

FROM PROSUMER TO ENTREPRENEUR: THE CASE OF BREWING NEW BUSINESSES

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Introduction

This study builds on ideas of new consumer possibilities in marketplaces where activities of producers and consumers increasingly seem to blur (Cova and Cova 2012; Firat and Venkatesh 1995; Kotler 1986; Kucuk 2012; Toffler 1980). Viewing the consumer as active participant in co-creating and co-producing value (rather than destroying value) has opened the door to explore special types of consumers engaged in value creating activities. One such type are prosumers, people who produce the goods they also consume (Toffler 1980). Recent ideas about the prosumer have suggested the level of engagement itself serves as differentiator between prosumption and other forms of co-creation of value (Tapscott and Williams 2006; Wolf and McQuitty 2011).

Whereas most studies have explored the level of consumer competence around prosumption (Cochoy 2015; Collins 2010; Cova and Cova 2012; Wolf and McQuitty 2011; Xie, Bagozzi, and Troye 2008), only few studies have looked at the benefits of prosumer interaction, resource sharing, and innovative problem solving (Chandler and Vargo 2011; Seran and Izvercian 2014). The purpose of this research was to examine prosumer networks, and define factors that encourage prosumer activities. While interviewing prosumers (home brewers) it was discovered that prosumer activities, in some cases, can act as a catalyst for starting a commercial enterprise (microbrewery). This pathway to business is largely unexplored in the field of entrepreneurship; hence, this research examines prosumer networks and the accumulation of resources allowing individuals to advance their activities to the level of entrepreneurship.

Threaded through the prosumption and entrepreneurship literature is the idea that social networking facilitates the exchange of resources, creativity, and innovation (Chandler and Vargo 2011; DeCarolis and Saporito 2006). A new pathway between prosumption and entrepreneurship seems beneficial to educators, investors, federal, state, and local governments wanting to spur economic growth through entrepreneurial ventures. Harnessing the cumulated effects of prosumers may be of particular interest to legislators in geographical areas with less than desirable levels of industrialization. Regions with below average economic growth depend on entrepreneurial spirit of individuals for innovation and job creation.

Method

We use a grounded theory approach to investigate the underlying circumstances within prosumption practices that trigger thoughts of entrepreneurship. Grounded theory seeks to build theories from qualitative field data that can be tested or extended by others (Strauss & Corbin 1998). The purpose of this model and the discussion is to improve our understanding of a new pathway towards entrepreneurial ventures. Because few studies have addressed prosumers and their inclination to entrepreneurship, more information is needed to inform the development of a model. We conducted both formal and informal depth interviews with home brewers and attended meetings and fairs to gain insights into the circumstances allowing for thoughts of business ventures to manifest. We further investigated the outreach of home brewers in their

respective social media outlets. Both authors became members of several Facebook communities to capture the type of information shared on the site.

FINDINGS

Our preliminary research identified five themes in the data that guided the development of our model. Each of the themes, *Formal and Informal Exchange of Knowledge*, *Challenging the Market*, *Prosumer Community*, *a Microcosm for Creativity and Innovation*, *Prosumer Community Solving Problems*, *Prosumption Fostering Thoughts of Entrepreneurship* indicates dynamic processes by which prosumers build the necessary skills, knowledge, and confidence that fuel thoughts of starting their own entrepreneurial venture (Going Pro in home brewer terms). The following quote by Nathan offers a glimpse into the mind of an individual who just recently began to successfully brewing his own beer! Other participants voiced similar desires once they became part of a prosumer community.

I won't lie; I have looked into how to start brewery. In my head, I thought 'how I would I do this'? I looked at licenses and distribution. How would it be legal? However, right now I'm making it [beer] out of a 5gl jug! It's kind of my wild dream, but maybe someday it could be a career! (Nathan, 29)

Conclusion

Literature on prosumption is largely of theoretical nature and confines benefits of prosumption to companies seeking valuable outcomes through co-creation. Our study extends knowledge on prosumer-to-prosumer interaction by studying prosumption in the context of home brewing of beer. The preliminary findings indicate that prosumer networks promote thoughts of entrepreneurship through the accumulation of skills, knowledge, collective problem solving, and innovation. We carefully speculate that the prosumer network dynamic resembles that of a business simulation where participants can practice until ready to 'Go-Pro.'

References available up on request