Chapter 3 Online Sport Brand Communities: Sport Brand Communities

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ABSTRACT

Organizations have reached the point where they need to change their strategies in order to create value with customers. This is the modern marketing logic. It has mainly come about because consumers have been empowered to exert influence on companies. In this chapter we argue that a different perspective about consumer care has emerged through social media; consumers are no longer passive information users but are now active content creators who can be part of value creation in the marketplace. Therefore, this chapter analyses the opportunities that sport organizations can generate by co-creation of value through social media. The findings of this chapter create a picture of how virtual communities support co-creation of value for sports organizations.

INTRODUCTION

The internet continues to provide new and different opportunities to develop sport (Weeks, Cornwell, & Drennan, 2008) as it empower individuals to be active on the internet. Web 2.0 developments, in particular, offer powerful tools for sport marketing (Seo & Green, 2008), providing interactive marketing to manage different brands. Managing brands and optimizing e-service platforms of sport organizations in the current multichannel marketing environment has been identified as a critical issue in sport management (Carlson &

O'Cass, 2012). To compete successfully intoday's market, sports organisations have to be advanced service sellers (Bauer, Sauer, & Schmitt, 2005). These challenges are forcing sport marketers to shift from a traditional exchange paradigm, which many sport organizations are currently applying, to a relationship-based paradigm (Y. K. Kim & Trail, 2011).

Sport is a global product (Ratten & Ratten, 2011), and sport marketing transactions contain different types of relationship marketing (Tower & Deery, 2006). In recent years, many sport organizations have focused on relationship programs,

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with the aim of retaining consumers for the long term while offering improved relationship quality. One such tool (or set of tools) is social media establishing social interaction with fans. Social media attracts a wide range of users who integrate social platforms into their daily activities (Okazaki, 2009). Social media provide new ways of communicating with consumers (Nambisan & Baron, 2007). The popularity of social media attract consumers who are not familiar with a brand (Roggeveen, Tsiros, & Grewal, 2012). Social media enabled the development of co-creation of value (Zwass, 2010). Co-creation of value is based on the strategy of value creation with consumers rather than creating value for consumers. This new strategy primarily aims at developing the emergence of targeted virtual communities.

Virtual communities are the main focus of joint contributions to co-creation (Zwass, 2010). Virtual brand communities are a new form of brand community, which have developed in recent years through the use of social media. They now make a valuable impact on marketing strategies, largely because the social interaction of individuals in brand communities influence consumer attitudes toward the brand (McAlexander, Schouten, & Koenig, 2002). These communities have become a useful tool in marketing strategies as it is a suitable place to develop a closer relationship between business and consumers to promote a better understanding of their mutual needs (Casaló, Flavián, & Guinalíu, 2008). There, participation of consumers on virtual brand communities generate value (Schau, Muñiz, & Arnould, 2009). This would be the main reason for sport marketers that recently have worked on fan communities to facilitate the social relationship and interaction of fans within virtual communities to enhance the relationship between fans and sport organizations (Jae Seo, Christine Green, Jae Ko, Lee, & Schenewark, 2007).

Toward these ends, it is important for business to try to co-create value with customers (Schau et al., 2009). Therefore, the question to be asked is

how to co-create value with consumers through virtual sport communities? Despite the undeniable importance of co-creation of value with consumers, limits to the value that can be achieved have been identified (Payne, Storbacka, & Frow, 2008; Schau et al., 2009).

This part of the thesis report the finding of one my research and publication to support the thesis and justify the use of social media and social support for the conceptual model of the thesis. In particular, this part of the thesis investigates co-creation of value in sport brand communities and, the ways in which value can be co-created with consumers through virtual brand communities. This research draws on relationship quality and social support theory by attempting to gauge co-creation of value in a virtual community in a football club.

Co-Creation of Value through Online Communities

In this section a literature review in the area of co-creation, social support, and relationship quality in context of sport has developed to establish a theoretical foundation for the study.

What is Co-Creation?

Co-creation is the process of involving customers in creating value for the firm and market (Grönroos, 2011). Co-creation is seen as consumer activity in the production of value through social interaction in a platform developed independently by consumers or via an organization's hosted community. Thus, co-creation is the participation and interaction of consumers with an organization in the value creation process in the marketplace. Therefore, the author defines co-creation as the process of engaging consumers in value creation; this creates a new marketing strategy for the firm, shifting from the traditional strategy of value creation for customers to a new strategy of value creation with customers.

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