G Model ENGTEC-1442; No. of Pages 12

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J. Eng. Technol. Manage. xxx (2015) xxx-xxx

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Contents lists available at ScienceDirect

Journal of Engineering and Technology Management

journal homepage: www.elsevier.com/locate/jengtecman



How to innovate with a brand community

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ARTICLE INFO

Article history: Received 30 January 2014 Received in revised form 17 July 2015 Accepted 12 August 2015

Keywords:
Brand community
Open innovation
Co-creation

ABSTRACT

This study examines how a firm can innovate with a brand community via an inductive, longitudinal study of three brand communities. The proposed framework for building an innovative brand community features six mechanisms: animation, openness, structuring, linking, theorization, and integration that support three processes: generation, socialization and adoption of user contributions. An innovative brand community can generate valuable innovations for the firm without reducing its own vitality. It brings together lead, creative, and other types of users to create ideas and new functions, uses, and contents pertaining to innovation. On the one hand, firms that partially open their boundaries by leaving space in the process of innovation for creation and discussion can benefit from the contribution of users without suffering appropriation problems. On the other hand, brand communities should receive toolkits for creation and animation, and encourage the development of both communities and innovation.

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1. Introduction

Users represent a major source of ideas for new products and services (Von Hippel, 1986, 2005). In recent years, the spread of Internet access and the emergence of collaborative tools have facilitated connections among users with common interests. These users sometimes group themselves into communities of users to share and disseminate information on their practices, and to communicate about the products and services they use (Franke and Shah, 2003). These groups are, in fact, either innovation communities where discussions focus on product and service improvement and innovation to meet unmet needs, or brand communities where discussions focus more on brand activities and the use of products and services. User communities might feature some members who are innovators, whose innovations then diffuse widely, as exemplified in open source (Lakhani and von Hippel, 2003; Raymond, 1998, 1999) and software (Nambisan and Baron, 2010), video games (Jeppesen, 2005), music communities (Jeppesen and Frederiksen, 2006) and the motorcycle milieu (Marchi et al., 2011).

For firms, collaboration with brand communities seems to provide an appealing solution for integrating users' ideas and creations into their innovation processes, because the community members are attached to the brand and possess knowledge about the use of its offers. However, although brand communities appreciate multiple links to the firm, their activities focus on value creation for participants (Schau et al., 2009) and innovation activities that only interest the most creative users (Füller et al., 2008). Innovating with a brand community thus remains a challenge because of the need to engage innovative users in an active community and generate valuable user contributions.

To solve this problem, this article raises the question: How can a company develop co-creation activities to innovate with a brand community? I will show that it is possible for a business to innovate with users if it develops co-creation activities

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http://dx.doi.org/10.1016/j.jengtecman.2015.08.001 0923-4748/© 2015 Elsevier B.V. All rights reserved.

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G. Parmentier / Journal of Engineering and Technology Management xxx (2015) xxx-xxx

within an active brand community, thus making it an innovative brand community. An innovative brand community can generate valuable innovations for the firm by bringing together lead, creative, and other types of users to generate ideas and new functions, uses, and contents pertaining to innovation. In this case, innovation begins within the firm and then gets transformed and improved upon by users in the brand community. Finally, this paper contributes to understanding innovation processes that involve businesses and brand communities, and identifies six mechanisms that lead to and support the development of an innovative brand community. These mechanisms support the generation of user contributions with the openness of the innovation process and the animation of an active brand community, favour the socialization of these contributions with the creation of multiple links with an independent brand community and thus structure the community into groups of interdependent contributors. Finally, they promote adoption of contributions with the integration of creations into the innovative offer and into the collective thinking of the community about itself.

In a comparative longitudinal case study, I consider three brand communities that have dealt with innovative products and services: (1) the *DreamOrange* community was created by an international communications service provider to involve users in the initial phases of new service design; (2) the *Freebox* community, which users created in response to the launch of an Internet offer of an innovative "Internet box"; and (3) the *Trackmania* community, co-founded with a small producer of videogames and players that emerged as the new game was deployed. In the next section, I review literature on brand communities and their contributions to firm innovation. After that, I present the research methodology and results, and I conclude with a discussion of the theoretical and managerial implications of these findings.

2. Review of research on brand communities

Innovation is the main theme of this study, namely, an innovation process that takes place across the firm and the brand community. A brand community is a community of users and consumers who have a relationship with the firm's offering, and that generally trade, share, and disseminate information and knowledge about a product or service. Sometimes it also integrates innovation activities (Marchi et al., 2011; Füller et al., 2008; Kozinets, 2002; Muniz and O'Guinn, 2001). Some of these communities are directly created and supported by the firm, or they may result from the initiative of enthusiastic consumers. The Internet is conducive to the development of these communities that increasingly exert consumer power over firms (Umit Kucuk and Krishnamurthy, 2007). I now explain how brand communities have been analyzed as a space for social activities to support the community or a space of co-creation to support innovation.

2.1. A space for social activities to support the community

Brand community is a space for social relations in which fans get together to share their passions, practices, and difficulties. Members interact to develop social capital and social identity (Nambisan and Baron, 2010). The many social relations established between members facilitate engagement in the community, knowledge dissemination, and brand loyalty (Algesheimer et al., 2005; Muniz and Schau, 2005; McAlexander et al., 2002, 2003). The quality and quantity of contributions in a brand community are positively influenced by feelings of engagement (Wiertz and de Ruyter, 2007). Brand communities feature dozens of diverse practices, such as welcoming, empathizing, evangelizing, customizing, or commoditizing (Schau et al., 2009). These practices create value for participants and support community development. For example, they support the sharing of knowledge about product experiences (Nambisan and Baron, 2009; Franke et al., 2008; Wiertz and de Ruyter, 2007; Jeppesen and Molin, 2003), support the co-construction of the brand (Füller et al., 2013; Vargo and Lusch, 2004), or support idea generation for product improvement (Marchi et al., 2011; Nambisan and Baron, 2009; Kozinets et al., 2008; Jeppesen and Frederiksen, 2006; Kozinets, 2002; Muniz and O'Guinn, 2001). Customer-to-customer interactions also strengthen the generation of ideas (Wu and Fang, 2010), creating more interactions among users and more user contributions, thus leading the brand community to generate new ideas. Innovating with a brand community thus seems interesting for a firm because the most active users are attached to the brand (Nambisan and Baron, 2010) and possess knowledge about the use of the firm's products and services (Marchi et al., 2011). These users can generate ideas and content to improve products or create new products (Wu and Fang, 2010).

However, in this space of social activity, the generation of user contributions about innovation and appropriation of the innovations by the firm can create problems. These communities often develop rituals and traditions based on the brand's history, which is not conducive to change or the creation of new products (Muniz and O'Guinn, 2001). Innovation activities interest only the most creative users (Füller et al., 2008) with high motivation to innovate and sufficient domain specific skills (Füller et al., 2007). When consumers feel strongly engaged with the firm, they might even collaborate less in online communities (Wiertz and de Ruyter, 2007). Moreover, the ideas offered by current consumers generally produce only incremental innovations (Benner and Tushman, 2003), so focusing solely on these ideas may cause firms to disregard other potential customers and reduce their innovative capacities (Danneels, 2003). To innovate with a brand community, the company cannot expect that ideas simply emerge naturally from the social activity space. Rather, it must build a co-creative space that supports innovation activities.

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¹ Brand communities have also been referred to as "consumer or consumption communities" in prior literature.

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