Marketing

Consumer Communities Do Well, But Can They Do Good? An Ignatian Mentoring Project Problem Introduction.

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Over the last decade, the relationship between consumers and brands has become a focal point of both academic research and corporate activity. Consumers are more demanding of their brands, and actively consider not only factors such as product quality, but also the nature of the firms that make their products, and the types of consumer-brand relationships that might be engendered by choosing one brand over another. For example, many consumers want to know that their brands are engaging in prosocial behaviors and supporting causes important to them (cf. Bhattacharya and Sen 2004); many consumers also participate in brand and consumer communities, so that they can build relationships with their fellow consumers (e.g. Muniz and Guinn 2001). These communities also represent a significant strategic asset for firms, and so many firms have accepted the reality that building relationships with consumers, and focusing on these relationships from a customer-centric perspective (Fournier 1998) provides an important means of building customer loyalty, for addressing consumer concerns, and for communicating the different prosocial activities that the firm is engaged in. Ultimately, these communities have the potential to create firms which must be accountable to their constituents, and to create organizations that can take pride in enacting social change. Research oriented around these consumer-brand relationships within the context of prosocial activities has tended to focus on the impact of the firm's activities on relational outcomes important to the firm, such as customer loyalty and other purchase-related behaviors. However, the profit-centric approach ignores the potential value that consumers place with brands engaged in prosocial behavior. Hotel guests, for example, will reuse their towels while staying at hotels to make the planet greener. While this is in part due to a desire to protect natural resources, consumers consider this within the scope of relational and social norms for this relationship. In fact, many consumers expect this type of behavior from firms. Despite its potential importance, research has not seriously examined the capacity of firms to mobilize consumers to do good or to participate in prosocial causes that do not involve purchase behavior. For example, Harley-Davidson's "Ride For a Cure" entails donating money to the Muscular Dystrophy Association, asking friends to sponsor their ride, and riding in groups along specific routes. These activities allow consumers the opportunity to build relationships with fellow consumers, engendering a sense of community (McAlexander, Schouten, and Koenig 2002) and a stronger sense of social identification with the brand and community (Hogg and Abrams 2003). In addition, prosocial activities which require consumers to actively donate their own time and effort directly tend to provide greater emotional benefits to consumers than do less direct prosocial activities (Krishna 2011). Activities of this nature should therefore simultaneously create benefits for the brand, the consumer, and for the social cause being endorsed. While these types of activities themselves are widely known, the actual level of participation, or who is doing the participation, is still unexamined.

Community and Ignatian and Jesuit Pedagogy

Consistent with Ignatian values, the desire to help others, to be men and women for and with each other, is perhaps one of the strongest unifying principles of the human experience.

However, there are several tensions created when we organize; these tensions can create situations that may enhance the common good at the expense of those that are not considered to be part of the fold or a "key demographic" in marketing terms. For instance, a brand might seek out others who are similar and like-minded to the point that they actively exclude others.

Consumers might also decide not to participate in a cause because it is already being pursued by

their brand, and so companies must act in such a way that enhances the greater good. These two issues form the basis for this project. The question of inclusion in communities was included in the course Marketing 495 (Marketing Planning and Analysis / Capstone) as part of a Harvard Business Case on Harley Davidson, and the second question, of the role of firms in building a common good, was addressed through a work of scholarship which was published in *Journal of Interactive Marketing*.

Student Project and Discussion

Project Setup. During the Spring of 2018, 65 senior marketing students enrolled in MKTG 495 read the Harley Davidson business case, and discussion centered on the communitybuilding activities of the firm and the values that the brand and community espouse. Typically, many of the values that are mentioned are freedom, liberty, and masculinity. As the students noted, the brand does well in terms of fostering these values within the larger community. After considerable discussion, the students were asked why the community was not representative of America—it was noted that there are many groups that are underrepresented in this group, and that there are people whose ideas of freedom and liberty are different, and people for whom traditional masculinity does not represent an ideal. Moreover, these values have left people feeling excluded—and while this might seem only like a brand issue, these types of spontaneous social/group activities are an important piece of the fabric of modern American life. So, developing inclusivity within a brand community represents an important social good that also makes sense from a business perspective. How to address this was the basis for an impromptu project in which students needed to identify ways in which to maintain the values of the brand, while making the offering more inclusive.

Student Discussion. Clearly, this was a sensitive topic to discuss, as it touches on aspects of race, gender, sexuality, age, and even political affiliation; these are all matters that are typically avoided in business. However, these are still decisions that they would be making as the business leaders of tomorrow, and students were reminded that they needed to face these issues head-on, because if they did not, then others would tacitly make these decisions for their organizations and not face these important issues. The students came up with several powerful ideas, foremost of which was that the American experience has been different for everyone, and many have been disenfranchised to the extent that even concepts like freedom and liberty seem jingoistic to many Americans. Firms should take a stronger sense in communicating, then, what freedom and liberty are—to both share what these concepts mean as a member of the community, but to develop a definition which is inclusive, and does not require individuals to have to hide or suppress who they are. Another key point the students discussed was the responsibility that firms have in ensuring that their communities behave responsibly—many of the associations people have of these communities is based on popular culture and visible, overt behavior of members. Firms should ensure then, that their consumers behave appropriately. From here, students also discussed the tremendous potential of these brand communities to play a larger role in the civic realm.

Academic Project.

Introduction to Problem. The academic portion of this project was based on a research study examining distributed computing projects. These projects are particularly interesting because they often address serious problems that are not addressable by other means—either because the projects require more computing power than one firm could devote to one unique problem, or because a problem is simply too large in scope, too lengthy in study duration, or

otherwise not commercially viable. For example, UC Berkeley's SETI@home project has been coordinating the analysis of radio telescope data in the search for extra-terrestrial life since project release in 1999, and Oxford's climate prediction. net project has been analyzing and improving climate models since 2003. Many of the largest projects focus on daunting problems of fundamental importance to society as a whole. The largest distributed computing project, in terms of amassed computing performance, is the Folding@home project (Wikipedia 2014b). The project is devoted to disease research and seeks to develop treatments and cures for some of the most daunting diseases, including Alzheimer's, Parkinson's, and cancer. The Folding@home project, currently overseen by Stanford University, includes over 400,000 active processing units and can perform data analysis at a rate of 8,588 TFLOPS. To achieve this processing, the project relies on a network of volunteers who allocate their processors to this task whenever they are not using their computers. Naturally, the prosocial nature of many of these distributed computing projects has attracted the interest of firms as well. Firms, particularly those in the computer hardware industry, have devoted considerable capital and programming expertise to promoting these projects as part of their corporate social responsibility (CSR) initiatives. But unlike other CSR initiatives a firm might decide to engage in, distributed computing projects depend heavily on the ability of the organizers and corporate sponsors to recruit consumers who are both willing and able to commit the computing resources needed in order for these types of CSR initiatives to realize their potential. In the past, the CSR literature has primarily focused on CSR initiatives in which the firm simply donates funds directly to a cause based on consumer purchase behavior, such as donating a certain amount of money for each yogurt lid that is mailed to the company, or for each credit card transaction during a specified period. Furthermore, this research focused on the benefits of CSR initiatives to the

firm, rather than how to benefit the initiatives itself and promote consumer participation. Despite the potential benefits to society, little empirical research has examined consumer contributions to CSR initiatives in the context of distributed computing projects.

Promoting consumer participation in distributed computing projects presents unique challenges. The consumers most able to benefit these projects are those who own very specialized computing hardware—specifically, high-end 3D graphics cards from AMD and NVIDIA Corporation which produce 40 times or more of the computing power of Intel main processors. For example, while an Intel I7-3700 series processor can produce up to 125 gigaFLOPS (125 billion floating-point operations per second), high-end enthusiast 3D graphics cards such as the AMD Radeon R9 295x2 produce over 11.5 teraFLOPS (11.5 trillion floating-point operations per second). Furthermore, many computer enthusiasts possess systems with up to three such 3D graphics cards installed. Since these graphics cards also have power requirements which make it impossible to install them in standard desktop systems, these cards are primarily used in custom systems specially built by computer enthusiasts. The challenge therefore facing distributed computing projects and their corporate supporters is identifying those computer enthusiasts who are not just able to help but are willing to actually participate.

From the firm's perspective, the natural targets for calls to participate are those enthusiasts who are the most dedicated and knowledgeable about the firm's products. Such highly brand loyal consumers frequently participate in online brand communities where they can share their knowledge about and appreciation of the firm's offerings (Muñiz and O'Guinn 2001, Thompson and Sinha 2008). In principle, these consumers possess the knowledge and ability needed to assist such projects. However, not all enthusiasts are dedicated to a particular brand. Some computing enthusiasts possess the necessary 3D graphics cards from AMD and NVIDIA,

yet choose to avoid the associated brand communities in favor of non-brand based product category communities dedicated to those who enjoy high-end graphics cards in general. While both groups of enthusiasts are uniquely capable of "doing good" by participating in distributed computing projects, it is unclear which are more willing to do so. Thus, both project organizers and firm managers lack guidance on which consumers they should focus recruitment efforts on.

Summary of Results. Despite the tremendous faith that firms place in their purportedly loyal brand communities, our findings show that the strength or duration of the relationships that a brand has with its consumers do not necessarily provide a straight and direct path to increasing the likelihood to join a distributed computing project. Surprisingly, and completely contrary to the more optimistic predictions made in the marketing literature, membership in a brand community seems to actually be an impediment to joining a CSR distributed computing project, despite the high degree of identification that the most active members of these communities should have. By way of comparison, Algesheimer, Dholakia, and Herrmann (2005), in their study centered on ownership of European sports cars, found that continued membership, active participation, and relationship with the brand's products were all significantly related to positive outcomes for the firm and for the consumer's identification with the brand. However, in both the AMD and NVIDIA communities, active participation (100 posts) reduced the likelihood of joining the distributed computing project by margins of roughly 55% and 99% respectively. Membership duration had a similar, albeit smaller, effect of reducing likelihood of joining. Thus, while these active and longer-duration consumers are likely to be brand loyal and important to the brands they endorse, they do not represent the consumers that brands wishing to encourage participation in distributed computing projects should target.

In stark contrast to what was seen in the brand communities, we found that the likelihood

of members of the general product category forum joining the Folding@home project actually increased by 476% when they actively participated in the product forum. Also, the impact of participation in a brand community is not wholly negative, as those participants who engaged in helping behaviors towards their fellow community members or toward outside (product category) members were more likely to join the distributed computing project. This underscores the multifarious nature of the consumer-brand relationship—this relationship extends beyond the product and brand to the larger community of product users. Many consumer-brand relationships have an inherently social dimension that is based on a connection with other users/admirers of the brand. Calling for prosocial action in the form of joining a distributed computing project appears to invoke these social relationships, rather than the relationship with the brand itself.

In sum, consumers who engage in helping behavior showed an increased likelihood to join a distributed computing project aimed at benefitting others. This positive impact of helping behavior was consistent across both of the brand communities as well as the product category community. This suggests that, despite the negative impact of brand community *participation*, the helping behavior that brand communities encourage can have a positive impact on joining projects aimed at benefitting others. Thus, brand communities can serve as a valuable source of donations to distributed computing projects—as long as the most help-prone members are targeted.

Overall Conclusions.

What initially prompted both of these projects was to understand the role of the firm within product and brand communities. These communities have the power to protect consumers, and to help organizations mobilize their members to pursue greater goods than firms typically contemplate. However, firms have little guidance on how to mobilize these communities, and

firms often ignore the social values that their communities may engender or foster.

Selected References.

- Fournier, Susan (2001), "Building Brand Community on the Harley Davidson Posse Ride" Harvard Business Case 5-501-052.
- Thompson, Scott A., Molan Kim, **James M. Loveland**, Russell Lacey, and Iana A. Castro (2017) "Consumer Communities Do Well, But Do They Do Good? A Study of Participation in Distributed Computing Projects" *Journal of Interactive Marketing*, *37* (2), 32-43.