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Cassandra France Bill Merrilees Dale Miller

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Customer brand co-creation: a conceptual model

Introduction

Brand co-creation is an emerging area of significance. Organisations and academics alike are exploring how to effectively manage an increased customer involvement to provide possibility, rather than provocation for the brand. The evolving literature exploring brand co-creation has a major bias to strategic management issues. The management focus leaves a gap relating to the customer (Ind *et al.*, 2013). Further, the influence of service-dominant logic creates a strong focus in the literature on co-creation of value. Discussion of the influence of customer co-creation on other branding concepts such as brand knowledge is negligible, suggesting a significant gap in the literature. Finally, the conceptualisation of co-creation is often ambiguous and needing clarification (Ballantyne *et al.*, 2011).

The current research addresses these gaps by maintaining a central focus on the role of the co-creating customer. Exploration of co-creation from a customer perspective aims to provide deeper insight into both the antecedents to co-creation, and the resultant impact on the co-created brand. This paper considers co-creation beyond brand value, examining the implications for brand knowledge. Further, a new definition of customer brand co-creation improves clarity of the concept.

Co-creation literature is expanding but at this early stage relies on conceptual research with some emerging empirical works. However, many of these studies take a narrow view of co-creation by isolating specific behaviours and outcomes. Our study aims to bring these theories together to form a broader perspective, which encompasses a full range of antecedents and consequences of co-creation behaviour and adds a more encompassing conceptualisation of co-creation.

The paper initially presents an examination of the existing co-creation literature to form a broader view of co-creation. Next, the paper presents the building blocks for model development which

incorporate several key propositions. The newly formulated Customer Brand Co-creation Model is then discussed, before drawing out research contributions and managerial implications.

Literature Review

The literature review begins by drawing attention to the customer and the power they hold in shaping the brand. Next, an analysis of co-creation literature reveals a prevailing emphasis on value co-creation. Then, existing co-creation models are examined before the nature of the brand co-creation construct is considered. This rigorous exploration of the literature highlights some important gaps in the current theory of co-creation relating to brand knowledge, construct articulation and consideration of the antecedents of co-creation which are discussed before further conceptual development.

Customer Power in Brand Co-creation

Brand co-creation theory emerges from the supposition that the consumer is no longer content to be a passive purchaser of the brand, but rather demands to be an active participant in creating brand experiences (Prahalad and Ramaswamy, 2000; Vargo and Lusch, 2004; Wikström, 1996). Consequently, the customer can now play a powerful role in determining the success of modern brands.

Customer brand co-creation theory is limited because of the early stage of development. Strategic management studies of co-creation advance the conceptualisation of co-creation (Hatch and Schultz, 2010). Yet, the management perspective dominates the literature with minimal exploration of the co-creating customer and their impact on the brand. All encounters with the brand can influence the brand, whether initiated from the organisation or from other sources (Ind and Coates, 2013; Juntunen, 2012). The customer can co-create by influencing how other customers perceive the brand (Payne *et al.*, 2009). Exchanges between the firm and the customer, and through the customer's experience of the brand, co-create the brand (Healy and McDonagh, 2013; Vallaster and von Wallpach, 2012). Therefore, the importance of the customer's role in co-creation of the brand is significant.

Current Approaches

Scrutiny of the co-creation literature shows that the dominant approach to co-creation emphasises the impact on brand value. The paradigm shifting conceptualisation of service-dominant logic drives this approach and forms the basis of much co-creation theory. Deeper analysis of the literature reveals specialised approaches to co-creation, which develop theory around other aspects of co-creation including customer generated advertising (Thompson and Malaviya, 2013), new product development (Hoyer *et al.*, 2010; Ramaswamy and Gouillart, 2010), social media (De Vries *et al.*, 2012) and word-of-mouth (Lim and Chung, 2014). By drawing from these areas and synthesising literatures, a more complete picture of brand co-creation develops.

The service-dominant logic approach to co-creation reconsiders the role of the customer in creating value for the brand (Vargo and Lusch, 2004). When a customer consumes or experiences the brand, the value of the brand is realised, or co-created (Merz *et al.*, 2009). The customer's abilities impact on the formation of brand value (Grönroos, 2008). Thus, the customer plays a significant role in the co-creation of brand value (Vargo and Lusch, 2004).

Specialised co-creation research considers the role of the customer. These studies examine the motivations and consequences of specific behaviours, rather than the broader co-creation concept, adding depth to understanding. Customer generated advertising in the fast moving consumer goods domain impacts the customer's perception of the brand (Thompson and Malaviya, 2013). Co-production and crowd-sourcing studies show the potential for customers to enhance product innovation and improvement (Ramaswamy and Gouillart, 2010). Studies of brands in social media across six diverse product categories (De Vries *et al.*, 2012) and word-of-mouth in the printer category (Lim and Chung, 2014) show the ability of the customer to influence others' perceptions of the brand.

The importance of value co-creation and specialised co-creation applications is evident in the emerging literature. Nonetheless, Brodie *et al.* (2006) identify the neglect of branding implications in the service-dominant logic literature, despite the major role of branding in current marketing theory and practice. The impact of co-creation on brand knowledge formation is drawn from the literature, although this area is less developed (Gyrd-Jones and Kornum, 2013). Berry (2000) discusses the influence on the brand of external brand communications and the customer's brand experience. With developments in technology and the interactive nature of brands, the significance of this phenomenon is heightened. The influence of customer brand co-creation on brand knowledge is an emerging application (Berthon *et al.*, 2009). Vallaster and von Wallpach (2012, p.1513) identify that organisations no longer "unilaterally define and control" the brand, rather that the brand is co-created by customers.

Arguably, the two outcomes of customer brand co-creation are brand value and brand knowledge. Some literature discusses the impacts on brand value and an emerging literature is considering the implications for brand knowledge (Berthon *et al.*, 2009; Vallaster and von Wallpach, 2012).

Alternative Explanatory Models

Literature analysis highlights some integral factors for brand co-creation. Specifically, model development in the domain, considered in specialised applications, provides a foundation for broader theory development. Overwhelmingly, there is little consideration of the antecedents of brand co-creation. Further, studies look at generic antecedents to co-creation. For instance, in consumer generated advertising, antecedents around creative expression and intrinsic enjoyment are prevalent and relate to the generic process of co-creating (Berthon *et al.*, 2008), rather than the connection between the customer and the brand. Lastly, common themes of co-creation are identified, relating to the customer feeling a sense of identity and belonging to the brand (Christodoulides *et al.*, 2012). These antecedents are drawn from the literature and used to develop a series of research propositions, which form a conceptual model in following sections.

The significance of brand engagement in co-creation is evident both from the prominence of engagement as an antecedent, and from the common use of the terms. Prahalad and Ramaswamy (2004, p.5) state that “a firm cannot create anything of value without the engagement of individuals”. Hollebeek (2011) identifies co-creation of brand value as a consequence of brand engagement. Further, engagement is explored as a tool to co-create value with the customer (Payne *et al.*, 2008) and is said to allow brand knowledge and value to emerge for the organisation (Hatch and Schultz, 2010). Commitment (Keh and Teo, 2001; Lacey and Morgan, 2009) and attachment (Healy and McDonagh, 2013) highly influence brand engagement (Hollebeek, 2011). Customers are motivated to participate in brand communities and contribute to user-generated advertising. The motivation stems from a connection with and passion for the brand (Cova and Pace, 2006; Muñiz Jr and Schau, 2005; Thompson and Malaviya, 2013).

Beyond engagement, brand self-congruity is further identified as a “fundamental driver of the value creating process” (Gyrd-Jones and Kornum, 2013, p.85). Self-expression is an important motivator for individuals to co-create (Lloyd and Woodside, 2013). Customers participate and contribute to brand communities in order to express their self-identity (Pongsakornrungrungsilp and Schroeder, 2011; Wirtz *et al.*, 2013). This social environment encourages customers to co-create (Ind *et al.*, 2012).

Two central co-creation antecedents, namely brand engagement and brand self-congruity, are therefore identified. While not expressly stated in co-creation literature, a third antecedent, category involvement, provides enhancement to conceptual development. Category involvement seems pertinent to customer participation in co-creation. Ind *et al.* (2012) find that customers participate in co-creation because they find it fulfilling. When the customer is involved in the category, they are interested and see personal relevance (Bloch, 1981). Such interest in the category is evident in customer recommendations, through online word-of-mouth (Li and Du, 2011) and in traditional word-

of-mouth (Lim and Chung, 2014). Blog writers have interests in specific categories, such as fashion, and such category involvement influences their propensity to co-create (Pihl, 2013).

These three variables of brand engagement, brand self-congruity and category involvement, are fundamental in driving co-creation behaviour. These antecedents are derived from recent but disparate co-creation literature. The under-explored nature of brand co-creation antecedents means that the prevailing research depth is limited. The paper explores this area further.

Nature of Co-creation

Literature analysis shows little discussion of a formal construct of co-creation. In the co-creation literature, there is an understanding and acceptance of a broad notion of co-creation, which involves the customer shaping part of the brand. However, explicit construct articulation and a detailed scope of co-creation behaviour are generally not evident. As a result, conflated understanding of the concept and difficulties for application of theory are created (Ballantyne *et al.*, 2011).

While initial theoretical development of co-creation has involved a fuzzy concept, explicit research is beginning to emerge. Grönroos and Voima (2013) provide a level of clarity for the value creation concept, as the value-in-use created by the experiential process of the user in different settings. Ind *et al.* (2013, p.9) also explore the uncertainty of value co-creation, and propose the definition of co-creation as “an active, creative, and social process based on collaboration between organisations and participants that generates benefits for all and creates value for stakeholders”. Co-creation is a process of value generation (Grönroos and Voima, 2013; Iglesias *et al.*, 2013). The interaction between the customer and the organisation is acknowledged but consensus on a brand co-creation construct, which is not limited to value co-creation, is not yet supported. This lack of exact understanding of the co-creation construct creates confusion in the literature, especially in the area of brand co-creation and brand engagement.

Some of the confusion about the nature of brand co-creation results from some authors apparently confounding brand co-creation and brand engagement. The employee engagement literature acknowledges the confusion around the engagement construct and that psychological constructs often suffer from ambiguity in their earlier stages (Macey and Schneider, 2008).

The current authors support the notion that brand co-creation and brand engagement are two distinct concepts. In fact, we have presented brand engagement as an antecedent in the above literature review. To further articulate our position, we firstly refer to the more established organisation management literature, which has a strong lineage of engagement as a distinct concept, one that precedes subsequent behaviours such as co-creation (Rich *et al.*, 2010; Saks, 2006). We use the psychological disposition definition of that concept from that same literature. Engagement is established as the emotional and intellectual commitment of employees (Saks, 2006) and is characterised by vigour, dedication and absorption (Yalabik *et al.*, 2013). The concept of employee engagement is seen as “the willingness to invest oneself and expend one’s discretionary effort” for the brand (Macey and Schneider, 2008, p.7).

Secondly, we draw on relevant marketing literature that supports our approach (Algesheimer *et al.*, 2005; Patterson *et al.*, 2006). Patterson *et al.* (2006) view customer engagement as the customer’s physical, emotional and cognitive presence in their brand relationship. This is the positive intrinsic motivation to be involved with the brand (Algesheimer *et al.*, 2005). The view of engagement as a psychological state is employed in the current research.

Thirdly, we demonstrate that a number of articles confound the two concepts of engagement and co-creation (Brodie *et al.*, 2011; Hollebeek, 2011; Hollebeek *et al.*, 2014). The three component conceptualisation of brand engagement consisting of cognition, affect and activation (Hollebeek *et al.*, 2014) presents some concern, especially given the overlap with other emerging literatures. The cognitive and affective components of brand engagement align with the definition of brand

engagement as a motivational brand-related physiological state (Hollebeek, 2011). However, the incorporation of behaviour, as part of a psychological state, rather than a consequence of it, creates some challenges. The current paper's separation of brand engagement and brand co-creation constructs removes such confusion.

Current Gaps in the Co-creation Literature

The paper addresses the current gaps which relate to the inconsistency of construct articulation, the influence of co-creation on brand knowledge and the consideration of antecedents. Having reviewed integral theory relating to customer brand co-creation, initial conceptualisations of co-creation appear to lack consensus in meaning. The review leads to the development of a well-defined concept of customer brand co-creation. The newly proposed definition is:

Customer brand co-creation behaviours are the customer-led interactions between the customer and the brand.

The definition deliberately identifies the nature of the behavioural construct, without incorporating the consequences or restrictions on the outcome of the behaviour. Customer brand co-creation is a construct which incorporates a range of active customer behaviours toward the brand. This definition draws on the essential feature of customer brand co-creation, namely that it is a behaviour, not an attitude or process. The broad brand-level consideration of co-creation explores the impact of co-creation on the brand as a whole. A second major characteristic of this definition recognises that co-creation behaviour is customer-led. Therefore, it is the customer's choice to participate in co-creation behaviour. The interaction between the customer and the brand is highlighted, whether direct or indirect. Direct co-creation involves customer-led interactions which occur directly between the customer and the brand. This direct interaction influences the brand experience and might include participating in an online competition for product improvement, for example. These actions influence the brand offering and potentially co-create the way the brand is experienced by all customers of the brand.

Indirect co-creation entails the customer-led interaction which occurs indirectly between the customer and the brand, and may include the customer involving the brand with other customers, friends and family and other networks. The customer is not directly linked to the brand, but their brand voice and brand actions have an indirect interaction with how others perceive the brand. Indirect co-creation may include actions such as word of mouth, complimenting another customer's in-store choice, customer-generated advertising or sharing social media content. These behaviours have an indirect influence on the brand and how it is perceived. Both direct and indirect co-creation have the potential to shape the brand.

Having clarified the construct, we now explore the limitations of existing research in identifying the consequences of customer brand co-creation behaviour. Critical analysis of co-creation theory highlights the dominance of value co-creation as a consequence of co-creation behaviour. The importance of value co-creation is supported as an influential consequence of co-creation behaviour, but it is not the only area of the brand which customer co-creation affects. The impact on brand knowledge is also significant for understanding how co-creation influences customers' perceptions of the brand. Few studies identify the neglect, and the importance of brand knowledge as a consequence of co-creation (Brodie *et al.*, 2006).

The final gap identifies the antecedents of co-creation. Conceptual discussions of co-creation provide insight into this area of growing importance, but further explanatory development could prove valuable. Bringing together the existing literature to identify two common antecedents, brand engagement and self-congruity, begins to address this gap. Moreover, a potential third antecedent of category involvement is identified. Additionally, two facilitating variables, brand communities and brand interactivity, are investigated for their influence on co-creation behaviour.

Category involvement is the interest in the brand category, rather than just one specific brand within the category (Bloch, 1981). For example, fashion involvement is the extent to which fashion is considered a central, meaningful and enduring part of an individual's life (O'Cass, 2004). Such involvement is consistent over time and is intrinsically motivated by the individual's enjoyment of thinking about and using the brand (Higie and Feick, 1989; Richins *et al.*, 1992). While not recognised in the literature as an antecedent to co-creation, there is implicit evidence of category involvement in brand engagement (Hollebeek *et al.*, 2014).

For this study, two moderating factors are identified and relate to the idea that brands should aim to encourage customer involvement to create value (Merz *et al.*, 2009). Brodie *et al.* (2011) identify interactivity as core to brand engagement. The level of perceived brand interactivity, and the participation in brand communities, have the propensity to increase opportunity and encouragement for participation.

Arguably, with increased opportunities come increased outcomes. Technological advancements, the active nature of the modern consumer and the blurred roles of the company and customer, provide potential for both social and corporate interaction with brands (Payne *et al.*, 2008). Brand communities and brand interactivity provide increased opportunities for customers to co-create and as such, play an influential role in driving co-creation behaviour. Brand communities provide social encouragement and opportunity to participate and co-create (Muñiz and O'Guinn, 2001) and are "fertile ground" for customer brand co-creation (O'Hern and Rindfleisch, 2010, p.101).

Brand interactivity involves brand-led initiatives which provide encouragement and increased opportunity for co-creation. Co-creation research shows positive impacts on brand evaluations from brands soliciting co-creation behaviour (Liu and Gal, 2011). The increased interaction by the brand enhances the effect of engagement (Mangold and Faulds, 2009) and is expected to enhance the influence of self-congruity and category involvement, on customer brand co-creation behaviour.

The importance of these concepts in this environment has been justified. Gaps in the literature have been identified and evidence-based conclusions drawn, showing the importance of these constructs in understanding customer brand co-creation. The conceptualisation of theoretical propositions supported by these variables will now be further explored.

Building Blocks for Model Development

Having clarified the key constructs of customer brand co-creation, attention now turns to developing theory through the conceptualisation of a series of research propositions. To progress customer brand co-creation theory, elements from brand engagement, brand self-congruity, category involvement, brand value and brand knowledge are incorporated in the co-creation context. These concepts are the basis for developing research propositions and enhance understanding of the impact of the co-creating customer.

Research propositions link the relationship between the aforementioned constructs with justification from literature and conceptual reasoning. Research propositions have a long-standing precedence in the development of marketing theory (Kohli and Jaworski, 1990). The conceptualisation of research propositions offers significant value in forming the construct and related theory by drawing on existing co-creation literature and knowledge from related disciplines.

The customer's psychological level of engagement with the brand has been discussed. Engagement influences the customer's behaviour toward the brand, and specifically their level of co-creation behaviour (Hollebeek *et al.*, 2014). Arguably, to activate co-creation behaviour, the customer must be highly engaged with the brand. The highly-engaged customer has a positive attitude and a high level of brand trust (Bowden, 2009). Research shows that the customer is motivated to participate in specific co-creation behaviours by a connection with and passion for the brand (Muñiz Jr and Schau, 2005; Thompson and Malaviya, 2013).

The intertwined nature of the brand engagement and brand co-creation constructs has been discussed, and the importance of co-creation in the brand engagement domain is evident (Brodie *et al.*, 2011; Hollebeek *et al.*, 2014). Brand engagement is the customer's positive psychological state toward the brand (Hollebeek *et al.*, 2014). Arguably, brand co-creation is a behaviour, and as such is distinct to the psychological state of engagement. Thus, rather than being a component of brand engagement, customer brand co-creation is a behavioural consequence of brand engagement. It is therefore proposed:

Proposition 1: A high level of brand engagement leads to greater customer brand co-creation.

While engagement is necessary to activate customer brand co-creation, it is also shown that strong identification with the brand is influential in co-creation behaviour (Hoyer *et al.*, 2010). Research shows that customers, who view brands as expressions of themselves, have stronger brand relationships, more positive brand attitudes and more loyalty to the brand (Kressmann *et al.*, 2006). There is also evidence that brand self-congruity directly affects loyalty behaviour (Sprott *et al.*, 2009). This strong brand relationship and willingness to express pride for the brand is applied in the co-creation context, where it is expected to enhance the willingness of the self-congruent customer to participate in co-creation behaviour.

Customers co-create to express their own identity and their strong congruity with the brand (Gyrd-Jones and Kornum, 2013), and to be involved with something they feel is worthwhile (Ind *et al.*, 2012). Co-creation behaviour enhances an individual's self-expression and pride in the brand (Christodoulides *et al.*, 2012; Hoyer *et al.*, 2010). It is therefore proposed that when the customer relates to the brand, through high brand self-congruence, co-creation behaviour can become an instrument for self-expression. Therefore, the customer requires higher levels of brand self-congruity in order to demonstrate their affinity for the brand through customer brand co-creation. Hence:

Proposition 2: High brand-self congruity leads to greater customer brand co-creation.

Engagement and self-identification have been identified as necessary conditions for co-creation. However, it is also known that the level of interest and personal relevance the customer perceives in the brand category may further enhance their involvement with brands (O'Cass, 2004). Customers who have high levels of category involvement, see the category as a meaningful part of their life (O'Cass, 2004). These individuals are more knowledgeable and become opinion leaders in their categories (Bloch, 1981). Their high level of involvement leads customers to pay more attention to the category, have an increased perception of the importance of the category and behave differently to those not involved (Zaichkowsky, 1986). While there is no direct evidence linking category involvement and co-creation behaviour, a logical connection can be inferred. It is expected that customers who are highly involved in the category will behave differently, by being more active in their co-creation behaviour. It is therefore expected that category involvement is an antecedent to customer brand co-creation.

Proposition 3: High category involvement leads to greater customer brand co-creation.

Three important antecedents, brand engagement, self-congruity and category involvement, are identified and justified. It is proposed that their impact on co-creation behaviour activation is enhanced by brand communities and brand interactivity, as moderating variables. Research into online brand communities identifies the significance of developing strong brand relationships in influencing co-creation behaviour (Ind *et al.*, 2012). Brand communities provide many potential benefits for the brand including product innovation, a more user-centred brand image, and extension and reaffirmation of the organisation's values (Hatch and Schultz, 2010). Brand communities also provide an opportunity for customer co-creation through expression of brand voice (Healy and McDonagh, 2013).

Brand communities are groups of individuals with a compatible view of, and admiration for, the brand (Muñiz and O'Guinn, 2001). Muñiz and O'Guinn (2001) argue that brand communities are identified

by a feeling of belonging to the group; the presence of rituals and traditions; and the sense of moral responsibility to the group. These communities are shown to create value for brands by increasing attachment and commitment to the brand (Zhou *et al.*, 2012).

Participation in brand communities provides increased opportunities and encouragement for customer brand co-creation (O'Hern and Rindfleisch, 2010). While brand communities therefore can significantly influence co-creation behaviour, they are not an absolute requirement for co-creation. Customers may co-create the brand without being formal members of brand communities. However, brand communities facilitate (moderate) each of the three antecedent relationships: namely the effectiveness of each of brand engagement (P4); self-congruity (P5); and category involvement (P6). The three additional propositions are thus:

Proposition 4: Participation in brand communities positively facilitates the impact of brand engagement on brand co-creation behaviour.

Proposition 5: Participation in brand communities positively facilitates the impact of brand self-congruity on brand co-creation behaviour.

Proposition 6: Participation in brand communities positively facilitates the impact of category involvement on brand co-creation behaviour.

Just as participation in brand communities is expected to increase co-creation, increased levels of brand interactivity are also expected to enhance co-creation behaviour by providing increased brand-led opportunity and encouragement. Interactivity is suggested to maximise interest and involvement with the brand (Martin, 1998). In the co-creation context, interactivity potentially facilitates occasions for the customer to participate. Further, the interactive brand can be perceived as advocating the individual's co-creation behaviour.

Interactivity research occurs largely in technology-mediated contexts (Deighton and Kornfeld, 2009; Wirtz *et al.*, 2013). However, the shift to a more active customer role heightens the importance of

interactivity at the brand level, both offline and online (Liu and Shrum, 2002). Brand interactivity can therefore be considered the extent and willingness of the brand to participate in two-way communication (Ha and James, 1998). Interactivity is known to be a tool for relationship building (Merrilees and Fry, 2003) and also positively contributes to improved customer attitudes toward websites (Wu, 1999).

Customers who are engaged, congruent and involved are expected to co-create with the brand. However, if the brand is highly interactive, it provides increased opportunity and encouragement for customers to interact with the brand. Thus it has the potential to increase the level of co-creation behaviour. Therefore, when an individual possesses high levels of the antecedents to co-creation and the brand is perceived as interactive, the level of co-creation behaviour by the customer will significantly increase. Thus, brand interactivity facilitates (moderates) each of the three antecedent relationships: namely the effectiveness of each of brand engagement (P4); self-congruity (P5); and category involvement (P6). Hence, the three additional propositions are:

Proposition 7: The level of brand interactivity positively facilitates the impact of brand engagement on brand co-creation behaviour.

Proposition 8: The level of brand interactivity positively facilitates the impact of self-congruity on brand co-creation behaviour.

Proposition 9: The level of brand interactivity positively facilitates the impact of category involvement on brand co-creation behaviour.

Having developed the antecedents of co-creation, we next conceptualise the consequences of customer brand co-creation behaviour. Customer brand co-creation generates brand exposure for other customers, in the same way as word of mouth would (Trusov *et al.*, 2008). Extending the application of exposure to the brand in the co-creation domain leads to the conclusion that individuals, who are exposed to customer brand co-creation behaviour, will have increased levels of brand knowledge. Further, those individuals, who participate in co-creation, produce deeper cognitive processing, which

leads to better understanding of the brand (Liu and Shrum, 2002). Customers with high levels of brand attachment have greater brand knowledge, expressed through a richer set of brand associations (Low and Lamb, 2000; Merrilees and Miller, 2010). This principle can be broadly inferred in the co-creation domain to improve theoretical development. Therefore, brand co-creation can be linked with enhanced brand knowledge. The co-creating customer is expected to have more developed brand knowledge structures, leading to the proposition:

Proposition 10: Customer brand co-creation behaviour leads to increased brand knowledge.

It is well established that brand co-creation behaviour impacts on the customer's perception of brand value (Ind *et al.*, 2013). Yi and Gong (2013, p.1279) explain that as "active participants and collaborative partners in relational exchanges, customers co-create value with the firm". That statement is supported by much theoretical discussion in the co-creation and value-in-use domains (Ind *et al.*, 2012; Ramaswamy and Gouillart, 2010; Vargo and Lusch, 2004). It is expected that when the customer participates in brand co-creation, it will favourably influence their perception of brand value, which leads to the proposition:

Proposition 11: Customer brand co-creation behaviour leads to increased brand value.

The foundation for these propositions has been developed by bringing together influential variables from the co-creation domain and further, by drawing on variables which, while new to the domain, have logical relevance to the concept. These propositions are now used to develop a conceptual model for customer brand co-creation.

From Building Blocks to Model Development: Customer Brand Co-creation Model

The theoretical basis for the model has been established with the conceptualisation of research propositions which explore the antecedents, moderators and consequences of customer brand co-creation. The propositions are now incorporated in the Customer Brand Co-creation Model, Figure 1.

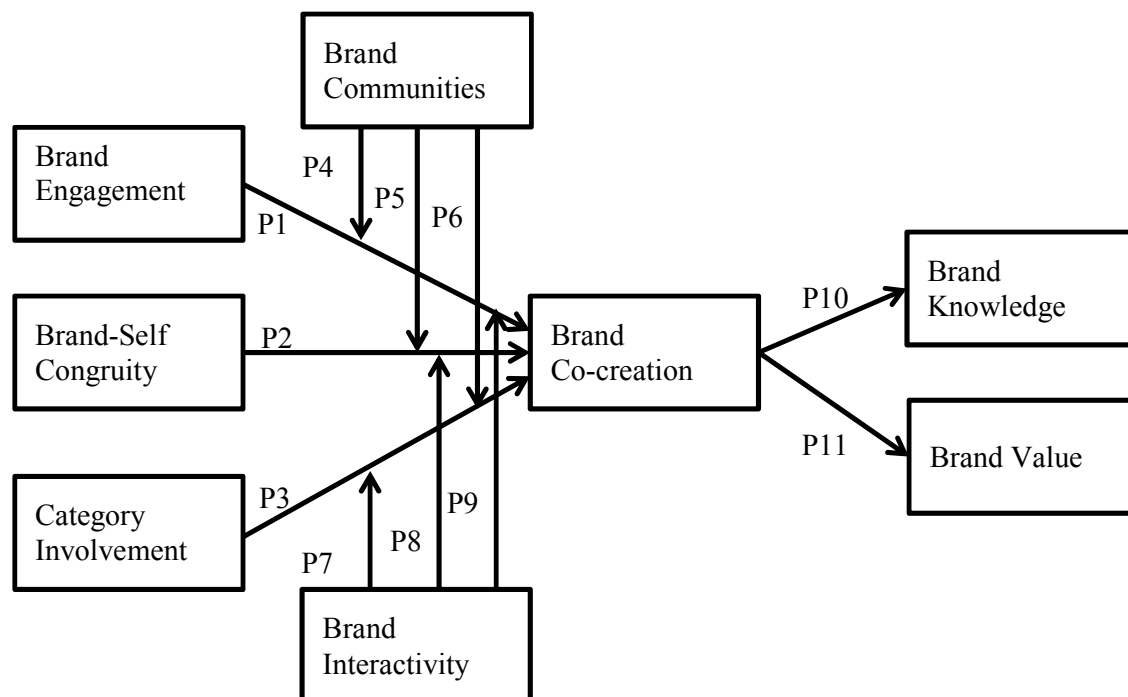


Figure 1. The Customer Brand Co-creation Model

The model depicts the influence of brand-self congruity, category involvement and brand engagement on brand co-creation. Further, the model expresses the direct influence of brand co-creation on brand knowledge and brand value, with consideration to brand interactivity and brand communities.

Antecedents to Brand Co-creation

The Customer Brand Co-creation Model furthers co-creation theory by applying existing branding principles to identify three antecedents to customer brand co-creation behaviour. The antecedents of co-creation are proposed, based on the extension of established theory and justified evidence. The model argues that for customer brand co-creation to occur, the customer must have sufficient levels of brand engagement, brand self-congruity and category involvement. Two additional brand constructs, brand communities and brand interactivity, also stimulate customer brand co-creation. In the current paper, these two important brand constructs are incorporated as moderators. That is, brand

communities and brand interactivity are not antecedents per se, but they nonetheless influence the impacts of the three antecedents.

Consequences of Brand Co-creation

Conceptualising the consequences of customer brand co-creation is a significant contribution of the Customer Brand Co-creation Model. This development goes beyond considering who is co-creating and what they are co-creating, and explores the effect on the brand. The model shows the influence of customer brand co-creation on the brand, expressed through an increase in brand knowledge and improved evaluations of brand value. Therefore, the result of customer brand co-creation is enhanced customer brand knowledge structures and increased perceptions of brand value.

Discussion and Research Contributions

The presented Customer Brand Co-creation Model provides an improved understanding of customer brand co-creation and the impacts on the brand. Existing theories are brought together to develop a holistic view of co-creation. As well, ambiguity of related concepts is addressed, providing insight in the domain. This paper's model and propositions contribute to co-creation theory by providing clarity to the specific components of influence on co-creation behaviour. Brand engagement, self-congruity and category involvement are demonstrated as antecedents to customer brand co-creation, supported by previous theories (Gyrd-Jones and Kornum, 2013; Hollebeek *et al.*, 2014; O'Cass, 2004). Additionally, although brand communities and brand interactivity have received attention in the branding literature (Deighton and Kornfeld, 2009; Muñiz and O'Guinn, 2001), both concepts have been somewhat neglected in the customer co-creation domain, despite their inherent relevance.

The consequences of customer brand co-creation are formulated, aided by relevant theory (Vallaster and von Wallpach, 2012; Vargo and Lusch, 2004). Previous customer brand co-creation studies focus on how to manage co-created brands, without showing the actual impact of co-creation on the brand (Gyrd-Jones and Kornum, 2013; Hatch and Schultz, 2010). Moreover, previous studies focus on brand

value (Vargo and Lusch, 2004), whereas the current paper broadens the focus to also include brand knowledge as a consequence (Vallaster and von Wallpach, 2012). The conceptualisation of the consequence of co-creation is significant for understanding the importance of co-creation in the marketplace.

Research to date has a marked bias toward strategic management of the co-created brand (Hatch and Schultz, 2010). The current paper addresses the bias by maintaining a central focus on the role of the customer as co-creator of the brand. Exploration of co-creation from a customer perspective provides deeper insights into the concept of customer brand co-creation, and the resultant impact on the brand.

The current paper provides theoretical contributions in several key areas. Firstly, by identifying and then addressing gaps in the current literature. Secondly, model development brings together specialised co-creation studies to contribute to an understanding of customer brand co-creation in a broader context. Finally, the focus on the impact of brand co-creation on brand knowledge is highlighted and the understanding of antecedents and consequences of co-creation are boosted.

Managerial Implications

The current paper supports managers by providing a framework for understanding customer brand co-creation. Hitherto, brand practitioners may invest significant resources in co-creation activities without fully understanding the potential impact on the co-created brand. This study highlights the complexity of co-creation in contrast to traditional practices of marketing intelligence and marketing planning.

Traditionally, marketing intelligence entails research and understanding of consumer motivation to purchase brands. Customer co-creation requires additional marketing intelligence, particularly insight into the motives for consumers to co-create. The Customer Brand Co-creation Model presented in this paper assists marketing intelligence gathering. Specifically, the model proposes three primary drivers

of customer co-creation; brand engagement, self-congruity and category involvement, and suggests two additional moderating influences, brand interactivity and brand communities. In short, companies need to re-orientate from their narrow consumer-transaction perspective, to a more complex social context involving other customers.

Moving from marketing intelligence to marketing planning, here too customer co-creation adds complexity to traditional practices. Marketing planning covers both metrics and marketing program activities. Additional marketing metrics are needed to reflect the co-creation process. For example, metrics could be added about the quality of interactive processes and also about participation in brand communities. Metrics could be added about the level of co-creation activity itself, as well as each of the five drivers. Marketing planning activities are made more complex because of customer co-creation. If the co-creation marketing metric scores are low, there may be a case for revitalised marketing activities. For example, if interactivity is perceived as weak, then there may be a case for redesigning interactive processes, such as websites or mobile device interaction. More generally, firms need to develop a coherent and comprehensive strategy across all of the co-creation variables (including the specific variables that we have identified here). Firms need to devise strategies that facilitate brand engagement, brand interactivity and brand communities and ensure that brand authenticity and brand communication reassure brand self-congruity. Further, firms need to embed themselves in the category involvement process, such as understanding the potential role of magazines, special events, fashion trends (if relevant) and so on.

Future Research

The Customer Brand Co-creation Model creates a platform for academics and practitioners alike. The model is developed with application from established theory to ensure integrity in its conceptual development. The model provides a theoretical foundation for future empirical testing to explore the applicability across varied brand settings and customer types.

Conclusion

The key point of departure for this research is the analysis of brand co-creation from the consumer's perspective, rather than an internal management perspective. The research contributes understanding of the customer's role and the impact of customer brand co-creation through exploration of antecedents and consequences.

The Customer Brand Co-creation Model contributes to knowledge in several important areas. Firstly, seminal branding and co-creation concepts are brought together. They include brand value, brand knowledge, brand engagement, self-congruity, category involvement, brand interactivity and brand communities. The new model addresses an important research need in branding and maintains a focus on the role of the customer. Secondly, consideration of antecedents to customer brand co-creation appears to be relatively new to the domain. Brand engagement, brand self-congruity and category involvement are identified as antecedents to customer brand co-creation. The model expresses the direct influence of these variables on the co-created brand. Further, the model captures the moderating effect of customer participation in brand communities and the organisational level of brand interactivity as influential in co-creation behaviour. Thirdly, the model pioneers understanding of co-creation behaviour by actualising the effect on brand value and brand knowledge.

The proposed Customer Brand Co-creation Model provides a foundation that integrates relevant co-creation mechanisms. The paper invites other members of the branding research community to engage in future co-creation research and interact in the scholarly exchange of ideas.

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Biographical Details

Cassandra France researches in branding, with a particular emphasis on brand co-creation, brand relationships and offshoring research. She teaches Branding at Griffith University and her current research focuses on exploring customer brand co-creation in the corporate branding domain. She brings recent branding industry experience to her research and is interested in both theoretical development and its practical application.

Professor Bill Merrilees heads the Branding@Griffith research cluster. His research interests encompass branding and innovation in a variety of contexts including firms, cities, communities, retailing, and franchising. His extensive research has been published in the *European Journal of Marketing*, *Marketing Intelligence and Planning*, *Journal of Business Research*, *Industrial Marketing Management* and *Journal of Strategic Marketing*.

Dr Dale Miller's research spans branding in several domains including cities, communities, corporate branding, corporate rebranding and not-for-profit branding, as well as retail innovation; and sustainable business. She has published widely, including in the *Journal of Business Research*, *European Journal of Marketing*, *Long Range Planning*, *International Journal of Retail & Distribution Management*, and *Journal of Retailing and Consumer Services*. Her publications also include book chapters and the book, *Retail Marketing: A Branding and Innovation Approach*.