## **Building Brands Together:**

# EMERGENCE AND OUTCOMES OF CO-CREATION

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Co-creation is a rapidly emerging area of research. However, there is a lack of understanding as to how organizations use co-creation to build relationships and generate value. How does participation emerge and what outcomes does it deliver? To generate insight into the co-creation process, we created an online brand community. Our findings show that people participate in a community because it offers them the chance to find fulfillment, to express their creativity, and to socialize. The findings have significant implications for marketing branding, and research professionals because the research shows that managers have to see participants as integral to the brand. (Keywords: Brand Management, Creative Collaboration, Innovation)

"The most successful organizations co-create products and services with customers, and integrate customers into core processes."—IBM, "Capitalizing on Complexity" <sup>1</sup>

ny organization that seeks to be innovative and has the ambition to grow and build new markets has to begin by gaining a thorough knowledge of its customers and their needs and desires. Yet, traditional organizational structures and methods tend to inhibit the opportunity for closeness and learning between an organization and its customers.<sup>2</sup> One way of bridging this gap is through co-creation. This process brings consumers, managers, and employees together to participate in brand development and to create new products and services. Through co-creation activities, such as events and online communities, organizations can now engage with consumers and explore together with them their emotions, feelings, and memories while generating deep insights. A well-managed co-creation process has clear benefits for the organization because, as noted by several writers, it can lead to successful innovations and new business opportunities.<sup>3</sup> However, what is less well-defined is the impact of co-creation participation on consumers and the implications of this for managers.

To understand better how participation emerges and develops in virtual co-creation projects, in 2011 we established an online consumer community composed of people who had taken part in previous brand communities. We wanted

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Majken Schultz is a Professor at Copenhagen Business School. <www. majkenschultz.com>; <ms.ioa@cbs.dk> to explore how participation affected consumers' feelings of brand intimacy, their willingness to gift their insights and creativity, and their expectations of a community and the organization behind it. True to the spirit of co-creation, we also asked community members to work together to create ideas as to how co-creation could be developed in the future. This was designed to explore the influence of participation on not only what people say about brands and communities, but also what

they are prepared to do. The exercise showed that community members are capable of developing valuable ideas that have the potential to enhance the performance of online communities and provide additional benefits for organizations.

In this article, we build on previous research and incorporate the results from the community to demonstrate that participation raises the stakes in a relationship with a brand. Our findings show that as participants begin to build trust and commitment both towards each other and to the organization, they start to feel closer to a brand. The community becomes an important arena for participants to find fulfillment, create shared meaning, and to socialize. As a result, people are willing to provide significant input in response to questions, to contribute their creativity, to engage in discussion, and to generate new ideas. They cease to see themselves as outsiders and begin to see themselves as insiders. Yet, as they give more of themselves, they come to expect more back. They expect organizations to listen and respond as the community evolves. They want their ideas and contributions to be taken seriously and they want to know what happens after the community ends or a project is completed. This in turn requires a participatory leadership style that enables the organization to share and work effectively together with consumers.

The heightened involvement of community participants has significant implications for marketing, branding, and research professionals. It implies that managers need to spend time at the beginning to recruit people who have the potential to be active participants and to nurture carefully their involvement by generating a trusting online environment that encourages the sharing of ideas and the opportunity to express creativity. To meet consumer expectations, managers have to provide continuous feedback on the ideas developed in the community. This perspective means that managers should see community participants as an integral part of the brand—a rich source of diversity and creativity that can help organizations develop more relevant and innovative products and services for consumers.<sup>4</sup>

### The Emergence of Co-Creation

The emergence of co-creation as a specific area of practice and discussion reflects the movement towards a participatory culture<sup>5</sup> in which people seek the opportunity to contribute to their world's and organizations' search for consumer insight.

Although co-creation has interesting antecedents in literary theory, organizational development, and software design, the modern idea of co-creation derives from three areas. First, the emergence and widespread adoption of digital communications from the 1990s onwards has enabled individuals to connect themselves in networks and communities where "social and cognitive potential can be mutually developed and enhanced."6 This online connectivity has enabled users to build communities of interest beyond limits imposed by proximity<sup>7</sup> and to customize products and share their ideas.<sup>8</sup> Second, in an attempt to become close to customers and to understand better their behavior, organizations have recognized that they can become part of the customer experience. As the title of Prahalad and Ramaswamy's influential 2000 paper "Co-Opting Customer Competence" suggests, some organizations have seized the opportunity of participation to make customers both collaborators and co-developers. Co-creative organizations benefit from enhancing the capacity for insight, reducing risk, and creating value with stakeholders through the development of relevant innovations. 10 Third, the increasing emphasis within marketing thinking on the exchange of intangibles<sup>11</sup> has changed the focus from the act of purchase to usage. This new customer-oriented and relational model based on the connectivity of the one who offers and the one who consumes, means that the organization can intrude, via the brand, on the customer and vice versa. As Merz, He, and Vargo note, "the logic of brand and branding is also evolving and has shifted from the conceptualization of brand as a firm-provided property of goods to brand as a collaborative, value co-creation activity of firms and all of their stakeholders."<sup>12</sup>

These three notions, which underpin the development of co-creation, enable organizations to connect with consumers and other stakeholders and to share experiences. Organizations have the opportunity to be active listeners via social media and brand communities and also to be the instigators of dialogue. This reaching out is blurring the boundary between the inside and the outside such that consumers can not only proffer opinions, but also involve themselves in the development of organizations and their brands. Organizations have the opportunity to involve stakeholders in ideas, the both at the moment of "eureka" and in their detailed working out. The value of this is that external contributors can bring their different skills and expertise to develop ideas together that "combine and combust in exciting and useful ways."

For co-creation to be sustainable in hosted communities, it must provide benefits not only for organizations, but also for those who participate. In naturally occurring co-creation communities where people come together because they share a common interest or cause, the motivations are more explicitly connected to sharing and learning. In a hosted event or community (such as the one in our research), people are responding to an organizational invitation. As they are not generally rewarded financially to any significant degree for their contributions, we might ask why they give their time and creativity? Füller suggests that consumers' motivations for participation vary depending on personality and that this creates different expectations towards co-creation. While some people seem to be primarily motivated by extrinsic rewards, other participants are engaged by more intrinsic rewards. According to Füller's research, intrinsically interested

consumers have the highest levels of motivation and are more knowledgeable and creative and more interested in co-creation than other personality types. Specifically in the arena of virtual co-creation, extrinsic incentives are not as important to most personality types—with the exception of the type that is clearly reward-oriented.

For the intrinsically motivated, it is the seeming importance of the purpose of the co-creation process and the brand that drives participation. These two aspects are intertwined, for the importance of a community to a participant is determined by the value of the consumption activity to a sense of identity. As Zhou et al. argue, "consumers become attached to both the community and the brand." This is the idea of the brand as influential in defining beliefs and actions and building relationships. When individuals feel they have an intimate relationship with a brand, they are more trusting and enjoy a higher level of brandpartner quality. Aaker points out, in his influential description of the brand identity system, that brands deliver functional, emotional, and self-expressive benefits to consumers and create the possibility for a relationship. In other words, brands are useful and give consumers a positive feeling, while helping to define an individual sense of self. Aaker's system predates the emergence of the term "co-creation," but we can see that its basic components are still valid to the way that we understand the role of brands.

When individuals approach a co-creation process, they do so with an existing perception of the brand that frames their expectations, and as the process develops, it influences how they create and evaluate ideas. Through the lens of the brand, participants see co-creation as a vehicle for fulfillment and as a means of contributing to something beyond themselves. Co-creation offers a milieu in which people can forge closer links with brands, develop new possibilities, and build on the ideas of each other. A co-creation community is a place both to learn and to share that enables people to realize something of their own potential by exceeding their perceived limits.

Yet, while the opportunity for fulfillment stimulates people to contribute to co-creation, critics argue it can also be exploitative in that involving customers and asking them to sign away their intellectual property rights is a gift to the market.<sup>27</sup> We might also add that individual participation is a gift to the community of which the sponsoring organization is also part. However, it should be stressed here that the gift of time and creativity builds the solidarity of the community and creates a responsibility on the part of the organization to share its knowledge. Without this sense of mutual giving, the community is not a community.<sup>28</sup> Reciprocity and "intimate communication" sustains the living body of the community and enables participants to identify with it.<sup>29</sup>

## Towards a Definition of Co-Creation: What It Is (and What It Isn't)

Prahalad and Ramaswamy's approach stresses the organizational benefits of co-opting consumers' interests and competencies to enhance relevance and help generate innovations.<sup>30</sup> We build on this perspective, but give additional

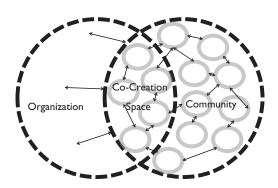
emphasis to the stakeholders, and their desire to find fulfillment and to socialize. This changes the focus of analysis to the community itself.<sup>31</sup> The rationale for this is that even if the community is often instigated by the organization and it can be purposive, it is not a place of corporate control. The organization exerts influence over "the field of possibilities," but meaning is often built beyond corporate boundaries as stakeholders interact with each other on their own terms.

This change of focus is important for two key reasons. First, for co-creation to be sustainable as a practice it needs to engage with people who are intrinsically motivated. Intrinsic motivation is a vital component of creativity<sup>33</sup> and drives high-level and long-term interest in co-creation projects. The intrinsic motivation diminishes without freedom. The more controlled and overtly directed the process, the lower the sense of creative opportunity. Second, relationship building between community participants requires both commitment and trust between people and between people and the organization. Trust of others determines people's willingness to share ideas. Without trust, co-operation and creativity is undermined as participants become fearful of the judgment of others. The more the organization instrumentalizes co-creation and explicitly elevates its own interests over those of the participants, the more the idea of a community is diminished.

The emphasis on community leads to a working definition of co-creation as "an active, creative, and social process based on collaboration between organizations and participants that generates benefits for all and creates value for stakeholders." This definition builds on Witell et al.'s description of co-creation as something that "aims to provide an idea, share knowledge, or participate in the development of a product or service that can be of value for other customers,"38 Roser et al.'s review that defines co-creation as an "active, creative and social process," 39 and Ramaswamy and Gouillart's recommendation that interactions should be structured to deliver desired outcomes for both the organization and the customer "every time they interact."<sup>40</sup> According to this definition, co-creation is not purely an organizational opportunity or simply a place where consumers interact, but instead a way of organizations and individuals working together in a process of discovery that delivers benefits for participating individuals (such as fulfillment and socialization) and for the organization (such as insight, idea generation and development, and marketing platforms). This idea of co-creation is distinct from some other terms such as mass collaboration, crowdsourcing, and mass customization that get conflated with it. Co-creation is different from mass customization (such as NIKEiD), because it involves the participant in a process that creates value not only for the individual, but also for others. Co-creation is different from the crowdsourcing of ideas (such as competitions and polls) because it implies an active intellectual participation in a process, and it is different from mass collaboration (such as YouTube) because of the two-way flow between the organization and the participant.

Co-creation takes place in the connected space in Figure 1, where the organization and individuals meet through face-to-face and online interactions. This is a fluid space where brands are discussed and developed and people participate in the movement of ideas. Of course, many individuals do not interact actively with

FIGURE 1. The Co-Creation Space



the organization, as indicated by the circles outside the overlapping area. These individuals may, though, benefit from products and services developed by those that do participate. For their part, organizations can absorb learning from the co-creation space, but only if the knowledge generated with consumers is shared inside the organization. Cova et al. suggest that often it is not: "seldom has the idea been proposed in marketing that consumers possess organizational knowledge that may be of interest to the management and strategizing of the company."

#### **Research Objectives**

While significant research has been undertaken in the area of co-creation, there is not enough information on how participation emerges and develops once participants engage in a virtual co-creation community. In contrast, related processes such as the development of interactions and relationships in the field of relationship marketing and the participation of users in open source software have been widely studied. Thus, the first objective of the present research is to understand how participation emerges and develops in virtual brand co-creation communities.

Second, while many studies adopt the perspective of the organization or the brand behind the co-creation initiative, we were interested in understanding the outcomes of co-creation from the consumer standpoint. Previous research has studied the expectations and motivations of consumers to act as co-creators that there is still scarce research on the changes in their attitudes towards the brand during and after involvement in a co-creation process. Building on Fournier's work on brand intimacy and relationships, we wanted to establish whether participation in a brand community made people feel more engaged and closer to the brands that they helped to co-create and how this affected their expectations of the brand owner.

Third, we wanted to explore if the context of a community enhances creative expression. In other words, does being involved in a community where there is the opportunity to converse, share, and work together with others heighten

creativity? Some research suggests that consumers have the potential to be highly effective innovators, capable of delivering original and valuable ideas that can exceed those generated by in-house personnel. Building on these studies, we wanted to determine whether community members did indeed have the creativity and motivation to develop ideas from conception through filtration to refinement and presentation, and thereby enhance the organization's potential for innovation. <sup>47</sup>

Finally, we wanted to generate insight that could help marketing, branding, and research professionals enhance the participation and creativity of individuals in online interactions. In the same vein, we sought to understand how co-creation could be made more relevant and valuable in the future.

#### **Method**

While many research studies into co-creation focus on analyzing already existing communities (BMW, Samsung, Porsche, Ducati, Eli Lilly, P&G, and Unilever), here we chose to establish a new community. This meant we could help create an environment, which was trusting and supportive, and where people felt confident to express themselves. This collaborative research method, which is important in co-creation communities, <sup>48</sup> allowed us to be active in moderating the research process, posing questions, responding to comments, providing regular feedback (and asking for further comments), and provoking discussion. Nothing was hidden from the participants, who were kept fully informed as to the purpose of all activities. Participants could also see each other's comments and those of the moderators. In this participative netnographic approach, <sup>49</sup> we focused on building community trust and generating the conditions for creativity. <sup>50</sup>

To understand better how participation emerges within a co-creation community, people's changing relationships with brands, and the future of co-creation, in April 2011 we established the Brand Together community, with participants from six existing hosted co-creation communities (see Table 1). These communities were selected because they had been managed and moderated in a participative way that aligned with our definition of co-creation. The activities of the communities that people came from varied with some more focused on generating marketing platforms, while others focused more on developing new product concepts. We selected active (as opposed to inactive) participants from these six communities so that we could study the emergence of participation. As Fournier and Lee suggest, strong brand communities emerge when people are active and learn to develop the diverse roles that sustain community interaction.<sup>51</sup> The next stage was to select randomly 300 active participants and invite them to take part in the new Brand Together community. Finally, 236 participants agreed to take part in this new community, which ran for 52 days, generating 14,130 contributions during 1,935 hours spent online. This was considered a reasonable sample, as it is line with the recommendations by Kozinets on sampling and with previous studies that have used similar sample sizes and produced relevant results.<sup>52</sup>

The invitation to participate in the community made it clear that people would be asked to reflect on their previous experiences and to take part in creative exercises. Not everyone contributed to every activity, but the average participation

**TABLE 1.** Brand Together Community — Virtual Online Communities Where Consumers Were Recruited From

<b>Brand Communities</b>	Project Description	
DANONE	Female community focused on developing new Activia Yoghurt products and communication strategies	
THE TIMES	Community for The Times and The Sunday Times Online designed to help develop digital strategies with specific emphasis on pay-wall strategy	
National Lottery Commission	Community to define the utility and the boundaries of the National Lottery with the British Public	
SONY Music	Insight community focused on helping Sony Music better position its artists in the UK market	
Prudential	Insight and innovation community designed to connect financial services company, Prudential, with its customers to develop and tailor products and inform communications	
Tata Global Beverages	Insight and innovation community helping to refine new product concepts for beverages in three key markets	

level was 75%. Participants were told that the community would exist for a limited time and that the content they generated collectively was part of a research process and would be published. The average reward per participant was an £8 gift voucher.

As the participants had already been involved with existing brand communities, they were familiar with the protocols of online discussion, at answering questionnaires, and conducting tasks set by the moderators. Previous experience also enabled them to reflect on their feelings and behavior as part of a brand community and to suggest ideas for improving a future community experience. Participants were invited to join because they had been active, but they were not filtered on the basis of possessing any particular skill or for being judged in any sense particularly creative.

In addition to the 21 official project activities we instigated, participants established 146 side discussion themes ranging from cigarette branding to infidelity to brainstorm boredom. The willingness to use the community space to generate their own discussions shows that while the community was purposive, there was also freedom. This supports the point that communities can help enable commitment by allowing people to address their own needs, independent of the goals of the sponsoring organization.<sup>53</sup>

The research method had four phases, as outlined in Table 2. After each phase, the participants received a presentation that summarized the findings so that they could comment on the work of the community as it developed.

The first research phase was essentially a warm-up session. The tasks were designed to break down barriers, to get people communicating and to stimulate participation. There were discussions on past experiences in brand communities and the things that participants liked and disliked about brands. In the second phase, questions were more directed. Here participants reflected on the changing

Research Research Research **Objectives Phases** Activities Feedback on past Facilitate and analyze experiences Warm up the emergence of Likes/dislikes participation Establishing process Reflection • Brand relationship poll Explore outcomes of on consumer-brand • Brand expectations brand relationship relationship Online discussion Community experience Explore outcomes of Reflection on poll co-creation co-creation Creativity poll Online discussion Explore future Ideas room The future of processes and Development co-creation mechanisms Filtration

**TABLE 2.** Research Framework

nature of their relationship to the brands they were involved with and they were asked specifically about the impact of community participation on their feelings of brand intimacy. In the third phase, participants explored the outcomes of co-creation. Specifically they took part in a poll on the brand community experience and a poll on their sense of creativity. Following each poll there was a discussion on the themes that had emerged. Finally, in the last phase, participants were asked to help create the future of co-creation. Whereas in the first three phases people were reflecting on their behavior in their previous communities, in the last phase they were asked to use that experience to project into the future and develop ideas for improving co-creation.

#### Results

The results can be broadly categorized into three themes.

- the importance of participation for people as they reflect on their previous community experiences;
- the outcomes of participation, with particular emphasis on the emergence of brand intimacy and creative expression; and
- the future of co-creation, as people participate individually and in groups to generate new co-creation ideas and mechanisms.

#### **Participation**

Our results show that participation (taking an active role in constructing connections and developing meaning) emerges over time. Initially, (phase one in Table 2) the online dialogue is concerned with re-connecting with people that participants have already met in previous communities and establishing connections with new people, including the moderators. One of the early themes of discussion reflected this. One of the moderators used a photograph of herself in a Dirndl—a traditional Bavarian costume—which elicited a variety of postings about the look of the dress, its history, and when it was worn. Participants seemed to see this small talk as part of the etiquette of establishing an online conversation. Once the initial connectivity was established and people had become familiar with the moderators, they were asked to reflect on their brand community experiences and the nature of their changing relationship with brands as a result of participation (phase two). In the next phase (phase three), people reflected on the community experience through discussions and taking part in online polls. During this phase it became clear through the community experience poll and discussions that the participants were dominantly motivated to participate by intrinsic factors connected to the opportunity to meet like-minded people, to share views with each other, to express themselves, and to provide brand input. Extrinsics seemed to be important not as a prime motivator, but rather as a justification for spending time taking part in community activities.

167 people took part in the community experience poll (71%) in which they responded to eight statements that related to how they felt about taking part in an online community. There was a five-point Likert scale ranging from "strongly disagree" (1) to "strongly agree" (5). The scores of "agree" and "strongly agree" are all above 80% for "sense of satisfaction," "time well spent," "stimulating process," "express myself," and "enjoyable experience." Together these statements link to a feeling of self-realization and demonstrate the emotional benefit of contributing to something that is considered worthwhile. The lower scores are for "significant impact" (66%) and "rewards" (45%). The lower score for significant impact links to the statement, "I feel like I have had a significant impact on the brand." The supporting comments demonstrate the feeling among some members that while they hope to be heard by organizations, there is not always sufficient feedback to support that belief.

As well as contributing to the poll, participants also took part in an online discussion that was designed to uncover their feelings about participation. The dominant view was that the community gave participants a safe place to voice their opinions.

I enjoy interacting with new people through online communities. I also like giving my opinion and being rewarded for it.

The community is a place where I can give my views and opinions on products and hopefully shape the future of the product.

... members start to see results from the brand in relation to their feedback; this is more likely to get the best results out of people as they feel like they have a real stake in the process.

As well as influence, people also clearly enjoy socializing with each other and creating a sense of community.

I look forward to the possibility to have a bit of a laugh and some commentary with others on the forum, as well as responding to specific points about a brand.

I love to read all of the different viewpoints, which often make me consider my own stand point.

It's quite good as you can have a conversation about something that can span over days . . . We also have a lot of fun—there are quite a few people in the community with a 'special' sense of humour, it's these people that get some really interesting/ diverse topics going that we all join in with and it keeps us all amused . . . Most of all, the important thing is that it is what it says, A COMMUNITY!!!

Most people enjoy the conversation and the moderation process. Participants were asked to think about the moderation and structure of the community they were part of: "How would you describe the current level of moderation and structure on your community?" They (201 respondents) were given three options—too much structure and moderation (only 1 person agreed), the right level of structure and moderation (85%), and not enough structure and moderation (15%). Many of the individual comments endorse a participative approach citing the quality of the interaction both with the moderators and other community members. Several respondents make a clear distinction between the engagement and fulfillment they derive from these communities compared with other online activities they have participated in.

. . . this community is so different that it stands out compared to similar types of so-called communities. Yes I like the incentive offered and hope to achieve it, but for me the interaction is more valuable, sharing my opinions and making friends.

There is an immense difference between survey box ticking and the facility offered on these community sites to interact with both other contributors and the moderators. The whole exercise becomes enjoyable when the community is apparently filled with intelligent, thoughtful folks who respect others' opinions.

I like that we get to voice opinions on subjects we care about, but at the same time get feedback and often differing opinions from other members and moderators. It's good to see things from another side even if it doesn't sway us, LOL! I like that the moderators are friendly and all opinions are treated with equal respect.

It is more interactive and creative than other online market research I've been involved with, and hence more interesting.

For those who are critical, the main complaints focus around the trivialization of discussion.

I get frustrated when other members post trivial activities—for example, when someone says something like, 'Isn't it nice when the sun shines?'

#### **Outcomes of Co-Creation**

As a result of participation, participants reflected on how close (intimate) they felt to the brands that they been involved with in their previous community and to think about whether participation changed their feelings about their own creativity.

#### **Brand Intimacy**

In this phase, participants recalled how they felt prior to joining their regular community compared with their feelings as a result of participation. The two questions were: "Before you joined the community was your perception of the brand positive or negative?" and "Thinking about your regular community, what is your perception of the brand today?" Respondents (210) were given a five-point Likert scale ranging from very negative to very positive as well as the opportunity to express their views. It was explicitly stated that the community referred to was the one they normally participate in (and not the Brand Together Community). When respondents were asked whether they saw the brand positively or not, prior to community involvement, 62% were either positive or very positive. After community involvement, the figure had increased to 84%, with the percentage of those that were very positive having moved from 19% to 30%. Among those recording a positive change in their perception toward the brand, there are two core factors given. First, the more they learn about the brand, the more positive they feel. Secondly there is an intrinsic reward in feeling that their views are being listened to and that they have a degree of influence over the future direction of the brand.

I've bought the product more, read more of its contents and nutritional values, and enjoyed giving my opinion on future development of the product and its marketing.

My perceptions really haven't changed other than I'm more positive mainly because now I realize that they really care about what consumers think and welcome their ideas and opinions.

As a further measure of brand intimacy, participants were asked two questions: "Thinking about your relationship with the brand before you joined your regular community, how close/distant did you feel towards the brand at that time?" Secondly, "Thinking about your regular community, how close/distant do you feel towards the brand today?" There was a five-point Likert scale ranging from very distant to very close. There were 210 respondents to these questions. Prior to the community, 27% of respondents felt close or very close to the brand, whereas afterwards this figure had increased to 69%. While only 3% felt very close prior to participation, 20% did so afterwards. This sense of intimacy was expressed both in terms of the community as an entity in itself, such that closeness comes from the sense of participating together with others, and in terms of the brand. Here, emotional and participative language came to the fore, as participants expressed their developing involvement in terms of brand ownership.

I have been made to feel a real part of the community and have been given the opportunity not only to share my opinions but my views in a personal blog. All worthwhile.

Well I have spent so much time on the Activia site that the brand is etched on my eyeballs—I love it—and recommend it whenever the occasion arises. It's MY brand!!

Sony has given us feedback and let us know what they have changed from our opinions.

As people participated more in the community and contributed their ideas, there was also a growing expectation of reciprocal behavior. Some participants

voiced their need for brands to listen to what they have to say and to provide feedback as to the outcomes of the ideas generated in the community. There is also a feeling that this need is not always adequately met.

It would be nice if the communities showed the same kind of loyalty back, by notifying us when products we had discussed were hitting the shelves etc.

It is essential for me to receive feedback about the impact I/we have made.

I would like to see our opinions really having an effect on clients and the brands we are going to be discussing. Amazon vouchers are great but big companies listening would be even better.

#### Creativity

In response to the statement "I feel the Community allows me to be creative," 70% of respondents either agree (49%) or strongly agree (21%). As "creative" is a difficult to pin down concept, beyond the idea of novelty and appropriateness, the accompanying 233 written comments are illuminating and suggest some nuances to the self-perception of creativity. They indicate that people see creativity as a group process where each participant influences and is influenced by the ideas of others. They suggest that creativity is also about freedom and requires an open environment where people trust each other and feel able to express their ideas and to experiment with new ways of approaching problems. Participants believe strongly that everyone is, or can be, creative. To support this they argue that aspects of creativity can be found in all areas of life.

The thing our Society does wrong is to make us believe when we grow up that one can only be creative if he/she is very intelligent or has studied . . . That's absolutely wrong. I believe everyone is creative in their own ways, even uneducated people. Creativity is a way of looking at things and is not necessarily dependant on studies or brain capacity. . . .

Questions are open-ended and often in several parts, prompting some thought before replying. The ability to read other people's posts can help reflection and act as a prompt to think of a new angle or point of view. Responses from others, particularly the moderator, make it feel like a two-way process where effort is valued and worthwhile.

It is all about new ideas, different ways of doing things so creativity always plays a big part in the community.

I had projects, with the use of videos and photographs to participate in and this allowed me, and others, to experiment and use what creative skills we had.

As further evidence of the emergence of creativity, in one of the communities from which participants for the Brand Together community were drawn, the results of consumer input were independently evaluated. The Danone Activia community, which was moderated in a participative way, involved 400 women over five months working on new product development and communications. This community generated 15,000 contributions from participants. Compared to traditional research methods, the community developed 47% more insights, which were evaluated as 82% more effective. The insights also had broad appeal in the sense that they worked

for both current and potential consumers. As a result, 10 new product propositions were created and developed and two carried through to a successful launch.<sup>54</sup>

#### The Future of Co-Creation

As well as discussing the nature of creativity in an abstract way, participants were asked to demonstrate their creativity by taking part in an innovation challenge. In this phase (four), participants worked both individually and together to develop concepts that could enhance the practice of co-creation. At this stage, people had been part of the community for more than one month and were comfortable exchanging ideas with each other. The invitation to participate noted, "we would like you to co-create and invent something together—something new and that hasn't been done before," and then outlined a three-part process:

- Ideas Room: A space where you can post any ideas or suggestions you might
  have about the best way to manage co-creation. You can review each other's
  ideas and vote for the ones you like best.
- Development: We will take the best ideas and group them together under key themes and then give them back to the community. We will ask you to decide which theme you would like to work on so that you can discuss and refine it with others.
- *Filtration*: We will put the developed ideas into a format such that they can be presented back to the community, so that you can vote and comment on the work of other teams.

The participants were highly motivated at the outset of the creative process, which can be seen both in the language they used at the launch and in the 130 proposals they submitted in the first two days.

Mmmmmm! This IS a challenge—I understand that we are looking to create a marketing/communication tool rather than a product. Let's go for it.

In the ideas room participants submitted individual ideas. The ideas were then ranked, sorted, and grouped by the moderators into eight development ideas. Participants worked up the ideas into more detailed proposals that could be discussed by the community. These were then grouped and filtered into eight propositions, which were commented on and rated (see Table 3). This level of commitment continued as ideas were developed and refined.

As an example, one idea that emerged was creating an opportunity for consumers to act as ethnographers. People talked about the elements of consumer ethnography in different ways, with some concentrating on the theme and others thinking about the mechanisms. Participants wanted to be even more involved with brands by becoming their eyes and ears—to share the world around them and bring their observations back to the community. To enable this process, they suggest that the community website should have an area where observations could be stored and photos and videos uploaded. To compensate for a lack of ethnographic research training, they suggest that they need clear briefs, help in developing their skills through video tutorials, and a moderator on hand to provide prompts and answer questions. They think that the idea could also be extended into product testing and the keeping of diaries and logbooks.

**TABLE 3.** Development Ideas

Key Theme	Idea	Proposal
Games and Challenges	Avatar—bringing game ideas to co-creation	Members become avatars for brands and show how they would use them in a virtual world.
Tools to be Creative	Skype It—designed to improve creativity	Relationship building and creativity are enhanced through sight, so the community should incorporate more video connectivity.
Become the Researcher	Consumers as Ethnographers	Company sets specific goals and supports people in conducting ethnographic studies.
Ways to Show Your Impact	Member Empowerment— designed to improve feedback and allow members to work on developing ideas	Members are selected by the brand to form a panel to work on new ideas. Brand gives regular feedback to panel and shows how ideas have helped the brand.
Live Interaction	Live Jam Plus—creating the opportunity to work together in real time	Create a timed event with limited spaces, which is actively moderated
Going Mobile	You Have a New Task—mobile connectivity	Use mobile connectivity to give people tasks on the go and enable them to provide fast input back
New Rewards Scheme	Community Rewards Scheme—quality not quantity	Rather than evaluating quantity of awards, the brand moderators would evaluate and reward quality through a points system
Special Interest Groups	Interesting for You—hobbies and interests	Ask members about their hobbies and interests to build a database that can be used to develop special interest groups within the community

At the end of the stage, participants were asked which ideas should be considered for further development—with this idea recording a 59% approval rating (145 respondents).

#### **Discussion**

The research findings demonstrate the willingness of people to participate actively in a community that offers the opportunity to do something meaningful and to express their creativity, while also providing feedback and allowing for socialization. Participation is vital in the community building process, because it is a necessary condition for the very existence of a community. However, this process remains understudied in the co-creation literature. Co-creation research has focused more on explaining the motivations to engage in a co-creation project<sup>55</sup> than on understanding how participation emerges and develops.

The first contribution of this study is the explanation of how participation emerges in a hosted co-creation community, as illustrated by the model in Figure 2. The sense of community grows over time as people begin to trust each other. Thus, the first requirement for a successful online co-creation environment is to facilitate and to encourage social and explorative conversations among people

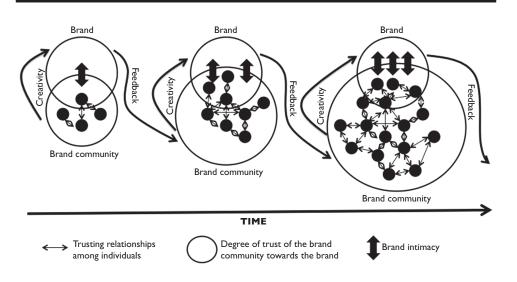


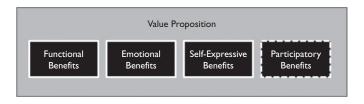
FIGURE 2. Emergence and Outcomes of Participation

so that they can find common connections, interests, and hobbies. These non-purposive conversations are indispensable for the generation of connectivity and trust among participants. When trust among participants develops they show greater willingness to share their ideas and proposals about a brand. Therefore, the initial trust generated among the participants is transformed progressively into trust towards the community and the brand. These results coincide with those of Morgan and Hunt, <sup>56</sup> who argue that true co-operation only emerges when there is trust and commitment between all parties.

As conversations evolve, people respond to the brand (as represented by the moderators), identify with the emerging entity that is the community, and develop a growing feeling of brand intimacy that encourages further participation. This is in line with Fournier, <sup>57</sup> who argues that consumer-brand relationships require a high degree of trust and commitment, and Zhou et al., <sup>58</sup> who describe how as members of a community build trust, they establish higher levels of brand attachment, identification, and commitment. In some cases, participants also begin to feel a sense of brand ownership as the influence over the brand increases. This is largely an individual experience but subject to collective discussion. Participation heightens the expectations of the brand (organization), because ideas have been developed together.

Underpinning greater participation is the perception of fair reciprocity. <sup>59</sup> If the organization fails to listen, to act, and to give feedback, people quickly become irritated. Participants give because most of them feel they are being listened to. This reinforces the need for active moderation. When the moderators are clearly evident in the community, posing questions, following up, and asking for clarification, it demonstrates to the participants the importance of the community and of their creative ideas. <sup>60</sup> However, the responsibility does not end when the community finishes. There is a clearly felt need on the part of the participants to hear what has happened to the ideas generated by the community. If the brand learns to listen and provide

FIGURE 3. Value Proposition and Participatory Benefits



Adapted from BUILDING STRONG BRANDS by David Aaker @1996 by David A. Aaker. Reprinted by permission of The Free Press, a Division of Simon and Schuster.

participants with feedback, this has an extremely positive impact on the future level of participation and the willingness to share new creative ideas.

This study also suggests that active participation in a community can stimulate creativity. Even if there are some arguments that effective co-creation with consumers requires finding the most creative individuals, <sup>61</sup> this research shows that creativity results from the collective endeavor of motivated and connected people. Rather than objectifying creativity and assuming the answer is out there to be found, organizations should recognize that it is the process itself that is important. Creativity is a social and cultural process that requires a safe and trusting environment in which people can share knowledge, experiment with ideas, spur each other to reveal different perspectives, and generate and evolve new concepts together. <sup>62</sup>

The second contribution of this research is to add to Aaker's model of brand identity<sup>63</sup>—which argues that value propositions should be constructed around functional, emotional, and self-expressive benefits—through the addition of participatory benefits (see Figure 3). Brand participation generates a better understanding of the performance of a product or service while adding richness to the consumption experience. It heightens the intimacy between the brand and the consumer by creating the opportunity for self-discovery. Yet, participation does something more. Participation changes the orientation of the brand-customer relationship by creating the opportunity for consumers to be more active and equal partners.<sup>64</sup> Whereas we tend to think of brand building as an organizational activity, with the emergence of participation, we can begin to conceive of it as an organic process that brings the parties closer together to co-create value.<sup>65</sup> Whether participatory benefits occur through company-sponsored communities, social media, face-to-face events, or naturally occurring communities, brands should aim to make participation an explicit element in the value proposition.

#### **Implications for Managers**

The results of this research have important managerial implications. First, this study provides recommendations for marketing, branding, and research professionals on how to manage the co-creation process to enhance creativity and achieve better results for the organization. Specifically managers need to generate

an environment of trust that enables participation to flourish progressively, thereby creating a heightened sense of brand intimacy. To achieve this, managers need to avoid the temptation to control the community and instead need to create a flexible environment in which participants feel free to engage in other conversations and activities they are interested in and which enable them to develop their sense of comfort and belonging. Rather than instrumentalizing a community and focusing on the end outputs, managers need to see themselves as part of the "cultural fabric"—there to contribute, to pose questions, to listen, and to learn. <sup>66</sup>

To create a productive community, managers also need to recognize that the virtuous circle of participation, intimacy, and ownership only occurs when people feel there is fair reciprocity between themselves and the brand. To achieve this, the key mechanism is feedback. It is only when participants receive clear, accurate, and relevant feedback about their contributions—delivered at the right time—that they feel valued and realize the fulfillment that they seek. This requires that employees are also able to reflect the brand, because they need to maintain interaction with participants, listening to their needs, being open to ideas and suggestions, and giving regular feedback.

Second, managers need to support participants who have a high degree of intimacy and a strong sense of ownership, as they are willing to increase their involvement with the brand by becoming its eyes and ears and to serve as "brand ambassadors." This means developing mechanisms to train them so that they have the necessary skills to make effective contributions, as well as developing and/or opening to them the supporting platforms that could facilitate their tasks. This approach obviously puts more pressure on the organization to open up to a different sort of relationship with outsiders and to treat them more as insiders. This has implications for the way these participants are viewed by the organization, the willingness to share more and the provision of appropriate compensation (even if motivations remain primarily intrinsic).

Third, this research also shows that when recruiting for an online community, one does not necessarily need to recruit "creative" individuals. Participants in our community feel that everyone can be creative and they argue that creativity is a collective endeavor that is a result of diverse individuals stimulating each other and creating ideas together. From this perspective, selecting the most creative individuals when deciding to engage in a co-creation project is not absolutely critical. Instead, the critical factor for stimulating productive ideas is the proper management of the co-creation process itself.

Fourth, the proposed model for managing co-creation processes also has implications for the management of brand-customer relationships across broader social media and online channels. As these channels operate in a similar way to this community, it can be argued that managers should try to generate a trusting and open environment by taking an active role in dialogue, being receptive to new ideas and providing information and support. This approach towards social media management requires a belief in the value of participation built around explicit participatory benefits. By making participation central to brand thinking, it can help to ensure the relevance of the brand to consumers and also remind people inside the organization of the importance of connecting and sharing with all stakeholders.

Finally, managing co-creation implies a more open and participative approach to leadership.<sup>67</sup> In a traditional perspective, attention is paid as to how to bring the experience of the outside world inside the organization to inform the brand and the employees who would represent it. It sees the world with the organization's vision and therefore underplays the social and communicative aspects of a brand relationship.<sup>68</sup> With a co-creation approach, many of the barriers between the inside and the outside can be taken away. Consumers can be invited to help build brands and contribute to product and service innovation.<sup>69</sup> Indeed, it can be seen in their language that consumers "live the brand" in a way that is similar to engaged employees. This suggests that managers should develop a more participatory leadership style that emphasizes sharing<sup>70</sup> and embraces consumers' contributions. 71 The implication of this is that managers will need to become better at recognizing their own strengths and weakness and to demonstrate the humility that comes with the acceptance that others may have better insights and solutions than those inside the organization. Managers and moderators have to approach co-creation with an open-mind. Managers will still enjoy considerable influence, but as brands become more participative, decisionmaking processes must become more consultative and collective.<sup>72</sup> It is no longer simply enough to take consumers' needs and desires into account when thinking about brand building, but rather recognizing, as some businesses have, that consumers need to be incorporated into all stages of brand thinking and implementation. This represents an increased responsibility but it is also an opportunity to generate a more participative approach to leadership.

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