

The Influence of Online Community Experience on Brand Image and Brand Engagement in the Formation of Value Co-Creation

(Study at Go-Jek Community in Manado)

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Abstract—Changes in the era of globalization marked by the rapid development of the digital world through the utilization of information technology which then bring the community on interactive and participatory lifestyle and behavior trends, connected to each other to form a network called online community. The phenomenon of the online community brings marketing to a growing model where consumer consumption preferences are influenced by users' perceptions through shared experiences within the online community. Brand builds based on people's perceptions, the better a brand for customers the stronger the brand image. Strong brand image will create engagement between customers with the company. Brands that engage with the community will be easier to collaborate then innovate to create new values. The purpose of this study is to analyze the influence of online community experience on brand image and brand engagement in the formation of value co-creation. The research approach used quantitative method with Structural Equation Model (SEM) analysis tool. The sample used in this research is the customer who joined the Go-Jek Manado online community as much as 200 samples, using non-probability sampling with online survey data collected. From this research is known the existence of online community experience relationship through brand image and brand engagement to value co-creation. The implications of this research can provide a deep understanding of online community experience, brand image, brand engagement and value co-creation through studies online communities in Manado.

Keywords—online community experience; brand image; brand engagement; value co-creation

I. INTRODUCTION

Today's global civilization is influenced by the progress and development in all aspect of life. Characterized by modernity which is very dynamic and fast changing. So that globalization is defined as something that is not limited to space, time, place and form. The advancement of internet technology coupled with the development access point such as www brings three main implications, 1) the acceleration of industrial globalization, 2) the multidimensionality of the value added process, 3) the level of industry entry barriers [1].

Adapting to internet technology and mobile technology leads people to a consumption trend that shift to online behavior and preferences changes through applications. The marketing strategy approach to the digital era has changed drastically. The marketing strategy that used to be vertical, top-down and one to many has ended up replaced by new wave marketing that is horizontal, bottom-up or many to many because of the internet people becomes more interactive and dynamic, easy to express themselves, do networking, form communities, collaborate and participate in an activity [2]. The challenge of future marketing strategies is not only on sales, but how to become a top brand. Brand is built from public perception, sales is not everything and revenue is no longer a priority. By creating engagement which means there is an emotional bond with the brand. One dimension of engagement is community, whether online or offline formed by the brand owners or fellow consumers to share experiences and interact to establish emotional closeness into a positive attitude. If the quality of the brand well maintained, sales will be sustainable and revenue more stable [3].

The development of human needs along with technology encourages people to be more innovative and get better results compare to conventional business. One of the business developed from new marketing model based on digital technology is Go-Jek Indonesia. With online on-demand mobile application has various services to meet the needs and demands of modern life [4]. Go-Jek business model gets resistance. Demonstration occurred rejecting this business model. But the needs and demands of modern society become supporters of the business movement is increasingly phenomenal. Offline and online communities have sprung up; customers voluntarily participate in forming a forum as a support system. This is a phenomenon especially with online communities where the process of sharing information and user experience flows quickly and instantly. People connect each other through online community to have direct interaction without boundaries, this interaction affects the consumer experience. Positive experience influenced the brand, increase engagement, and create value through innovation (co-creation).

A. Theoretical Framework

1) *Online community experience*: Community is a group of people who care for each other more than they should, where in a community there is a close personal relationship between members because of similar interests or values [2]. Inside community formed an association that is needed in the framework of consumption of an item or service [5]. The concept of community develops, through information technology (internet; social media) enables the formation of a community without being limited by space, distance, time or place namely virtual community. The community's trend toward internet use and mobile technology has been influenced, and virtual communities have been replaced by online communities that are frequently used.

Online community is a group of people who interact with one another online. Characterized as a group of individual who share common interests in cyberspace through electronic correspondence, such as chat rooms, online forums, bulletin boards, and email. Online community becomes a place where an interaction and experience sharing activities take place and later the results become a new experience [6]. The concept develops into online community experience more deeply to explore the interaction experiences of online members. Experience is the capture of an object, mind or emotion through the senses and mind. Become a framework to understand how consumer participation in online community shapes their attitude towards corporate brands. The benefits for companies and consumer result from the positive behavior of their customers' involvement. A positive experience creates a mutually beneficial customer attitude. There are four dimensions of online community experience; 1) pragmatic experience is the experience of the utilitarian value of an online community; 2) hedonic experience is the experience of emotional value of an online community; 3) Experience of use is the capture of objects in human interaction with computer media; 4) experience of socialization is the experience of socializing that is formed inside online community. Interaction through online site will affect consumer experience [7].

2) *Brand image*: Brand Image is people's perception of the company or its products. Influenced by factors outside the company. There is a tendency that consumers will choose products that are well known through experience using or based on information from various source. An Effective image effect three things: first, establish the character of the product and the proposed value. Secondly, conveying the character in a different way so it is not confused with competing characters. Third, giving emotional strength that is more than just a mental image [8]. Brand image presents the overall perception of the brand and formed from information and past experience [9]. Concerns how the consumer describes what they think and feels about the brand. Brand image consist of three parts; 1) corporate image which is a set of associations perceived by consumers to company, 2) user image, a set of association perceived by consumers to users, 3) product image is a set of associations perceived by consumers to an item or service [10].

Measurement of brand image can be done based on aspects of strength, uniqueness, and favorable. Strength in this case the advantages possessed by a physical brand that is not found in other brands. The advantage of this brand refers to the physical attributes. Strengths are included in the physical appearance, function, facilities, prices, and the supporting facilities of the product. The uniqueness is the ability to distinguish a brand among others. Arises from product attributes that become a unique impression or differentiation between products considered as "must buy" products. This unique category is the most dominant thing in a product with its competitors, variation in services, price variations, product features, or positive appearance by delivering information to consumers, as well as guaranteed purchase procedures. Favorable include the ease of the product brand being spoken and the ability of the brand to remain in the customer's mind as well as the suitability of the brand impression of the customer with the image of company wants for the brand [11].

3) *Brand engagement*: Customer engagement consists of sustained cognitive processing dimensions, instrumental values, and experiential value. It can be concluded that customer engagement is a process involves physical, cognitive and emotional presence of customers in a relationship with a brand. The description of cognitive, emotional and behavioral dimensions are as follows; 1) the cognitive dimensions relates to the consequences that arise in someone who is informative regarding knowledge and expectations; 2) emotional dimensions refers to someone's feelings and attitudes related to his mood; 3) the behavioral dimension involves the physical presence of a person and how a person interact with others [12]. Furthermore customer engagement describe into absorption, dedication, vigor, and interaction. Absorption is described as a situation where customers focus the attention on a particular brand, feels happy and captivated when playing roles. Dedication leads to the sense of belonging the customer has, a sense of pride, customers are often inspired by services, companies, brands or other customers. Vigor is the level of energy and excitement of the customer, the desire to give more time and effort and be consistent to be loyal as a customer. Interaction refers to reciprocal relationship between customers and frontline services, customers with companies, customers with brands, and customers with other customers [13]. Based on this thought, customer engagement requires satisfaction of values, both related to the product and the perceived impact.

4) *Value co-creation*: In the new wave era technology encourages growth participation, people connect and collaborate with one another to create something. Social media based communication patterns are horizontal. Consumers trust information provided by other consumers compared to the form of unidirectional communication carried out by the company so far [14]. Consumers have a role in promoting products directly. At a higher level consumers who play a core role in making value through co-creation of products and services. Co-creation is defined as a process of creating shared values by customers and companies [15]. An innovation in new way of creating products and experiences through

collaboration of companies, consumers, suppliers, distributors, and interconnected in a network. Marketing evolution based on co-creation: transaction becomes oriented marketing, how to sell marketing becomes relationship oriented, how to keep consumers returning and buy more become mobile marketing, invites consumers to participate in product development and communication [16]. In line with marketing process, the online community is filled with activities related to knowledge sharing and information exchange. Sharing needs is a behavior of online community members who share their knowledge and information with other members. To carry out the creation process together with customers (co-creation), which classified into co-consumption and co-production. Knowledge sharing is a mean of co-consumption occurs when community members distribute knowledge or information they have to other members. While co-production occurs when members distribute knowledge or information they have to producers in order to increase quality of products

B. Research Framework

1) *Conceptual framework*: The phenomenon of online community is an interesting thing to study, especially the

interactions that occur within it are related to experiences that are then shared in the community. The development of online communities is not only formally formed by companies, but with the help of information technology in this case the internet is then formed voluntarily by groups of people who feel the need to form this community. How interaction in online communities through sharing experiences (online community experience) can influence consumer ratings of the brand, in this case the brand image and brand engagement, which in turn affects the formation of value co-creation in it.

This research contributes in the field of marketing in particular online community experience, brand image, brand engagement and value co-creation. The results of this study may help clarify in the real application process from the development of theories in practice that with online community experience, brand image and brand engagement will be able to influence the value co-creation.

The following is a description of the research framework that underlies this research:

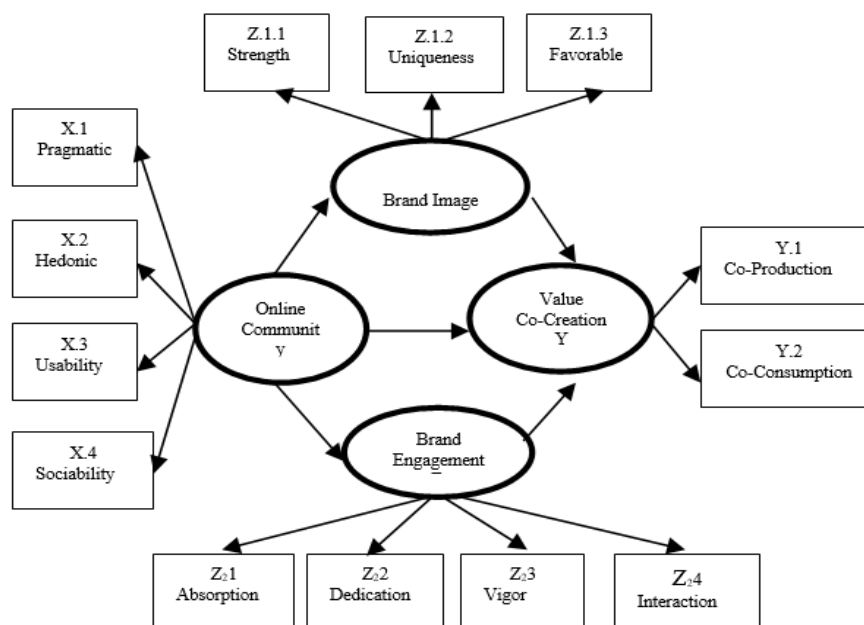


Fig. 1. Research model; Structural Equation Model (SEM).

C. The Hypothesis

Based on theoretical studies and empirical studies formulated the following hypothesis:

- H1: There is an influence of Online Community Experience (OCE) on Brand image
- H2: There is an influence of the Online Community Experience (OCE) on Brand Engagement

- H3: There is an influence of the Online Community Experience (OCE) on Value Co-Creation
- H4: There is influence of Brand image on Value Co-Creation
- H5: There is influence of Brand Engagement on Value Co-Creation.

II. METHOD

A. Sample and Procedures

This study using quantitative descriptive research method with survey data collected. The population is members who joined online community (Fan Page Facebook) Go-Jek Manado. Data collection technique is using closed questionnaires distributed online by Google doc application. Using non probability sampling took 200 samples. The questionnaire is divided into three parts; demographic, questions about the use of Facebook and Go-Jek services, and measuring indicators from each variable. The items in this study were measured using a five-point Likert scale. Online Community Experience was measured using 4 items, Brand Image measured using 3 items, Brand Engagement measured using 4 items and Value Co-Creation measured using 2 items.

III. RESULTS AND DISCUSSION

A. Measurement Procedures and Results

In conducting a multivariate analysis to see the influence of variables as this study, two structure of the research model will be made;

- Effect of Online Community Experience on Brand Image
- Effect of online Community Experience on Brand Engagement

So structure 1 is formed above;

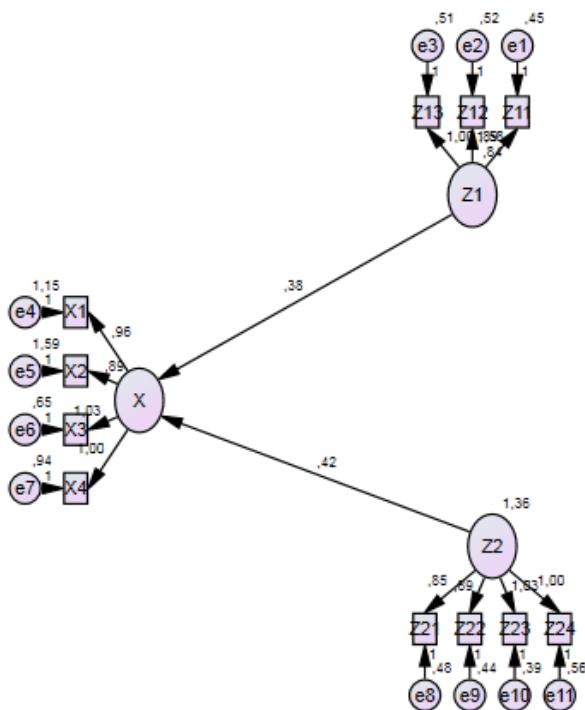


Fig. 2. Structure model 1.

By using AMOS 22.00 the following results are obtained;

- Structure model test Chi-square = 336,749, Degrees of freedom = 43, Probability level = ,000. From the results above shows the model in structure 1 is considered significant because it has a level of probability level = 0,00.
- Estimation results on structure 1 are as follows;

TABLE I. TESTIMATION MATRIX OF ONLINE COMMUNITY EXPERIENCE (X) VARIABLES, BRAND IMAGE (Z1), AND BRAND ENGAGEMENT (Z2)

Model		Estimate	S.E.	C.R.	P	Label
Z1	<--- Y	,909	,090	10,148	***	par_10
X	<--- Y	,815	,094	8,660	***	par_11
Z2	<--- Y	1,137	,107	10,590	***	par_12

Based on the table above then with existing estimates, it can be described the influence of Online Community Experience (X) on Brand Image (Z1) with estimation of 0,377 with a standard error of 0,062 has a positive effect. The influence of Online Community Experience (X) on Brand Engagement (2) with estimation of 0,415 with a standard error of 0,058 has a positive effect. From the description above, the tendency of Online Community Experience (X) is more dominant in influencing Brand Engagement (Z2) compare to Brand Image (Z2).

Then structure 2 is used to search;

- Effect of online community experience on value co-creation
- Influence of Brand Image on Value Co-Creation
- Effect of Brand Engagement on Value Co-Creation

Structure 2 is formed above;

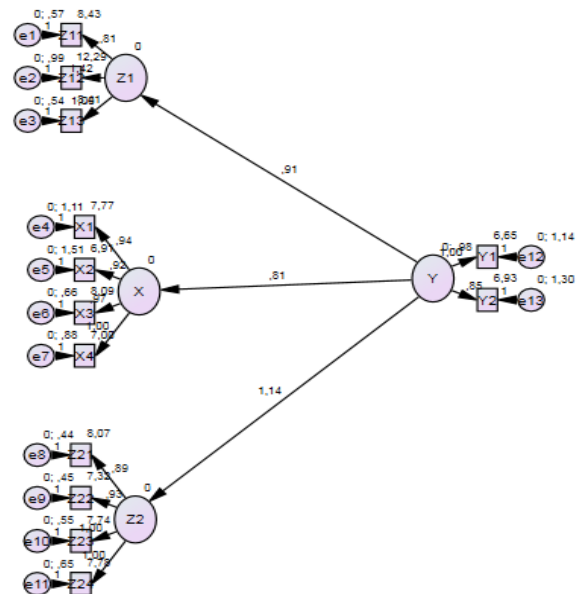


Fig. 3. Structure model 2.

By using AMOS 22.00 the structure of the research model can be described as follows;

- Structure model test Chi-square = 364,006, Degrees of freedom = 65, Probability level = ,000. From the result above shows the model in structure 2 is considered significant because it has a level of probability level = 0,00.
- Estimation result on structure 2 as follows

TABLE II. ESTIMATION MATRIX OF ONLINE COMMUNITY EXPERIENCE (X) VARIABLES, BRAND IMAGE (Z1), BRAND ENGAGEMENT

Model	Estimate	S.E.	C.R.	P	Label
X <--- Z1	,377	,062	6,038	***	par_9
X <--- Z2	,415	,058	7,186	***	par_10

From the table above shows that Brand Image (Z1) on Value Co-Creation has estimation of 0,909 with standard error of 0,09 showing a positive and significant effect. Online Community Experience (X) estimates on Value Co-Creation (Y) have an estimation of 0,815 with a standard error of 0,094 showing a positive and significant effect. Brand Engagement (Z2) estimation on Value Co-Creation (Y) has an estimation of significant influence. From the description above, described that the dominant influence is Brand Engagement (Z2), compared to Brand Image (Z1) and Online Community Experience (X).

IV. CONCLUSIONS

As with this study, to find the relationship of the Online Community Experience to Brand image and Brand Engagement to form a Value Co-Creation. Before analyzing the relationship of each of these variables, a descriptive analysis will be carried out in this study, which is to describe descriptively the research variables as this study. Descriptive analysis of Online Community Experience (X) variables with good categories amounted to 44 people (21.9%) in quite good category totaling 124 people (61.7%) while the good category amounted to 33 people (16.4%) this could be interpreted that descriptive variables Online Community Experience (X) is dominant in the category of good enough. Descriptive analysis of Brand image (Z1) variables with good categories totaling 14 people (7%) good enough category totaling 125 people (62.2%) while good categories amounted to 62 people (30.8%) this can be interpreted as descriptive Brand Variables image (Z1) is dominant in quite good category. Descriptive analysis of Variable Brand Engagement (Z2) with unfavorable categories amounted to 10 people (5%) good enough category totaling 100 people (49.8%) while the good category numbered 91 people (45.3%) this could be interpreted as descriptive variable Brand Engagement (Z2) is dominant in the good category. Descriptive analysis variable Value Co-Creation (Y) with unfavorable categories totaling 22 people (10.9%) good enough category totaling 125 people (62.2%) while good categories amounted to 54 people (26.9%) this could be interpreted that the descriptive Value Co-Creation (Y) variable is dominant in the good category.

In conducting a multivariate analysis to see the effect of the variables as this study, 2 (two) structure of the research model will be created to find influences: 1) The influence of Online Community Experience (X) on Brand image (Z1); 2) Effect of Online Community Experience (X) on Brand Engagement (Z2), so that a structure 1 is formed. Structure Model Test Results Chi-square = 336,749 Degrees of freedom = 43 Probability level = , 000. From these results indicate the model in structure 1 is considered significant because it has a level of probability level = 0.00

The estimation results on the structure model 1 can be described the influence of the Online Community Experience (X) on the Brand image (Z1) with an estimate of 0.377 with a standard error of 0.062 then has a positive effect. Furthermore, the influence of Online Community Experience (X) on Brand Engagement (Z2) with an estimate of 0.415 with a standard error of 0.058 has a positive effect. From the description above, the tendency of Online Community Experience (X) is more dominant in influencing Brand Engagement (Z2) compared to Brand image (Z1).

In the structure 2 by doing a Structural Model Test Namely Chi-square = 364,006 Degrees of freedom = 65 Probability level = , 000. From the results above shows the model in structure 2 is considered significant because it has a level of probability level = 0.00.

Estimation results on the structure of 2 (two) shows that Brand image (Z1) to Value Co-Creation (Y) has an estimate of 0.909 with a standard error of 0.09 indicating a positive and significant effect. Online Community Experience (X) estimates of Value Co-Creation (Y) have an estimate of 0.815 with a standard error of 0.094 showing a positive and significant effect. Brand Engagement Estimation (Z2) on Value Co-Creation (Y) has an estimate of 1.137 with a standard error of 0.107 indicating a positive and significant influence. From the description above, it can be interpreted that the dominant influence is Brand Engagement (Z2) compared to Brand image (Z1) and Online Community Experience (X) Estimates.

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