

Consumer-Based Brand Equity Powered by Value Co-Creation

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Unprecedented communication features of social media noticeably reinforce the active role of consumers in the value co-creation (VCC) of offline and online brands including social media. From the consumer perspective, this study examines a contribution of VCC behavior to consumer-based brand equity (CBBE) and consequent intention to use social media based on Instagram as the most popular platform in Kazakhstan.

social media consumer-based brand equity

value co-creation

usage intention

brand loyalty

brand perceived quality

1. Value Co-Creation Theory in Social Media Context

The dominant logic of economics has been shifting from product-domain to service-domain logic of economy, e.g., from own authorship and offering ready physical goods to consumers to co-creation of ideas and products in close relationships with the customers ^[1]. Ritzer and Jurgenson ^[2] suggest the term prosumer to describe this new type of consumer. From the consumer perspective, cognition, emotion, and behavior are the experience-related factors within the VCC concept ^[3].

Social media contribute to the development of VCC theory by allowing people to interact with an audience of any size, obtaining value from creation and exchanging user-generated content asynchronously or in real-time based on Web 2.0 technological platforms ^{[4][5]}. These features considerably facilitate a turning consumers' role from passive receivers to active participants in the process of value creation almost everywhere, in the areas of goods and services innovations, in commercial and noncommercial spheres ^{[6][7]}. As the result, the prosumers co-create brand values within the social structures through the social processes that inevitably add a noticeable social character to the generated brands ^[8]. VCC's philosophy transformed the brand from the marketing object to the social process due to the influential social aspect generated by the conversational area between the company and its different stakeholders throughout social media ^[9]. Thus, VCC is the joint activities of consumers' communities and companies, where each consumer is technologically enabled to contribute his knowledge and ideas in brand value creation, development, and maintenance ^[10].

Therefore, social media are the active co-creators of brand value ^[11]. Additionally, social media factors such as Web blogs and consumers' rating volume are more indicative and faster brand value metrics than the standard measures of online consumer behavior such as Web traffic and Internet searches ^[12]. However, a positive effect of

social media marketing on the consumer in terms of his interaction with the brand in its VCC depends on the firm's capability to synchronize and integrate its own corporate processes and social media resources to deliver its messages to the target audience via appropriate social media channels, time, and occasions ^[13]. So, practitioners need deep insight into the mechanism of the interrelationship between the VCC process, brand value creation, and consumer behavioral outcomes such as purchase or usage intention.

Our literature review shows that the VCC area has been an actual research area for the last two decades. However, still, there is no consensus achieved on the critical aspects such as VCC scale and effects in the offline and online environment. Some studies focus on the behavioral facets of VCC, e.g., information seeking and sharing, helping, and tolerance ^[14]. Others measure VCC through the process dimensions such as interaction, experience, and relationships ^[15], or customer resources and motivation such as skills, creativity, and commitment ^[16]. Even so, most scholars consent to the significant role of social media, where consumer engagement has been powered in the VCC process. Various studies test distinct models of the relationship between consumer engagement and VCC in the virtual media context. Brodie et al. (2013) consider VCC as a subprocess of consumer engagement ^[17], while Cheung et al. (2020) propose consumer engagement as the main factor of augmenting consumer VCC and repurchase intentions ^[18]. So, consumers' VCC is an undisputable factor of brand value creation in the era of social media. We believe that the role of VCC needs to be further evaluated in terms of the direct effect on brand equity as the important element of the brand valuation routine.

2. Consumer-Based Brand Equity Theory

CBBE is a strategic marketing concept that is mainly based on two different sciences such as information economics and cognitive psychology ^[19]. The former discipline is used to explain consumers' avoidance of uncertainty and wasting time on an information search when they choose reliable brands ^[20]. The latter science is used to disclose a mechanism of brand value building as the effect of consumer memory, perceptions, attitude, and attachment expressed in the CBBE dimensions of brand awareness, brand associations, a brand perceived quality, and brand loyalty, known as the sources of brand equity or the traditional CBBE scale elaborated by Aaker ^[21]. According to the author, the scale defines the consumer role in brand value creation as an intangible asset of a company. In other words, more positive consumer attitudes and stronger attachment to the brand ensure its greater value for the consumers and consequently for the firm in the long-term outlook. In more detail, brand awareness characterizes a potential buyer's ability to retrieve a particular brand's name and main features within a defined product category from his memory. The strength of the specific associations with the definite brand in the consumer memory shows the power of the brand differentiation among its competitors in the consumers' minds. A higher overall quality of the brand perceived or felt by customers versus alternatives contributes to the brand superiority versus analog products. A degree of brand loyalty among consumers allows assessment of the potential of future brand sales and profits due to its customers' preferences.

Marketers use CBBE as a general strategy to create and maintain powerful brands in delivering value to consumers and firms ^[22]. The robust CBBE contributes to the sustainable financial wellbeing of the firm; however, adequate marketing investments are required to build a strong brand ^[23]. Aaker's CBBE concept is widely

recognized and used as the framework for numerous modern marketing studies [24][25][26], which are very useful for marketers in terms of the proven mechanisms of CBBE creation through the current multichannel environment. Some scholars apply brand awareness and brand associations linked to the consumers' memory within one factor named brand awareness/associations [25][26].

3. Findings

This study explains the effect of user VCC behavior on SM CBBE via its three dimensions, comprising brand associations, brand perceived quality, and brand loyalty. Thus, the analyzed impact demonstrates that social media and an activated VCC process is beneficial not only for offline and online brands, as explored in numerous extant studies, but also for social media brands, whose users are active participants in the co-creation of the brand equity of social media that they utilize through online activities.

Furthermore, these research findings suggest that social media usage intention is an output of SM CBBE. So, users' perception of the higher quality of social media brand, their positive associations with the brand, and stronger attachment to it may augment the behavioral intention to use social media. These results confirm the positive impact of CBBE on usage intention for offline brands presented in extant literature. Likewise, our study extends empirical observations of CBBE's favorable effect on consumers' intention to use social media brands.

Overall, the research model demonstrates an active role of users in the co-creation of brand equity of social media brands. Their networking activities contribute to higher brand quality, positive associations with the brand, and stronger brand loyalty, which are the reasons for the continued usage of social media.

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