



CO-CREATION AS A SUCCESS FACTOR: ENHANCING CUSTOMER LOYALTY THROUGH SOCIAL NETWORK ENGAGEMENT

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Abstract

In the context of strategic communication, co-creation has evolved into a vital method for building lasting customer relationships in digital environments. Amid declining efficiency of traditional marketing, brands increasingly adopt participatory models to engage audiences and foster loyalty (Prahalad & Ramaswamy, 2004; Jaakkola & Alexander, 2014). Social media plays a pivotal role in facilitating this shift, offering real-time interaction, content exchange, and collaborative innovation (Mahr et al., 2013; Sarkar & Banerjee, 2021). Co-creation enhances brand communication by promoting emotional attachment, trust, and shared ownership between customers and companies (Breidbach & Maglio, 2016; Oklevik et al., 2022). This paper conceptualizes co-creation as a strategic communication instrument and presents empirical findings on motivational patterns among co-creators. Using a mixed-methods approach, the study identifies distinct user types and provides guidance on aligning engagement strategies with user needs to maximize communication effectiveness and brand loyalty (Bogers et al., 2015; Sarasvuo et al., 2022).

Keywords

Strategic Communication, Co-Creation, Social Media, Customer Loyalty, Engagement Strategies

Introduction

Effective strategic communication increasingly depends on creating meaningful interactions with consumers. With acquisition costs rising (Kumar, 2022), brands must focus on retention through customer-centric strategies. Co-creation offers a framework that integrates consumers as collaborators in innovation and communication processes (Prandelli et al., 2006). Social media platforms are particularly suited for these activities, enabling scalable, real-time engagement (Chesbrough, 2003).

Co-Creation as a Communication Strategy for Engagement and Loyalty

As strategic communication becomes more interactive, co-creation enables customers to participate in shaping brand narratives and offerings. This participation cultivates emotional bonds and trust, key factors in fostering long-term relationships (Fuchs et al., 2010; Hazée et al., 2017). The DART model (Dialogue, Access, Risk,

Transparency) is especially effective in embedding co-creation in branding efforts (Oklevik et al., 2022). Brands that implement these principles enhance their credibility and relational depth (Sarasvuo et al., 2022).

Co-Creators as Communication Actors

Consumers are no longer passive recipients of brand messages; instead, they have become active co-creators of value and meaning (Ramaswamy, 2009). Their engagement is driven by a variety of motivations, including curiosity, a desire for self-expression, and the pursuit of social recognition.

This shift from passive consumption to active participation has significant implications for corporate innovation strategies (Jaakkola & Alexander, 2014). Consumers now contribute their opinions, ideas, and needs to the innovation process, directly influencing the development of products and services (Ranjan & Read, 2014).

Co-creation campaigns illustrate the potential of this approach. A prominent example is McDonald's "My Burger" campaign in Germany, which allowed customers to design and vote for personalized burgers. The initiative resulted in over 116,000 unique burger creations and contributed to a six percent increase in revenue (Hofer, 2012). This case demonstrates how co-creation can simultaneously strengthen customer engagement and improve financial outcomes.

Recent research underscores that successful co-creation goes beyond individual customer interactions. It involves collaboration among various stakeholders, including consumers, organizations, and even suppliers (Sarkar & Banerjee, 2021). By fostering such collaborative ecosystems, companies can enhance product value, deepen customer relationships, and build long-term loyalty (Brand et al., 2025).

Methodology and Typology of Strategic Co-Creators

This study employed a mixed-methods design, integrating qualitative focus groups and quantitative surveys to explore user motivation and classify communication-relevant co-creator types (Dillman et al., 2008).

Qualitative Focus Groups

The qualitative phase of the study involved guided focus group sessions with 20 individuals who had previously engaged in co-creation activities. These semi-structured discussions aimed to explore the main motivations behind participation, perceived advantages, and obstacles to ongoing involvement. Using a thematic analysis approach, the study identified several key drivers: emotional connection to the brand, the desire for social recognition, and the enjoyment derived from creative engagement. Participants also highlighted the importance of transparent corporate communication regarding how their contributions are utilized.

Quantitative Surveys

To examine co-creator typologies and their underlying motivations in a systematic manner, a structured online survey was carried out. The sample size was determined using scientifically accepted methods and calculation procedures. Given the impracticality of surveying all approximately 37 million active social media users in Germany in 2020 (Statista, 2024), a representative sample was selected instead.

To establish the minimum number of participants required, a G-Power analysis was conducted. This statistical method estimates the necessary sample size based on key parameters, including a significance level of 5% ($\alpha = 0.05$), a statistical power of 80%, and six degrees of freedom ($df = 6$) (Klopp, 2010). The result indicated a minimum sample size of 341 respondents. To offset a projected dropout rate of 15%, this figure was increased to 392. A separate sample size calculator—based on a 5% margin of error and a 95% confidence level—produced a comparable estimate of 385 participants (Kraus & Kreitenweis, 2020). The alignment between both approaches confirmed the methodological soundness of the final sample size.

The quantitative data collection was implemented via a structured online questionnaire distributed through the SoSci-Panel platform. A total of 395 individuals participated, recruited using stratified sampling techniques to reflect demographic diversity. The sample included 55.2% female, 43.3% male, and 1.5% identifying as non-binary or diverse, with ages ranging from 18 to over 65. Given the study's focus on social media engagement, only those who used social networks at least once per week were included.

The survey was divided into five sections, addressing demographic characteristics, patterns of social media usage, motivational factors, and prior engagement in co-creation initiatives. Motivations were measured using a 5-point Likert scale, drawing on established theoretical models such as Self-Determination Theory (Deci & Ryan, 1985) and Uses and Gratifications Theory (Katz et al., 1973). The questionnaire design was informed by previous research on customer engagement and co-creation (Geise, 2016). Sample items included statements like:

"I engage in co-creation for social recognition," "I participate in co-creation activities because I enjoy creative challenges," and "I engage with brands on social media to receive recognition from the community."

To ensure the instrument's reliability and validity, a pilot test was conducted with 50 participants. Internal consistency was evaluated using Cronbach's Alpha, with all constructs exceeding the recommended threshold of 0.7 (Nunnally & Bernstein, 1993). Furthermore, an exploratory factor analysis (EFA) was carried out to confirm the dimensional structure of the motivational variables (Backhaus et al., 2021).

Qualitative Focus Groups

Social media-based co-creation provides companies with the opportunity to directly integrate consumers into innovation processes. To uncover underlying motivational dimensions, a principal component analysis (PCA) with varimax rotation was conducted (Klopp, 2010). The adequacy of the data set for factor analysis was confirmed by the Kaiser-Meyer-Olkin (KMO) measure ($KMO = 0.874$), while Bartlett's Test of Sphericity indicated statistical significance ($p < 0.001$), validating the factorability of the correlation matrix (Dziuban & Shirkey, 1974; Bühl, 2008). The analysis yielded six key motivational factors:

1. **Knowledge Acquisition / Curiosity:** A strong driver behind co-creation is the intrinsic motivation to learn, explore new topics, and take on novel challenges. Participants are often fueled by curiosity and the desire to expand their skills and knowledge. Emotional connection to the brand frequently reinforces this involvement (Füller, 2006; Dahl & Moreau, 2007; Janzik, 2012; Bretschneider, 2012; Mühlhaus, 2013; Geise, 2016).
2. **Brand Enthusiasts:** Brand fans are typically highly engaged and willing to invest time, energy, and resources. Their participation is motivated by a deep sense of identification with the brand, which is further strengthened through shared experiences and interaction with like-minded community members (Stavros et al., 2014; Roose et al., 2017).
3. **Compensation / Monetary Rewards:** Financial rewards, discounts, or access to exclusive products are also relevant incentives. Participants often expect a form of compensation that reflects the level of effort and creativity they invest in the co-creation process (Füller, 2006; Janzik, 2012; Mühlhaus, 2013; Geise, 2016).
4. **Leisure Activity / Entertainment:** For some, co-creation represents a form of enjoyable leisure activity. The pleasure of engaging in creative problem-solving and innovation can itself serve as a motivating factor—making the experience fun and intrinsically satisfying (Schweiger, 2007; Rössler, 2011; Goetz et al., 2013).
5. **Product Improvement:** A significant number of participants are motivated by the chance to enhance existing products or to contribute their own ideas to product development. This factor is especially relevant for technically minded users or those dissatisfied with current product offerings (Füller, 2006; Bretschneider, 2012; Janzik, 2012; Mühlhaus, 2013; Geise, 2016).

Four Types of Co-Creators

A hierarchical cluster analysis using Ward's method was conducted to classify participants into distinct co-creator profiles based on their motivational factors (Janssen & Laatz, 2017). The optimal number of clusters was determined using the elbow method and silhouette analysis, leading to the identification of four primary co-creator types.

The analysis of collected data identified four main types of co-creators who differ in their motivations, demographic characteristics, and level of engagement. These types can be classified according to the following criteria: age, gender, proportional distribution within the co-creator community, and the distinction between intrinsic and extrinsic motivations.

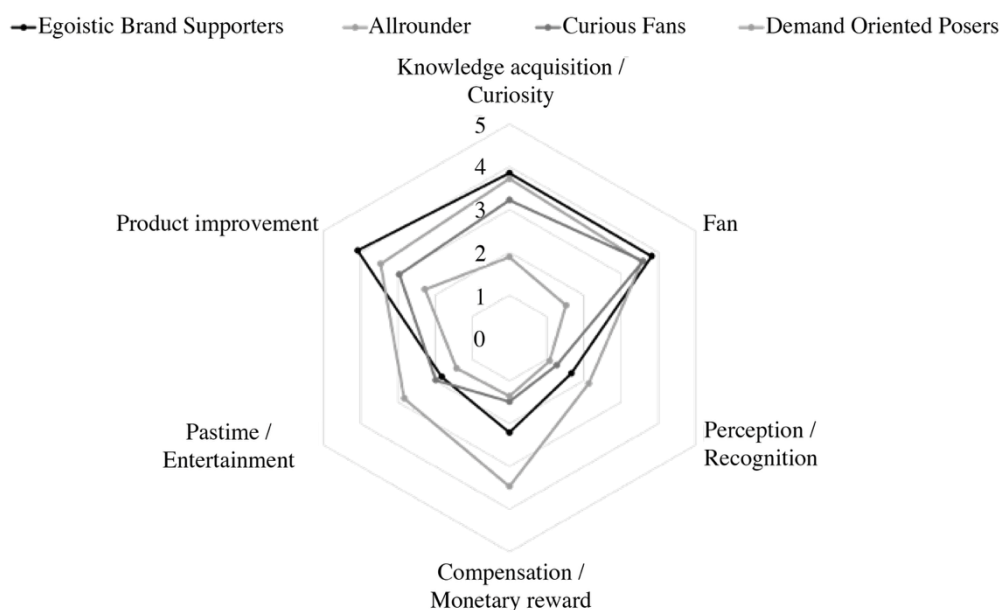


Fig. 1: Cluster Centres of the Motivation Factors of the Four Co-Creator Types as a Network Graph.

Source: Own Representation, 2025

1. **Egoistic Brand Supporters:** This segment is highly active on social media platforms and leverages co-creation opportunities to boost their personal image and influence within the community. Comprising 30.21% of the co-creator population, it represents the largest group identified. Most members fall within the 18–40 age range and are predominantly female (56.90%), followed by male participants (42.24%) and a small proportion identifying as diverse (0.86%). Their engagement is primarily driven by extrinsic motivations: they seek social recognition and aim to position themselves as thought leaders in the co-creation space. Validation from the brand or fellow community members plays a key role in sustaining their participation (see Fig. 1).
2. **Allrounders:** Allrounders are versatile and highly engaged contributors who not only offer innovative ideas but also provide constructive feedback on prototypes, making them valuable collaborators in innovation efforts. This group accounts for 29.43% of the sample and is mainly composed of individuals aged 18 to 35. The gender distribution is relatively balanced, with 51.33% women, 47.79% men, and 0.88% identifying as diverse. Their motivation is a combination of intrinsic and extrinsic factors. They are personally interested in product development while also appreciating external incentives such as acknowledgment and rewards. Allrounders value meaningful contribution as well as recognition and compensation for their input (see Fig. 1).
3. **Curious Fans:** This group is composed largely of younger individuals aged 20 to 45 who show strong enthusiasm for the brand and are eager to gain behind-the-scenes access to innovation processes. Representing 25.52% of the co-creator base, this segment is predominantly female (57.14%), with male participants making up 42.85% and 1.02% identifying as diverse. Curious Fans are primarily driven by intrinsic motivations, particularly curiosity and the desire to expand their knowledge. Their participation is fueled by a personal interest in the brand and a genuine enjoyment of the creative and exploratory aspects of co-creation (see Fig. 1).
4. **Demand-Oriented Posers:** This segment is focused on improving product functionality and contributes significant value to technical innovation. Typically older than other co-creator types, Demand-Oriented Posers are mainly aged between 55 and 64. They make up 14.84% of the sample, with a gender breakdown of 54.39% female, 40.39% male, and 5.26% identifying as diverse. Their motivation is predominantly intrinsic, centered around problem-solving and the enhancement of existing products. They participate not for external rewards but out of a strong personal interest in improving functionality and contributing to product development (see Fig. 1).

Strategic Recommendations for Communication Management

The effectiveness of co-creation in social networks is contingent upon the incentives provided and the communication strategies employed (Mahr et al, 2013). While innovators value the realisation of their ideas, pragmatists require clear and measurable improvements (Füller, 2006). Socialisers are driven by recognition within their communities, necessitating public feedback and acknowledgement of their contributions (Perks et al, 2012; Geise, 2016).

Conversely, passive participants tend to respond more positively to tangible incentives, such as exclusive offers or discounts (Jaakkola & Alexander, 2014). These distinctions highlight the need for businesses to tailor co-creation initiatives to different co-creator segments. The following strategies optimise engagement across distinct participant groups:

- Egoistic Brand Supporters: Public recognition and leaderboards.
- Allrounders: Ideation formats and adaptive incentives.
- Curious Fans: Insight-sharing and educational content.
- Demand-Oriented Posers: Collaborative innovation and feedback mechanisms

6 Conclusions

The success of co-creation initiatives hinges on careful strategic planning that acknowledges the diversity of participant motivations and behaviors (Geise, 2016). Different co-creator types require tailored approaches: innovators benefit from creative freedom, socialisers are primarily motivated by recognition, pragmatists expect transparent and results-oriented collaboration, and more passive participants respond best to structured incentives (Ranjan & Read, 2014).

To ensure long-term engagement, co-creation strategies must balance intrinsic and extrinsic motivators. This includes offering meaningful opportunities for contribution while also providing recognition, feedback, or tangible rewards. Transparency in communication and clarity regarding how participant input is used are critical for building trust and sustaining commitment.

Beyond enhancing innovation, co-creation enables brands to move from one-way communication to authentic dialogue. By understanding user motivations and designing inclusive, engaging experiences, companies can strengthen brand loyalty and encourage advocacy. Looking ahead, future research should examine the potential of AI-supported co-creation models and their ability to personalize strategic brand communication (Oklevik et al., 2022; Ramaswamy, 2009).

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