Internal brand co-creation: The experiential brand meaning cycle in higher education

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ABSTRACT

Higher education (HE) institutions need to adapt to the global environment but the complex nature of HE highlights the role of marketing and the internal market in realizing the brand identity, creating a challenge for developing a shared brand meaning. This research explores how employees co-create brand meaning through their brand experiences and social interactions with management, colleagues and customers. Using a phenomenological approach, the findings highlight that brand meaning commences from historical, superficial brand interactions. Employees then develop brand meaning further through a series of brand interactions and social interactions. Bridging the internal branding and the co-creation literature, this study conceptualizes the evolving, co-created nature of employees' brand meaning in the experiential brand meaning cycle. This study extends Iglesias and Bonet's (2012) work and illustrates the function of employees as readers and authors of brand meaning, emphasizing the crucial role of brand co-creation in guiding employees' brand promise delivery.

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1. Introduction

Brands are strategic assets that provide an organization with an imitable competitive advantage (Aaker, 1996). However, there is scant academic attention to understand how to develop a successful brand in the higher education (HE) context (Chapleo, 2007). Much of the recent literature has emphasized the role of marketing and branding within HE institutions that enables them to adapt to the global competitive environment (Hemsley-Brown & Oplatka, 2006; Lowrie, 2007; Wæraas & Solbakk, 2008; Whisman, 2009;). Research has focused on market orientation in export markets (Assad, Melewar, Cohen, & Balmer, 2013), branding and performance (Chapleo, 2010; Robertson & Khatibi, 2013), corporate branding (Balmer, Liao, & Wang, 2010) and brand image (Hemsley-Brown & Goonawardana, 2007; Sung & Yang, 2008).

Branding in the HE context is complex as the product offering is intangible (Anctil, 2008; Mourad, Ennew, & Kortam, 2011) and perceived as a high-involvement decision (Mazzarol & Soutar, 2002). Customers (e.g. students) interact with other customers and a range of different employees (academic and non-academic) over an extended period of time (e.g. a 3-year degree). Hence, engaging employees is necessary in the brand development process because they are brand representatives who are at the interface between the HE institution and their customers. Yang and Mutum (2015) argue that brand co-creation in HE tends to

focus on the consumer/student co-creation rather than the academic/ employee co-creation process. Therefore, this study focuses on the internal market to understand how employees learn about the university brand, internally co-create the brand, and communicate the brand values to customers and other stakeholders. Specifically, this study seeks to establish how brand meaning emerges through employee engagement in the co-creation process of the university brand identity; to identify where tensions appear when employees' brand perception contradicts with the espoused brand identity; and to determine the role of brand meaning in employees' brand delivery.

2. Literature review

2.1. Brand identity

In a competitive market place, the brand is "*a distinctive name or symbol*" (Aaker, 1996) that adds value "*over and above its functional performance*" (Knox, 2004). Central to the brand are core values that are functional, emotional, experiential, and symbolic, which develop an emotional connection with consumers and create a unique brand experience (Aaker, 1996; Cova & Cova, 2002; Fournier, 1998; Muniz & O'Guinn, 2001). These brand values are encapsulated into a simple, consistent message that is delivered to the internal and the external markets (White & de Chernatony, 2002). Brand identity represents the internal perspective of what the brand is whereas brand image reflects how the external market perceives the brand to be (Aaker, 1996; Keller, 2001; Dowling & Otubanjo, 2011; Urde, Baumgarth, & Merrilees, 2013; Vallaster & von Wallpach, 2013). In essence, what exists in the

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stakeholders' mind is the shared brand meaning derived from the interactions between the external and the internal markets (Burmann, Jost-Benz, & Riley, 2009; Dowling & Otubanjo, 2011; Iglesias & Bonet, 2012; Ind, Iglesias, & Schultz, 2013).

For a brand to be successful, a clear identity shared by all stakeholders is necessary. A strong brand identity captures the brand vision and provides strategic impetus for reinforcing brand values (Alsem & Kostelijk, 2008; Balmer, 2012; Vallaster & Lindgreen, 2013; Wallace, de Chernatony, & Buil, 2013a, 2013b). Hence, the internal market must first accept the distinctive brand identity crafted by the brand owner (Aaker & Joachimsthaler, 2000; de Chernatony, Cottam, & Segal-Horn, 2006; Nandan, 2005). According to de Chernatony (2002), brand identity is composed of six distinct components, namely vision, culture, positioning, personality, relationships and presentation. The brand identity prism (Kapferer, 2001) includes physique to represent a functional element of brand identity. The brand identity prism also illustrates how the external market influences brand identity and suggests that brand meaning represents the external market's brand perception, which is reflected back into the organization. Hence, both the external and the internal markets need to have a shared brand meaning reinforced by the organization's strategic brand strategy.

However, while extant research in the branding literature conceptualizes and operationalizes various brand components, understanding how brand meaning develops and how the internal market is involved in co-creating successful brand narratives is vital (Iglesias & Bonet, 2012; Ind et al., 2013). This is especially important in the HE sector, where employees are key performers in delivering brand values. The internal market (both academic and non-academic employees) has extensive interactions with external stakeholders through admissions, recruitment, employment, teaching, research, business engagement and graduation (Chapleo, 2010). Many consumers make a high-involvement purchase of a degree once in their lifetime (Mazzarol & Soutar, 2002; Yang & Mutum, 2015). Therefore, the role of the brand in communicating the institution's values and identity to consumers becomes more prevalent as a strong brand reduces risk in decision making. Although there is some resistance to the notion of students as customers (Barrett, 1996; Conway, Mackay, & Yorke, 1994), some authors argue that HE is people-based, reflecting the key nature of services marketing (Binsardi & Ekwulugo, 2003; Mazzarol, 1998; Nguyen & LeBlanc, 2001; Parasuraman, Zeithaml, & Berry, 2003). However, the concept of brand image and reputation may be interpreted differently in HE compared with other services organizations, necessitating studies with a specific focus for the HE context. For instance, a highly reputable HE institution can afford to reject a number of applications and yet still enhance its brand image, which is not the case for most service industries (Hemsley-Brown & Oplatka, 2006).

2.2. Brand co-creation and internal market in HE

Due to increasing competition from domestic and international players, HE institutions recognize the need to differentiate themselves from other players in the market place (Chapleo, 2007, 2011; Hemsley-Brown & Oplatka, 2010; Wæraas & Solbakk, 2008). Similar to most service industries, HE offerings include a series of intangible, heterogeneous and perishable characteristics, all of which highlight the role of employees in delivering the service brand experience to customers (Anctil, 2008; Mourad et al., 2011). In response to the competitive environment, HE institutions have adopted an outside-in approach, such as redesigning logos, straplines and advertising (Wæraas & Solbakk, 2008; Whisman, 2009). This approach merely offers short-term benefits, focusing on the visible parts of the brand rather than being part of a coherent branding strategy. Whisman (2009) argues for the internal market's engagement in the HE context because "*when communications and marketing professionals develop brand strategies that are not supported internally, consumers feel betrayed and frustrated.*"

Thus, while HE institutions focus primarily on two key stakeholders; employees (academic and non-academic staff) and students, they should take an inside-out approach. An integrated internal brand co-creation strategy should provide effective and meaningful dialogues about brand values and brand identity to enable employees to actively engage in the co-creation of the HE institution's brand identity (Chapleo, 2011). Indeed, brand co-creation starts with dialogues between internal and external stakeholders (Prahalad & Ramaswamy, 2004), with the brand being a point of access to the inner working of the organization. Through these dialogues, the stakeholders co-create and define brand identity for themselves. Payne, Storbacka, Frow, and Knox (2009) highlight the diverse nature of the core responsibilities of internal stakeholders because customers rarely engage in co-creation alone. Their argument emphasizes the importance of the internal market. Studies in brand co-creation (e.g. Hatch & Schultz, 2010; Payne et al., 2009; Pongsakornrungsilp & Schroeder, 2011) highlight the interactions between internal and external stakeholders. However, an understanding of how brand meaning is created, shared, and co-created among the internal stakeholders before interacting with external stakeholders is limited. This understanding is of particular importance when the internal market's attitudes and behaviors influence those of the external market, which ultimately affects brand co-creation and the co-created brand identity.

2.3. Internal branding

The internal branding literature suggests that the internal market is at the interface between an organization and stakeholders. Therefore, employees play a key role in influencing how the external market makes sense of the brand (Wangenheim, Evanschitzky, & Wunderlich, 2007). Studies (Aurand, Gorchels, & Bishop, 2005; Burmann & Zeplin, 2005; Punjaisri & Wilson, 2011) illustrate that when employees have a shared brand meaning, they become identified with the brand and are committed to deliver the brand promise to the external stakeholders. Papasolomou and Vrontis (2006) add that employees provide a personal connection between the brand and customers, thus, enhancing customer brand loyalty.

A successful branding strategy must consider the role of the internal market and devise a communications strategy that integrates both external and internal aspects (Hallam, 2003). Internal branding requires an integrative framework between human resource management and marketing in terms of internal marketing communication (Punjaisri & Wilson, 2011) to influence employees' brand promise delivery. Internal branding advocates two-way (formal and informal) communications between employees and management (Henkel, Tomczak, Heitmann, & Herrmann, 2007; Punjaisri & Wilson, 2007). Hence, internal branding encourages social interactions both between management and employees, and between employees to ensure a shared understanding of brand meaning within the internal market. For Payne et al. (2009), employee engagement is important in brand co-creation because the outcome of co-creation is the development of brand experience. This concurs with the internal branding literature that argues that the internal market must first understand and be committed to deliver the brand identity core values to customers to create a shared brand meaning between the internal and the external markets (Balmer et al., 2010; Burmann et al., 2009; Punjaisri & Wilson, 2011).

However, internal branding studies have not provided an in-depth understanding of how the social interactions among the internal audiences develop into a shared brand meaning. Due to the nature of the HE context that has a diverse staff base and provides a variety of product offerings, understanding how academic and non-academic employees develop, exchange, and co-create shared brand meaning is more challenging. However, no study has explored brand co-creation within the HE context. Therefore, this study focuses upon the internal market to understand (a) how employees develop and co-create the university