



A New Direction for Brand Value Construction and Its Commercial Impact

Shuyan Zhao¹

¹ College of Humanities and Arts, Macau University of Science and Technology, Macau, 999078, China

1230017736@student.must.edu.mo

Abstract. The early career business landscape has also been described as a red ocean, in which gaps in the market are closed off as a result of fierce competition and market homogenization. In order for a product to provide a meaningful user experience, it must also engage with the user on a personal level, which effectively creates an emotional connection between the user and the product. Ultimately, competing on emotional connections and fostering relationships is no longer an effective way to stand apart from the competition. Market emphasis has shifted to market empathic experience from functional experience. This study seeks to examine how impactful emotionally driven experiences are from a brand to user relation, and how it also provides a strong economic impact. In order to develop a strong emotionally driven experience, the branding and overall business strategy must contain elements of emotional narrative, interactivity, and a consistent emotional chain of experiences.

Keywords: Emotional Identification, Emotional Capital, Interactive Ritual Chain, Community Operations, Corporate Value

1 Introduction

"In an increasingly fragmented consumer market where product homogenisation is a growing reality, emotional marketing, as a primary strategy that assists with brand differentiation, paradoxically, has been an important way for firms to build consumer loyalty. [1]". From the theory of emotional marketing, the author proposes the idea of the 'brand emotional community'. It is a theory which, from the perspective of brand attributes, examines 'content-community-ritual' construction for a community of brand users, as well as the construction of community around a brand (or 'brand community'), user loyalty, brand risk resilience or brand risk buffering, and an index to quantify the emotional community of a brand (the rationalised emotional community of a brand). Additionally, from the theory of emotional communities and practical case studies, the author assists brands in complex and fierce competition and defines different conceptual frameworks and measurement criteria for investors to review the health of a brand.

1.1 Research Background: The Inevitable Shift from Functional Competition to Emotional Connection

A common paradox in today's marketplace is the tendency towards more homogeneous product offerings and, at the same time, the absence of notable consumer response in terms of recognition and differentiated shared memories. An analysis of the financials also shows that businesses with strong brand loyalty and substantial market valuations also command a premium that includes, what can be termed, "emotional assets."

1.2 Research Question: Building and Valuing "Emotional Communities"

This study analyses the literature, cases, and conducts interviews to answer the following questions.

What do the authors mean by emotional community? A brand emotional community is perceived as a community when members share the same values and beliefs, and when there is a coherent narrative system, and when there are interaction rituals that resonate on a microsocial level and sync member individual behaviors to the collective. This process is akin to literary criticism, and involves dividing a definitional whole into three interdependent but coherent definitional parts that are familiar to the community, observable, analysable, and definable. How do brands create this community? A strategy that prioritises content storytelling, community management, and experience design to create a continuum that advances users from spectators to participants and to co-creators is most likely succeed.

What does emotional connection mean for businesses? Does it mean that you can expect to have higher customer lifetime value? Greater price value? More predictable repurchase behaviors? This paper attempts to measure the emotional return on investment; the ROI.

1.3 Research Significance: Bridging Emotion and Functionality

Significance for Brand Practice: It provides a better outline for systematically translating the objectives of developing a profound emotional connection with users and fostering community identity into operational, financially investable, and evaluable brand positioning, community framework, and emotional asset strategies. This brings a 'human touch' to the seemingly rational planning and reduces distance with consumers while turning the planning into a manageable and investable strategic option.

Significance for Investment Analysis: Offers a brand new angle by showing that, besides the financial barometer, the emotional bond and the stickiness of the brand to the users are of significant importance to the brand's health and sustained competitiveness over time.

Importance for interdisciplinary work: The integration of the "empathy" dimension of design thinking and the "attribution" construct of financial analysis is indicative of an interdisciplinary model. It allows for the transformation of practitioners into interdisciplinary professionals who are able to design and deliver powerful experiences while evaluating their sustained economic worth.

2 Defining the Essence of a Brand's "Emotional Community"

2.1 Core Concept

An "emotional community," in brand terms, refers to a group that creates emotional resonance due to a common set of values and participatory rituals. This community type represents a significant advancement in brand identification, from individual to collectively identifying with a brand. In addition to a standard brand community, these types of communities have profoundly stronger emotional connections and value alignment.

2.2 Constituent Elements

Shared Values: The main example of a community nucleus is the social values the "Village Super League" has exemplified and the values of rural revitalisation and preservation of cultural/historical memory.

Emotional Narratives: This is the purposeful and strategic storytelling of brand messages and values.

An emotional narrative is the vehicle through which a brand conveys its messages and establishes emotional connections with its consumers. For example, "Health Without Burden" is the emotional core of the promotional videos of Genki Forest.

Interactive Ritual Chain: Shared presence, boundary, focus and mutual experience are the four crucial elements that constitute the formation of a collective mindset.

3 Pathways for Building Brand "Emotional-Information Communities"

3.1 Content Narrative: Emotional Resonance

Social media has changed from one-way communication to two-way communication which helps marketers gain highly loyal customers [2]. Companies use packaging, design, videos, and other visual content to articulate brand sentiment and transform brand values into tangible or intangible stimuli. "Village Super League" integrates hyperlocal ethnic culture in sports to stimulate collective consciousness for deep emotional bond formation. L'Oréal uses Eastern Guanxue positioning for emotional brand value creation, market penetration in the East, and building emotional equity.

3.2 Community Operations: Building Interactive Scenarios

Community operations must go beyond the traditional approach of brands communicating to customers and shift to a more interactive, two-way model. Incorporating some aspects of Community Social Responsibility, which increases the brand commitment of customers, could also help support the social and environmental model of the brand [3]. This means that, to achieve more beneficial outcomes, the ecosystem should be designed so that brands facilitate a collaborative space, and users and other ecosystem participants can drive co-creation of value. Use tiered community management coupled

with value co-creation strategies to integrate the community's individual layers. Huayou Club's "Headquarters Planning – Regional Implementation – User Autonomy" approach will likely serve as a successful model in the short term. A community's diverse activities and events reinforce brand loyalty, especially when the community's identity is core to that particular experience. Focusing on the core identity of the community can enhance the experience and foster loyalty. This model is successful in other industries and is often employed in community-building initiatives to address diverse needs and enhance the quality of customer experience. This approach will likely serve as a successful model in the short term. Cultural and recreational activities, including paper-cutting, lantern-making, and Wing Chun training, will also help foster community spirit and enhance the identity of Zhuhai.

At the user level, the "Host" system encourages the self-management of communities by offering privileges and splitting revenue, which helps communities feel more self-possessed and develop self-management skills [4]. This, too, improves the self-organization and stability of the community.

3.3 Ritual Design: Amplifying Emotional Intensity

Consumer rituals create opportunities for interactivity and emotional connections which help brands stand out from competitors and enhance brand loyalty [5]. Creating emotional rituals has great potential value, as seen with Starbucks and their red cup campaign and Heytea and their new product check-in campaigns. These rituals create emotional connections and consumer engagement through repeated experiences. By associating positive emotional experiences with brand assets and brand symbols, within a set framework of brand loyalty, a positive, emotionally-charged experience is created and a sense of belonging is fostered. A brand loyalty experience will differ from one consumer to another. The potential and value of sensory experiences in brand loyalty should not be underestimated [6]. "Village Super League" captures emotional experiences of consumers through online and offline tournaments and promotes emotional engagement. The emotional value of the brand "Community" and "Emotional Community" provides commercial value. The value of users with emotional connections enhances user loyalty and user lifetimes, as seen with Haier, the market leader of core products, who has positioned himself for years as the "Smart Home Partner" and achieved outstanding 8% revenue growth in 2024. The feeling of belonging with "Village Super" promotes the audience of "Village Super" from an audience to a proactive user of the brand and increases the level of word of mouth advertising. The brand value and the various dimensions of the brand value contribute to consumer loyalty.

In Pei's 2025 study, the author explains that when emotional motivators are embedded within the core brand values, they increase their effectiveness as loyalty psychosocial mediators [7].

Prior positive accumulations as brand equity reinforce competitive advantage. This is because the positive long-term accumulations act as a buffer against short-term market turbulence. L'Oréal's cosmetics division is a perfect example, as its brand equity allows for sustained positive performance, even when the market is stagnant. L'Oréal's

cosmetics division sustained positive performance is a result of its long-term accumulations and consolidation. L'Oréal Group CEO Jean-Paul Hommart is quoted, stating that L'Oréal has confidence in the Chinese market and is preparing its 2026 strategy for China. Hommart, attending the CIIE for the first time, stated that L'Oréal will continue to increase its investments in the Chinese market [8].

4 Value Quantification Dimension

The revenue effect of an emotionally engaged community is analysed using a brand equity model, for which key components are brand image and repurchase rate [9]. These aspects are measurable using the indicator system: the brand image component analyses emotion metrics, social media comments, etc. "We construct models for each of the components and dimensions to assess the impact of sentiment about a firm and sentiment anyway related to a firm for a firm's value. This provides the cognitive guide for businesses, investors, and the social and governmental community, in order to help them wherever they might be in their sentiment and value development trajectory.", to measures such effects [10].

5 Conclusions

Three interconnected pathways: the "content, community, and ritual" framework centred on values, emotional stories, and interactive rituals, helps research scholars delineate the construction of emotional communities. It fosters the retention of users and the resilience of firms. This research has its limitations. First, the set of selected case industries is restricted. Second, the method of quantifying emotional value lacks empirical substantiation and needs to encompass available technological advancements for better horizon scanning. For instance, the research could examine the distinctions of brand, emotional communities, and/or emotional communities across different sectors. This research needs to examine the emerging innovative digital constructs, like the metaverse, AI-based interfaces, etc. and redefine the means to construct and measure emotional connections. This needs to be articulated across three realms—immersive, personalised, and adaptive interaction. This will, theoretically and methodologically, break new ground and build the nexus between brand emotional communities and emotional attachments.

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