

Crowdsourcing-based Business Model in Online Customer Service: A Case Study of Smilee

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Abstract

Crowdsourcing has changed how many people work and it has also enabled the creation of new types of business models. Crowdsourcing can be utilised by either outsourcing small organisational tasks that are usually performed in-house, or by building the whole business concept upon large, unknown crowd. This paper presents how a literature-based framework can be applied for developing an innovative crowdsourcing-based business model in online customer service business. The study starts by presenting relevant literature on crowdsourcing, business models, and customer services. The business model of a start-up firm is then analysed in the empirical study. The key elements, challenges and benefits are defined for a crowdsourcing-based online customer service business. The business model canvas is utilised as a tool to analyse the crowdsourcing-based business model in online customer service. The findings of the study indicate that the literature-based framework and the use of business model canvas can be useful tools for enterprises that aim to develop crowdsourcing-based business models. The results of the study also include the key challenges and advantages of the model. The key challenges were identified to include the service quality, service availability, crowd motivation, client attraction, balance between the number of crowd and clients, and platform related challenges. The main advantages, in turn, were identified to be cost-effectiveness, industry-specific crowd, service availability, competitive service quality, human touch and lower price point.

Keywords: Crowdsourcing, customer services, business model, start-up, innovation