

ENHANCING PERCEIVED QUALITY AND BRAND LOYALTY THROUGH BRAND CO-CREATION: A STUDY OF BRANDED APPS

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ABSTRACT

Branded applications (apps) play an increasingly important role in marketers' omnichannel strategies. They have not only changed the way customers purchase, but also how companies interact with customers. Building on value co-creation literature, this research investigates the role that consumer brand engagement plays in enhancing perceived quality and brand loyalty via value co-creation.

Keywords – branded apps, PLS-SEM, consumer-brand engagement, personalization, brand loyalty

INTRODUCTION

Branded applications (apps) play an increasingly important role in marketers' omnichannel strategies. They have not only changed the way customers purchase, but also how companies interact with customers. Building on value co-creation literature, this research investigates the role that consumer brand engagement plays in enhancing perceived quality and brand loyalty via value co-creation.

Using online survey data from 355 brand app users, a conceptual model is tested employing the partial least squares structural equation modeling. The results suggest that not only does branded app personalization drive brand co-creation (fully mediated by consumer-brand engagement), but that this process also increases perceived quality and brand loyalty among users of branded apps

Knowing that branded apps can influence customers' perception of the quality and value of their apps, products and services, or even their associated brands, marketers and app designers should work together to provide a value co-creation platform through the apps to increase customers' personalized, engaged experience.

Although various relationships between personalization, engagement and co-creation have been studied, along with their impact on loyalty and perceived value, the interaction between all of these factors is not widely understood. In addition, this study is one of the first to apply these concepts in the context of branded apps.

Data for the study is self-reported and thus may not accurately reflect true attitudes and behaviors. In addition, respondents were students within the United States who, although representative of branded app users, may limit the generalizability of the study.