describing trends and volumes.

An interesting aspect of the development of the analyzed segment of the sports market is the fact that some of the organized mass running events each year increase their range and

develop dynamically, while others, seemingly interesting and well-organized running events, do not develop or regress.

Another premise for undertaking scientific research in this field is the thread related to the process of organizing a mass running event and related activities that are undertaken by the organizers of street runs. So far, sport has been the subject of research mainly by representatives of physical culture sciences, and the existing, few studies in the field of management sciences are not comprehensively covered. They relate to management elements related to the organization of mass sports events, such as the Olympic Games or the Football World Cup. It can therefore be concluded that there is a lack of publications related to the management of amateur sport, i.e. street running, mountain running or OCR. Meanwhile, running has become a key segment of the sports market, the value of which is successively growing, and the number of recipients is growing.

A reflection that emerges during the analysis of scientific publications, the quantity and quality of which is insufficient (the lack of sufficiently explanatory codification of the organizational processes of running events is evident) is the identification of the knowledge gap created by an incomplete managerial vision of how to manage the development and management of running events, which results in the lack of proper development of some of them. Appropriate analysis of the resources of the organizers of running events and those in their environment, the way of their use and the correct definition of external resources influencing the shaping of value attributes for the client from the supply side (organizer), have become the basis for creating a model approach to the organization of a running event with taking into account the use of the concept of open innovations influencing the attributes of creating value for the customer.

It seems that in the context of very limited resources, mainly material and financial, reaching for solutions that are in the environment of race organizers is an effective strategy of action, and thus competition. For organizers of running events, who most often operate as associations or municipal sports centers, or non-profit organizations, the possibility of obtaining knowledge, innovative solutions and acquiring other resources necessary for the proper organization of a running event from the environment is a factor positively influencing the use of the concept of open innovation by them.

2. Research objectives

The above justification of the author's choice of the subject of the doctoral dissertation shows the need for an in-depth analysis of the part of the sports market, which are running events. The research attempt made allowed to select and define the degree of use of the concept of open innovations influencing the shaping of value for the customer of the above-described market.

Therefore, the subject of research are open innovations that may have a significant impact on creating value for the client by organizers of running events.

The subjects of the research are the organizers of mass running events, which are most often non-profit entities, such as foundations, associations, but also entities reporting to local governments - sports and recreation centers. They are usually small entities, employing a small number of employees, without permanent organizational structures, which has its implications in the methods of organization and management. In addition, the research was also carried out on a group of runners, who should also be considered the subject of the research.

The research problem in this doctoral dissertation is an attempt to answer the question to what extent the use of the concept of open innovation creates the attributes of value for the client on the market of running events?

The main goal of the dissertation is to determine the scope and methods of shaping the value attributes for the client under the influence of the use of the concept of open innovation by organizers of running events.

The implementation of the main goal requires the formulation of specific goals, which were adopted as:

1. Assessment of the importance of individual components of the value attributes for the client in the process of shaping it on the market of running events.
2. Identification of favorable and limiting conditions for the use of the concept of open innovation by organizers of running events.
3. Identification and classification of open innovations used on the market of running events.

4. Assessment of the use and determination of the impact of open innovations on the shaping of individual value attributes for the customer.
5. Determining the willingness to cooperate between the organizers and other participants of the sports events market.

The following research questions were adopted in the work:

1. With what elements of value attributes for the client and to what extent do the organizers of running events try to satisfy his needs and expectations?
2. What makes organizers reach for open innovation as a way of creating value for the customer?
3. What type of open innovation are using in the running events market?
4. Which customer value attributes on the running events market are most often influenced by open innovations?
5. To what extent do organizers of running events use resources or ideas from external sources, and what are they willing to share with other organizers?

The basic research perspectives adopted in the work are explanatory, descriptive and conceptual exploration. The exploratory perspective is related to the knowledge of the studied phenomena, the explanatory perspective allowed to explain the reasons for the actions taken in the process of organizing a running event. The descriptive perspective allowed to describe the essence and nature of the actions taken, while the conceptual approach was used in relation to the author's model solutions, discussed in chapter six of this work.

3. Research methods and dissertation structure

The structure of the dissertation has been divided into six chapters, preceded by an Introduction and ended with a Conclusion. The first and second chapters are parts of the theoretical work. They cover the issues of value for the customer and competition as well as open innovation. Chapter three and four describe and characterize the sports market and its part, which is the running market, and the conditions for organizing running events. The last

two chapters are empirical in nature and present the results of the research conducted by the author.

In the first chapter, literature studies were conducted on the subject of customer value. It shows the definition of customer value, its connection with competition and competition. It presents the evolution of concepts and approaches to the topics discussed, and discusses the issue of success and its relation to organizational success.

The second chapter presents the theoretical issues related to innovation. The author presents the way innovation evolves from a closed to an open approach. With regard to open innovations, the classification of entities with which organizations cooperate under the discussed concept was presented and discussed. Two model shots of cooperation with entities from the environment were also presented. Barriers that hinder or prevent cooperation between market entities under open innovations were also discussed.

The third chapter deals with the running market in Poland and in the world. This chapter presents the economic and social potential of sport. The valuable and quantitative dimension of the market in question was presented and the motives for participating in running events were indicated. In addition, the directions of development of the global and Polish running market are shown.

The fourth chapter discusses the conditions for the organization of running events. The market environment of organizers of running events has been defined more broadly, and entities with which cooperation is established have been indicated. The process of organizing a running event was also presented. The necessary competences and resources conditioning the organization of a running event were discussed. An interesting topic that was discussed in the fourth chapter is the Covid-19 disease pandemic, which in 2020 and 2021 significantly influenced the pace of introducing changes and creating innovations on the analyzed market.

Chapter five presents the results of a qualitative survey conducted among organizers of running events operating on the Polish market. The research methodology, their scope and results have been presented. The author also presented an innovation transfer scheme developed on the basis of research results. This chapter ended with the development of the

author's classification of open innovations occurring on the market under study, which, according to the organizers of running events, are a source of value for runners.

The sixth and last chapter presents the results of quantitative research. The methodology of their conduct was discussed and the collected results were presented. This chapter confronts the perception of value on the supply side of organizers of running events with the demand side - runners. This chapter ends with the author's model approach showing the use of open innovations and their correlation with the development of value attributes for the client.

Conclusions and general statements from the conducted literature and empirical research have been formulated in the Conclusion. The results of the responses to the previously asked research questions were also presented. An important part of this dissertation is also a set of attachments presenting a model of a research scenario, questionnaire survey and tables used in the statistical study.

4. Research outcomes, conclusions, and recommendations

The applied research methods were selected on the basis of the research problem posed. This implies the nature of the doctoral dissertation, which can be described as theoretical and empirical. In the theoretical part, the method of analyzing literature sources was used, i.e. a critical review of the literature, which includes monographs and scientific articles published both in scientific journals and post-conference publications. The publications used are of Polish and foreign origin, and their subject matter covers and relates to strategic management, management in sport, marketing in sport, innovation (including open innovation and marketing innovation) and creating value for the client. The primary and secondary sources used in this part, as well as existing data (reports) and acts of Polish law allowed for an in-depth presentation of the analyzed problem. In order to implement the assumptions of this dissertation, the theoretical part also uses information published on the websites of running events and organizations dealing with the sports market. During the preparation of the doctoral dissertation, 370 publications in Polish and English were used. In the empirical and analytical part, the work was based on data from the following studies:

- in-depth individual interviews (IDI) conducted with the directors of the largest, most popular and most recognizable mass runs in Poland,

- a questionnaire survey to which clients were subjected, i.e. runners (participants of running events), carried out using the CAWI method,
- observations and experiences of the author who have been associated with the running events market for over a dozen years proved useful, representing Poland in numerous international athletics events.

Based on the results of the research, the author of the dissertation created a model approach to creating value for the customer using the concept of open innovation on the market in question. These recommendations may prove useful for organizers of running events. The author has also developed a classification of open innovations used in the researched market. Moreover, the innovations identified in the qualitative research were assessed by runners.

5. Table of contents

Introduction

CHAPTER 1. Customer value as a determinant of the organisation's competitive advantage

- 1.1. Competitiveness and competitive advantage of the organization literature review on the subject
- 1.2. Value for the customer as a premise for achieving a competitive advantage
- 1.3. The Importance of key success factors in creating value for the customer

CHAPTER 2. Open innovations and their importance in creating value for the customer

- 2.1. Innovation as a premise for the development of an organization
- 2.2. Theoretical assumptions of the concept of open innovation
- 2.3. Classification of open innovation
- 2.4. Cooperating entities and potential areas of cooperation under the concept of open innovation
- 2.5. Model User Driven Innovation
- 2.6. Network innovation model
- 2.7. Barriers of using open innovation

CHAPTER 3. The running market in Poland and in the world

- 3.1. Economic and social potential of mass sport
- 3.2. The running market in terms of quantity and value
- 3.3. Motives for runners participation in running events

3.4. Directions of the evolution of the running market in Poland and in the world

CHAPTER 4. Conditions for organizing running events

4.1. Market environment of organizers of running events

4.2. The process of organizing a running event

4.3. Marketing activities supporting the organization of a sports event

4.4. Competences and resources necessary to organize running events

4.5. The running event market and the Covid-19 pandemic

CHAPTER 5. Open Innovation as a Source of Value Creation for Runners

5.1. Methodology and organization of research

5.2. Motives for organizing running events and the perceived level of innovation in the opinion of race directors

5.3. The importance of value attributes for runners in the opinion of the organizers of running events

5.4. Co-creating value for runners by organizers of running events with entities from the market environment

5.4.1. Product attribute

5.4.2. Relationship attribute

5.4.3. Image attribute

5.4.4. Recapitulating the results

5.5. Innovativeness of organizers of running events in the light of relations with entities from the market environment

5.5.1. Ways of selecting entities from the market environment for cooperation

5.5.2. Intensity of cooperation with entities from the market environment

5.5.3. Frequency of submitting innovative ideas by external entities

5.5.4. Obtaining innovative ideas from other external sources

5.6. Typology of open innovation in the running events market

5.7. Reasons for and barriers to the application of open innovations on the market of running events

Chapter 6. Assessment of open innovations on the running events market in the opinion of runners 200

6.1. Research methodology

6.2. Innovation of running events in the opinion of runners

- 6.3. Attributes of values for the client in the opinion of runners
- 6.4. Assessment of open innovations used on the market of running events by runners
- 6.5. A model approach to the use of the concept of open innovation in the running events market
- 6.6. Implications for business practice

Ending

References

List of Charts

List of diagrams

List of tables

Annexes

References

1. Chesbrough, H. W., 2006, *Open business models: how to thrive in the new innovation landscape*. Boston: Harvard Business School Press.
2. De Pourbaix P., Warzybok A., 2018, *Otwarte innowacje – istota, uwarunkowania, aktywność przedsiębiorstw*, *Studia Oeconomica Posnaniensia*, vol 6, no. 6, s. 18-30.
3. Drucker, P., 1992, *Innowacja I przedsiębiorczość. Polityka i zasady*. Warszawa: PWE.
4. Kaplan R., Norton D, 2001, *Strategiczna karta wyników. Jak przełożyć strategię na działanie*, WN PWN, Warszawa.
5. Kotler Ph., 2005, *Marketing*, Wydawnictwo Rebis.
6. Pohulak-Żołędowska E., Żabiński A., 2016, *Wykorzystanie idei otwartych innowacji we współczesnych gospodarkach*. Prace naukowe Uniwersytetu Ekonomicznego we Wrocławiu.
7. PwC, 2017, *Otwarte innowacje na pograniczu przemysłów kreatywnych, nauki i biznesu*, [dostęp:10.02.2019r.], <https://www.pwc.pl/pl/pdf/otwarte-innowacje-raport-pwc-fish-ladder.pdf>

8. Sieniawska B., 2010, *Otwarty model innowacji – nowe podejście do działalności badawczo – rozwojowej*, w: Knosala R. (red.), *Komputerowo zintegrowane zarządzanie*, Oficyna Wydawnicza Polskiego Towarzystwa Zarządzania produkcją, Opole, pp. 448-455
9. Stanisławski, R., Szymański, G. i Trębska, J. (2018). *Open innovation w MSP i podmiotach ich otoczenia w kontekście rozwoju innowacyjnego*. Warszawa: Placet.