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Social Open Innovation in Online Brand Communities with Particular Regard to the Social Exchange Theory and Brand Management

A Single Case Study on LEGO Ideas

by

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Abstract

Title: Social Open Innovation in Online Brand Communities with Particular Regard to Social Exchange Theory and Brand Management - A Single Case Study on LEGO Ideas

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Thesis Purpose: The purpose of this study is to explore the role of brand management, specifically the user-brand relationship in online brand communities for innovation purposes by conceptualizing brand requirements which can be derived from users' perceptions and expectations. Hereby the authors apply the Social Exchange Theory which helps to understand what a brand needs and how a brand can support innovation through online brand communities.

Research Questions:

1. Which brand assets are most relevant to support innovation through online brand communities?
2. How can the brand help to build an online brand community in order to support innovation?
3. What is the overall outcome of innovation through online brand communities?

Methodology: The research is based on a qualitative and inductive approach. The researchers have applied a single case study method on LEGO Ideas. Data were collected through in-depth interviews with users of LEGO Ideas. Twelve (12) interviews in total with active members of the LEGO Ideas community have been conducted. A purposive sampling has been applied. Brand assets and elements of the Social Exchange Theory are used as main categories for data analysis.

Conclusion: The findings have shown that the interpersonal relationship between users and the brand plays an important part in the context of Social Open Innovation. Brand personality and values have been identified as relevant brand assets. Rules and norms, brand trust as well as tools can be identified as supporting elements which a brand can provide to enforce Social Open Innovation. Social Open Innovation not only facilitates external generation of ideas or innovation, it also contributes to community building, thus providing a tool for Social CRM. However, Social Open Innovation in online brand communities also carries a significant risk for brand management. Furthermore, the Social Exchange Theory can be applied to brand management, thereby helping to study the interpersonal relationship between users and the brand.

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1 Introduction

The initial chapter will elucidate the significance and relevance of how the concepts of Open Innovation, social media and brand management are presented in the current literature. Furthermore, the chapter also provides insights into how the authors aim to contribute to the existing literature and try to derive from it some managerial implications as expressed in the purpose and research questions.

1.1 Background

“As the world becomes more interconnected, [openness] will become more important. Honest dialogue will become the new power, the new success, the new sexy.”
(Jean Oelwang, CEO, Virgin Unite, 2012).

Oelwang's (2012) statement about innovation emphasizes the importance of openness, as social media has become an important medium of peoples' lives. With this development consumers, more specifically 'Social Customers', have gained more and more power in influencing firms by exchanging opinions, scrutinizing marketing messages and opinion leading with a worldwide audience. This empowerment has lead companies to open up, being more transparent and in some cases to engage in Open Innovation. As a consequence, companies accept external resources in parts of their innovation processes in order to cope, on the one hand, with consumer empowerment and, on the other hand, with the faster-growing competition. As a result, not only openness is important but also an honest and authentic interaction and relationship management between companies and users. Therefore the concepts of Open Innovation, social media and brand management will be introduced in the following.

The most common definition of Open Innovation has been provided by Chesbrough, Vanhaverbeke and West (2006). These authors have defined Open Innovation as “the use of purposive inflows and outflows of knowledge to accelerate internal innovation, and expand the markets for external use of innovation, respectively. [This paradigm] assumes that firms can and should use external ideas as well as internal ideas, and internal and external paths to market, as they look to advance their technology” (p.2). This means that companies do no longer innovate on their own, in isolation from external input. Open Innovation today entails an interactive process that establishes relationships among producers, users and other actors (Rocheska, Kostoska, Angeleski & Mancheski, 2014; Martini, Massa & Testa, 2013; Laursen & Salter 2006; Piller, Ihl & Vossen, 2010; Sofka & Grimpe, 2009), both within and beyond the company's boundaries (Marchi, Giachetti, Gennaro, 2011). In this context terms such as Co-Creation, User-Driven Innovation and Crowdsourcing recently have been used by companies and practitioners to describe the incorporation of external sources in their innovation processes. An overview and the main characteristics of each concept can be found in Appendix A. The activity and interaction between users and company may differ from case to case and cannot be fully distinguished. In this context, users can be defined as “firms or individual consumers that expect to benefit from using a design, product or service” (Baldwin

& von Hippel, 2011, p.1401). An important actor in the context of Open Innovation is the so-called lead user. Lead users are described as early identifiers or anticipators of market needs which can assist in developing solutions to these market needs (von Hippel, 1988). Thus, one reason for companies to engage in Open Innovation activities is that they seek to gain insights into consumers' needs and to establish relationships with them. While Open Innovation has been executed through traditional (offline) channels or touchpoints, such as focus groups, interviews or workshops, the Internet nowadays has become an important factor as it gives the opportunity to cheaply and easily access a large amount of users (Spruijt, 2012).

The increasing use of Web 2.0 technologies and social media has shown that it is a powerful tool for relationship building and market insight generation. In this context, online communities could be identified as an important environment that needs to be studied in detail. Especially, if such communities are built around brands and are aimed to be used for innovation purposes, little research exists that emphasizes the role of brand management and even more specifically the user-brand relationship. Due to the increasing consumer empowerment through social media, consumers get more and more involved in companies' innovation processes and take part in the creation of brand stories (Gensler et al., 2013). As a result, the consumer's voice has become an important factor and should not be ignored by brand management. For some authors, companies have lost their central role as the creator of their brand stories (Kuksov, Shachar, and Wang 2013 cited in Gensler et al., 2013). Therefore, the authors suggest the use of the term 'Social Open Innovation' as a new paradigm in this context, to be elaborated in detail in Chapter 2.1.2. While general expectations and motives of users in Online Open Innovation Communities have been studied in detail (Füller, 2010), little research has been conducted on the role of brand management in online brand communities and its role in Open Innovation. Online communities, therefore, represent an important touchpoint that offers both, an opportunity (Pahnila, Väyrynen and Pokka, 2012; Janzik and Raasch, 2011; Jang et al. 2008; Kosonen et al., 2013) and a risk (Kapferer, 2012; Brito, 2011; Vernuccio, 2014; Baird & Parasnis, 2011) for the brand. The authors will critically analyse online brand communities that are used for Social Open Innovation and its effects on brand building and the user-brand relationship.

Consequently, this study seeks to investigate consumers' expectations in the brand. The authors thereby aim to analyse the necessary requirements that a brand has to offer in online brand communities in order to increase consumers' willingness to submit ideas and exchange knowledge with the company. This study will try to highlight which aspects of brand management are most likely to support Social Open Innovation. Additionally, any negative effects of brand management in terms of innovativeness or community building that might emerge from the data will be pointed out. To this end, the authors will focus on brand assets in order to understand the role of brands in Social Open Innovation and thereby try to find out how a brand needs to be managed.

From a theoretical perspective, the Social Exchange Theory (SET) serves as framework that forms the theoretical basis for studying interpersonal relationships which are established in online brand communities. To this end, not only interpersonal relationships among users, but also interpersonal relationships between the brand and the user will be analysed. Furthermore, the theory may provide rich insights in terms of what types of resources are predominantly exchanged when using online brand communities, for Open Innovation. By applying the SET

to Social Open Innovation in online brand communities, useful insights about the brand requirements might be derived from it thus helping to understand how the brand can support innovation activities and community building through social media.

1.2 Relevance of Topic

Social Open Innovation is already a known topic in today's modern companies. Most of today's cases related to Co-Creation, Crowdsourcing or User-Driven Innovation through social media have been executed as a project or campaign over a certain period, such as DEWmocracy (Wong, 2010) or McDonald's MyBurger (Razorfish.de, 2011). Only few cases are known where Social Open Innovation is used to increase the consumer-brand relationship long-term, such as 'My Starbucks Idea' (Mystarbucksidea.force.com, n.d.) or 'LEGO Ideas' (Ideas.lego.com, n.d.). Companies need to understand how brand management can help and which brand requirements are necessary, to implement and support innovation activities in order to create a sustainable and effective innovation management over time. Thus, the interpersonal connection between users and the brand becomes increasingly important, as the 'Social Customers' are engaging more and more in brands through social media. Moreover, it is still questionable whether both Social Open Innovation and brand building can be achieved at the same time, when interacting with users in the long-term. It is the merit of the authors that they contribute to a better understanding of the interconnection between innovation and brand management, two concepts which have often been studied separately. By analysing brand assets and applying the framework of the SET, the authors succeeded addressing both academics by expanding the theory and practitioners by identifying and deriving managerial implications for brand management.

1.3 Aim and Objectives

Branding and innovation in the context of social media requires an increased transparency toward consumers and implies a lower degree of control for management. Brands act more and more as facilitators to engage and interact with consumers on social media. One of these facilitations can be illustrated through online brand communities which represent an increasingly important touchpoint for Open Innovation. This thesis will expand on the theoretical concept by examining a rather unexplored research field by connecting the concepts of Social Open Innovation and brand management. From a practical point of view, this research will, at the same time, clarify the requirements and identify the most important brand assets for brands that aim to engage in Social Open Innovation in the long-term. Additionally, the authors try to point out any risks for brand management which may emerge from establishing closer relationships with users in the context of Social Open Innovation.

The researchers seek to highlight the interconnection between the concept of Social Open Innovation and that of brand management. By studying user expectations and perceptions, the role of brands being used for innovation will be analysed. This analysis will have implications for brand management. For this purpose, the researchers try to identify the most important

brand assets likely to support innovation through online brand communities. Brand assets reflect past user experiences and allow deriving useful insights for brand management. Furthermore, the researchers try to explore the type of interactions taking place in such communities and the characteristics of the relationship that the brand establishes with users over time. In order to study the interactions between the brand and the user, the SET provides a theoretical framework. This framework allows exploring the social dimensions, interactions and resources being exchanged when engaging in Social Open Innovation through online brand communities. The study aims to extend the SET by exploring the interactions and relationships between users and the brand.

1.4 Research Purpose

The purpose of this research is to illustrate how brand management can support Social Open Innovation through online brand communities. The overall purpose is to find out what the brand needs and how the brand can support innovation through online brand communities. These requirements will be identified by studying expectations and perceptions towards the brand of users that are engaging in Social Open Innovation. The researchers aim to identify what brand assets are required to contribute best to the success of Social Open Innovation in online brand communities. Furthermore, this thesis aims to provide a framework combining aspects of innovation, social media with brand management based on the interactions and relationships between users and the brand. To this end the following three research questions have been elaborated:

1. Which brand assets are most relevant to support innovation through online brand communities?
2. How can the brand help to build an online brand community in order to support innovation?
3. What is the overall outcome of innovation through online brand communities?

1.5 Outline of the Thesis

In a first step, the role of Open Innovation in social media will be addressed, and the term of Social Open Innovation presented as a new paradigm. In a second step, the role of brands in Social Open Innovation will be reviewed. This chapter addresses online brand communities as brand touchpoints and the role of brands in innovation. As part of it the concepts of brand platform and brand assets are presented for a better understanding of the role of brand management. In a third step the Social Exchange Theory will be portrayed as the theoretical framework of this thesis. The SET provides a framework to explore the type of relationships, interactions and resources established and exchanged between users and the brand.

The third chapter presents the methodological approach and the applied research design of this thesis. Other aspects covered in this chapter are the case presentation, data collection method, data analysis as well as the strengths and limitations of the presented design.

The fourth chapter focuses on the analysis of the empirical data. At the end of the chapter the findings will be put in correlation with the theoretical concept.

In the final chapter, the authors will present an overall conclusion and make suggestions for further research. Additionally, the theoretical contribution to SET and brand management will be presented and managerial implications will be given on how to manage online brand communities in the context of Social Open Innovation.

2 Theoretical Review

In the following theoretical review a first analyse will be given on the influence of social media on Open Innovation. Following from that, the authors will emphasize the role of online communities and especially online brand communities for Social Open Innovation. Furthermore, aspects of brand management will be reviewed by addressing most relevant concepts such as brand platform and brand assets. Subsequently the Social Exchange Theory and its underlying elements will be introduced. At the end of the chapter, in a preliminary conclusion the most relevant aspects will be summarised. Based on the theoretical review a conceptual framework of Social Open Innovation in online brand communities will be presented.

2.1 Social Media and Open Innovation

One reason for greater openness and transparency in innovation processes is the increasing influence of new technologies facilitating communication and collaboration with external stakeholders. Due to reduced communication costs companies increasingly involve users in a systematic way in their innovation process (Bughin, Hung Byers & Chui, 2011). Thus, the technologies of the Web 2.0 can be identified as a main driver for Social Open Innovation allowing increased participation and involvement during different stages of a company's innovation process. Due to this increasing openness and new forms of collaboration it becomes more and more difficult to single out the stakeholders involved, their expectations of collaboration and the kind of outcome produced in the end. Therefore the influence of Social Open Innovation and emerging forms of collaboration such as online communities will be analysed in order to understand their impact on a company's innovation activities.

2.1.1 Customer Empowerment and Social CRM

For a better understanding of the impact of social media on Open Innovation, it is essential to understand the principles of social media; how it changed user behaviour and impacted the way companies do their business. The authors Kaplan & Haenlein (2010) define social media as "a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of User Generated Content" (p.61). Furthermore Kietzmann et al. (2011) state that social media uses "mobile and web-based technologies to create highly interactive platforms via which individuals and communities share, co-create, discuss, and modify user-generated content" (p.241). Social media can also be described as "a set of online tools open for public membership that support idea sharing, creating and editing content, and building relationships through interaction and collaboration" (Kim & Koh, 2012 cited in Mount & Garcia, 2014).

These definitions show that mostly the change of media and technologies as well as the resulting social media enabled users to interact with each other. Especially these new technologies have changed user behaviour in a way that companies face an increasing loss of

control and opinion leading over brands and buying processes (Baird & Parasnis, 2011). This is apparently due to the today's significant influence of customers and users through the number of social media channels (Gensler et al., 2013). On the one hand, people do not shy away to share detailed reports about their negative experiences on the social web (Brito, 2011; Vernuccio, 2014). On the other hand, customers and users want to cooperate and interact with companies in order to individualise and personalise products and therefore actively develop and shape a company's image and products (Vernuccio, 2014; Gensler et al., 2013; Brito, 2011). In other words, today users want to be part in the creation and innovation processes of companies while they critically scrutinize advertising messages for products and are rather influenced by friends, family or like-minded people (Brito, 2011).

The aforementioned consumer behaviour nothing new, as these needs have already existed even before the Internet (Brito, 2011). The specialty about this changed consumer behaviour is, that people became a voice that is not only heard by a small audience but made accessible for everybody (Brito, 2011; Vernuccio, 2014). These users want to be heard by companies (Attensity and Chess Media Group, 2010). This is why people formed online communities in order to get exchange with like-minded people, to share their opinions, ideas, experiences or complaints, but also to get attention from their loved brands (Füller, 2010). In Social Media Marketing and Social CRM these users are known as 'Connected Customers' (Berman & Kesterson-Townes, 2012), 'Social-Local-Mobile Customers' (Marsden, 2011) or as the 'Social Customers' that are strongly increasing and also increasingly influential (Metz, 2012).

The author Michael Brito (2011b) could identify six types of 'Social Customers'. These six "Customers" are called: Venting Customers, Passive Customers, "Used-to-be" Customers, Collaborative Customers, Opinion Leading Customers and Future Customers.

The most important 'Social Customers' for brands are the so-called "Opinion Leading Customers" and "Collaborative Customers" as these show a strong brand involvement and therefore represent an opportunity for building a strong relationship. Especially in the context of innovation "Collaborative Customers" play a key role, which Brito (2011b) describes as people who are looking for platforms where they can suggest new products, ideas, improvements or enhancements to existing products. These "Collaborative Customers" can also be associated with the aforementioned 'lead users' and user involvement defined by von Hippel (1988). With this association Marchi, Giachetti, and de Gennaro (2011) confirm that in order to include users with high innovativeness in the product development process, they must have certain competencies, similar values in comparison to the brand and a willingness to collaborate. Brito (2011b) further states that these "Collaborative Customers" may become "Opinion Leading Customers" that have a positive effect on brand trust and sales. While the majority of Brito's typology can be entitled as 'customers' the authors of this thesis see 'Collaborative Customers' rather as 'Collaborative Users', 'Contributors' or 'Social Innovators', as these people may just be a product user and not have closed a deal with a brand yet.

Consequently, the increasing influence of users through social media has lead companies to engage in Social CRM as an addition to their standard customer relationship management activities. This means that companies, besides online communities, monitor the social web in order to understand the needs of their customers and to develop an understanding of the

customer's perspective, which is similar to the purpose of User-Driven Innovation. The most popular definition of Social CRM is:

„Social CRM is a philosophy and a business strategy, supported by a technology platform, business rules, processes, and social characteristics, designed to engage the customer in a collaborative conversation in order to provide mutually beneficial value in a trusted and transparent business environment. It's the company's response to the customer's ownership of the conversation“ (Greenberg, 2010, p.34).

More clearly Metz (2012) tried to put this definition into more understandable words:

„The customer owns the conversation now, so companies need to change the way they do business. Social CRM is a philosophy and a business strategy that uses technology, work flow, business rules, and social information to talk with (not at) the customer in a transparent way, to make value for both parties” (p.35).

Consequently, Social CRM is rather about 'WHAT product should we sell' and not 'HOW do we sell a product' (Metz, 2012). Metz (2012) sees innovation as one of the many objectives or pillars that can be aimed at with Social CRM. While gathering information and insights through monitoring the social web, the identification and active inclusion of opinion leaders is important for Social CRM in general (Metz, 2012; Baird & Parasnis, 2011; Vernuccio, 2014), the identification and support of 'Social Innovators' is most important when focusing on innovation.

Especially with social media and the raise of the new group of users - 'Social Customers' - the way of interaction between companies and users changed from unidirectional information, to bidirectional conversation and even recently to collaboration. Companies especially engage in collaborative activities over the Internet as a response to increased customer empowerment and changing customer behaviour and needs. Companies use 'online collaboration' as they lack knowledge about other parties in order to gather useful insights about users but also about market trends (Kosonen et al., 2013). Therefore, the influence of social media takes the above-presented forms of Open Innovation to a completely new level with increased consumer participation. Especially when it comes to generating new ideas, users might surpass the company's ability of generating novel and beneficial ideas for their customers (Kosonen et al., 2013). Company external stakeholders, such as 'Social Customers', are able to exert influence on a company's innovation model, especially when they organize themselves in online communities trying to gather support from other customers or users. They exchange information and rely on globally available knowledge, which results in higher requirements for products and services (Rocheska et al., 2014).

2.1.2 From Open Innovation to Social Open Innovation

Based on the above-described development, Spruijt (2012) has built the following figure 1 that shows an overview of innovation processes in different contexts. It shows especially the usage of the different types of Open Innovation during the innovation process of ‘Social Innovation’, going from Crowdsourcing during the Idea Generation phase, which has little or no company involvement, to Co-Creation in the Concept Development phase, with a more active and collaborative involvement of the company and user, to a Participative Model in the Commercialisation phase, where the company has rather a stronger involvement than participating users.

		Market Research	Idea Generation	Conceptual Development	Commercialisation
Internal ----- External	Technology Push	Fundamental Science	Technical Design	Production	Sales
	Market Pull	Customer Requirements	Developments	Production	Marketing & Sales
	Integrated Innovation	Market Research	Idea Generation	Research & Development	Marketing & Sales
	Open Innovation	Market & Trend Research	External Idea Generation	Open and Cooperative Development	Marketing & Sales
	Social (Open) Innovation	Social (Media) Research	Crowdsourcing	Open Development and Co-Creation	Shared Business Models, Participative Models

Figure 1: Overview of Innovation Processes in Different Contexts (Spruijt, 2012)

While Spruijt (2012) names the above-described combination of Open Innovation and social media ‘Social Innovation’, the authors rather see ‘Social Open Innovation’ as a more appropriate wording. The former is used in the literature in the field of social science and a socio-scientific understanding of innovation (Howaldt & Schwarz, 2010); while the latter should stronger emphasize the combination of Open Innovation and social media which is illustrated in the following figure 2.

The increasing consumer empowerment, the reduced communication costs, the multiple interaction possibilities and users’ active participation in innovation and content creation justify and underline the importance of social media as a major influence factor on Open Innovation (Bughin, Hung Byers & Chui, 2011). Consequently, besides reduced cost and

increased interaction possibilities, social media offers a big potential for innovation as it offers access to skilled users on a global scale.

One channel through which Social Open Innovation can be executed is online communities. Therefore, the authors will analyse which aspects of brand management in online communities are likely to support Social Open Innovation.

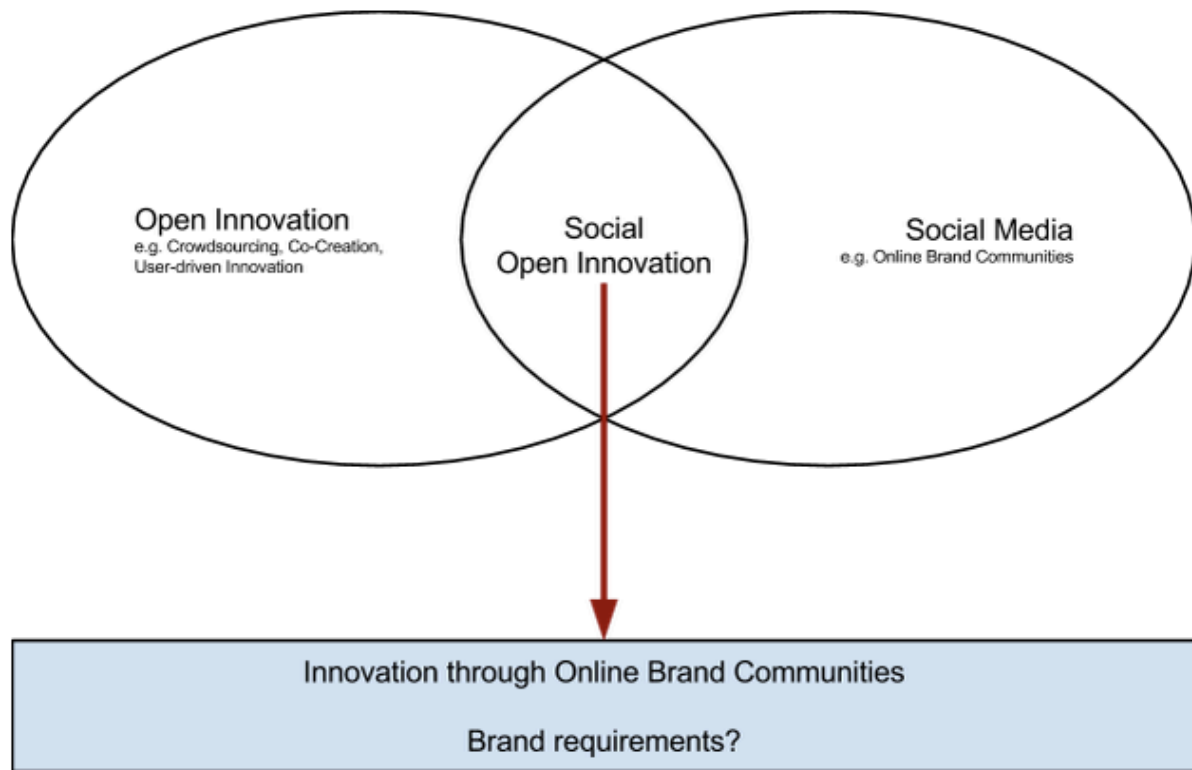


Figure 2: Combination of Open Innovation and Social Media (Own illustration)

2.1.3 Online Communities

Online communities are places where ‘Social Customers’ can share their thoughts and experiences but also cooperate or collaborate and interact with companies. They further give companies the opportunity to be, on the one hand, transparent and build relationships with users and customers, and, on the other, create opportunities to gather useful insights about a company's customers. In a nutshell, online communities represent a good platform for Social Open Innovation. Online communities can be described as “a set of comprising firm-hosted communication infrastructure, shared purpose, the user base and interactions between these users” (Kosonen et al., 2013, p.2). Consequently, if a company is able to bring together innovators, creative thinkers and supporters under a common purpose, such communities can facilitate innovation (Janzik and Raasch, 2011; Jang et al. 2008). Kosonen et al. (2013) have identified community trust and community support as requirements on knowledge sharing intentions of its members. Community trust in this context is defined as “an individual member’s reliance on and willingness to engage in interactions within an online collective” (Kosonen et al., 2013, p.3). The same authors further argue that the existence of collaborative

norms and trust in the hosting firm are two aspects, which community members rely on. The participation of customers in online communities is “motivated by purchases of, and enthusiasm for, its products or services” (Kosonen et al., 2013, p.4). Hence, Pahlila, Väyrynen and Pokka (2012) argue that “online communities can provide an opportunity for innovation and for building and strengthening the company’s brand” (n.p.). This might explain why companies are exploring more advanced uses of social media, as for example a tool for new product development (Füller & Matzler, 2007).

2.1.4 Online Brand Communities

The importance of online communities is ever increasing. For good reasons, companies are already trying to use online brand communities in their business operations (Kuikka & Äkkinen, 2011). Long-time involvement of customers and the brand behind the community are likely to increase the level of trust in the firm (Algesheimer et al. 2005). Mount and Garcia (2014) argue that “participants have a vested interest in the brand, product, or firm, and they actively choose to contribute and be part of the social community regardless of incentives” (p.127). Nevertheless, the role of brands in online communities is a rather unexplored research field, especially when the purpose of such a community aims at contributing to a company’s innovativeness. Members of online brand communities represent “especially valuable sources of innovation as they are usually passionate about the brand and experienced with its products” (McAlexander et al., 2002). Furthermore, Roser et al. (2009) see social structures such as online brand communities as a trigger for a stronger creative involvement and an increase of the quality of interaction for innovation. Brand communities in general can be defined as a “specialized, non-geographically bound community based on a structured set of social relationships among admirers of a brand” (Muniz & O’Guinn, 2001, p.412). A more practical approach describes online brand communities as “a dedicated group of members who are users of a particular brand or market, continuously in touch with the brand and each other, not only responding to company initiatives but also initiating and continuing conversations of their own about any aspect of the brand or business” (Hall, 2010, p.2). As a result, online brand communities can be seen as a subset of online communities, in which the brand is an important element for interaction and relationship building with users. “The company’s own brand communities offer creative and skillful users a chance to voluntarily participate in the company’s R&D activities and in the creation of innovations” (Pahlila, Väyrynen, Pokka, 2012, p.4). “The interactive nature of social media platforms developed in the Web 2.0 era has ultimately changed consumer’s relationships with brands in these environments, even allowing them to become active players in the creation of brand stories” (Gensler et al. 2013 cited in Labrecque, 2014, p.134).

In conclusion, online brand communities are an important source of innovation and relationship building through Social CRM. Nevertheless, not only Social CRM is responsible for successful innovation but also, to a large part, the brand and its brand management. In the following the authors will review what a brand is, how relationships and experiences are built with the brand and the importance of the role of a brand for innovation purposes.

2.2 Brands and Social Open Innovation

As elaborated in the previous chapters the role of brands for innovation purposes has shown that creating social structures such as online brand communities and other social media trigger creative involvement and increase the quality of interaction for innovation (Roser et al., 2009), can strengthen a company's brand (Pahnila, Väyrynen and Pokka et al., 2012) and have totally changed consumer's relationships with brands (Gensler et al., 2013 in Labrecque, 2014). Furthermore, 'Social Customers' such as 'Collaborative Customers' or as we name them in our case 'Social Innovators' need to be identified on the one hand (Brito, 2011; Metz, 2012) and on the other, the brand needs to increase the willingness of valuable users to participate on their Social Open Innovation platform (Kosonen et al., 2013). Especially these users have a strong interest in the brand, product or company itself and actively choose to participate in such innovation platforms regardless of incentives (Mount & Garcia, 2014). From a brand management perspective, the current literature review has shown that brand trust and experiences are most important for innovation. This could be identified through the elaborated importance of community trust that brings engagement and interaction, the importance of collaborative norms and trust in the hosting firm but also from the experiences with previous brand products (Kosonen et al., 2013).

The following chapter will illustrate relevant brand management concepts for Social Open Innovation.

2.2.1 Brand Touchpoint: Online Brand Communities

As described in Chapter 2.1, social media offers new forms of interaction between users and companies. Kapferer (2012) underlines the importance of the Internet, as it has become the main media for communication between the brand and its public but also among consumers themselves. Therefore online brand communities represent a very important touchpoint for brand management where the brand can connect and interact with users, fans, customers and other stakeholders. Kapferer (2012) further argues, that brands need 'brand content'. Similar to Social CRM and Social Media Marketing, Kapferer (2012) means by this, besides relationship building through communication, 'brand content' needs to be generated that is useful and entertaining and not just pure marketing and sales content. If a brand is able "to establish feelings of delight and satisfaction" at its contact points, this contributes to the overall brand experience and might help to differentiate the brand from competition (Kapferer, 2012, p.54). Every touchpoint with the company or brand is important to build relationships with external stakeholders and contributes to the overall brand experience, both online and offline (Persson, n.d.). Every time a customer, consumer or user gets in contact with a brand's communication efforts through any touchpoint, an opinion is being formed about the brand (Dunn & Davis, 2003). Persson (n.d.) states in this context, that "most successful brands are the ones that can create true value, build a relationship with their customers and give them tools that [...] make the brand irreplaceable." Therefore brand touchpoints "should also help prospects understand the brand's benefits over competing brands and the value it brings in fulfilling their personal wants and needs" (Dunn & Davis, 2003, p.35). Thus, online brand communities are an important source of personalised value

creation and experience building in the long-term based on multiple interactions (Persson, n.d.). However, if a brand does not manage to create consistent experiences over all touchpoints and by this misses to fulfil its brand promises, people may become cynical and distrustful about a brand through negative experiences caused by a mismatch between brand experiences and perceived and advertised brand image (Kapferer, 2012; Persson, n.d.). If touchpoints like online brand communities are used for innovation purposes the connection between branding and innovation must be understood, which will be explained in the following section.

2.2.2 Branding and Innovation

As elaborated above, online brand communities are an important source of Social Open Innovation that can create new values and experiences for users. From a brand management perspective, Innovation can be explained as “the creation of new offerings that are valuable, original and meaningful” (Abbing, 2010, p.8) and as “set of values or insights, or it might even be a vision. These values may be embodied in a corporate identity but hopefully they will also find their way into a lot of other things that the company does, too: the way it does business, the way it hires and treats its employees, the way it deals with the environment and social issues and yes, the way it develops new products and services” (Ind, 2002; Roscam Abbing, 2005 cited in Abbing, 2010, p.12). If Social Open Innovation aims to contribute to the brand experience that is built on the brand identity and its underlying core values, the previously mentioned brand touchpoints must be managed accurately. By this, Prahalad & Ramaswamy (2004) see the importance of the infrastructure of interaction between companies and consumers, which must be able to create a variety of experiences when engaging in (Social) Open Innovation. They further argue that “the roles of the company and the consumer converge toward a unique co-creation experience, or an “experience of one” (Prahalad & Ramaswamy, 2004, p.5).

It follows that the role of online brand communities and its use for Social Open Innovation and brand experience building should not be underestimated. Furthermore, it must be pointed out that the underlying brand identity is an important asset when it comes to creating interactions and establish relationships with users in the long-term. If a brand aims to create sustainable innovation and aims to establish relationships with users, the values must be consistent and reflect an authentic brand image in order to create value and to support the brand experience. Therefore, the concept of the brand platform, its rooted brand identity and positioning will be reviewed in the following.

Before focusing on the brand platform, it is vital to take closer look at the concept of a brand. According to Abbing (2010) the term brand and its meaning strongly depends on the context, the environment and on the user who uses the term. A brand has therefore many different meanings and can be either considered as a company logo, a corporate identity or as “a collection of perceptions in the mind of the consumer” (Abbing, 2010, p.12). Latest definitions of branding underline the role of creating a community around the brand, especially with the increasing influence of social media (Kapferer, 2012). Consequently, a brand can be described as a “name that symbolizes a long-term engagement, crusade or commitment to a unique set of values, embedded into products, services and behaviours,

which make the organization, person or product stand apart or stand out” (Kapferer, 2012, p.12). Expressed in a simple way this means the brand is a “name that is able to create a community around its values” (Kapferer, 2012, p.13). A brand can also be described as a “vision that is shared amongst people, and that defines the relationship an organisation aspires to have with its stakeholders” (Abbing, 2010, p.8). The vision that creates the relationship and the unique values are created on the basis of the brand platform that will be discussed in the following.

2.2.3 Brand Platform

The brand platform is a clear and sharply written construct of what a brand stands for (Kapferer, 2012). It creates trust and builds relationships through authenticity. It further represents the basis for all products, product lines, services or other touchpoints and creates the image that should fill the gap between the internally desired image and externally perceived image (Kapferer, 2012). It further defines “the facets of a brand, from the highest intangible values and brand personality down to products’ differentiating attributes and reasons for the alleged promises” (Kapferer, 2012, p.171). Brand platforms typically contain items such as ‘brand essence’, ‘brand pillars’ or ‘distinctive values’ (also called the ‘brand equities’), ‘brand personality’, etcetera (Kapferer, 2012).

Kapferer (2012) argues that the brand essence alone, which represents the kernel values of the brand identity, is not an engaging and rather a static concept. Hence, while the kernel values impart coherence and consistency, the brand positioning creates the brand promise and with this the themes for communication (Kapferer, 2012). Therefore, Kapferer (2012) emphasizes that the brand platform, containing brand identity and brand positioning, should express brand engagement, inspire action and creative execution and should further be “a springboard for product development and creativity, a tool to inspire great campaigns that have an impact on consumers” (Kapferer, 2012, p.174).

Thus, the brand platform is the basis for innovation, relationship building, the creation of a unique brand experience for every product and touchpoint (Kapferer, 2012). Every touchpoint creates unique values, lets the brand stand out, succeed and makes it incomparable (Kapferer, 2012). The brand platform, concretely brand values, can be activated through behaviour and tangible actions at every touchpoint (see figure 3). In the course of Social Open Innovation and brand management it is important to have a clear understanding of brand identity and brand positioning in order to facilitate interaction and exchange of ideas.

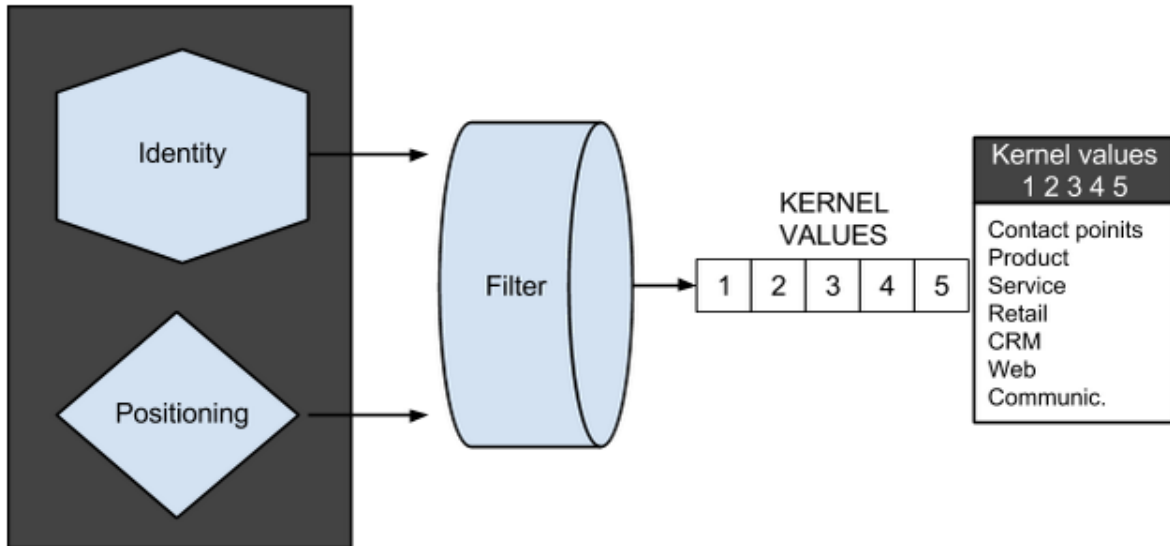


Figure 3: From Brand Platform to Activation (Kapferer, 2012)

2.2.3.1. Brand Identity

When thinking of a brand as a unique set of values or a driver for innovation, which is indirectly a driver for relationships (Aaker, 1996; Kapferer, 2012), it is essential to understand what the core elements of a brand are, which create these values. Kapferer (2012) calls these core elements brand identity or brand DNA. He defines these core elements by describing the brand identity prism that is illustrated in the following figure 4.

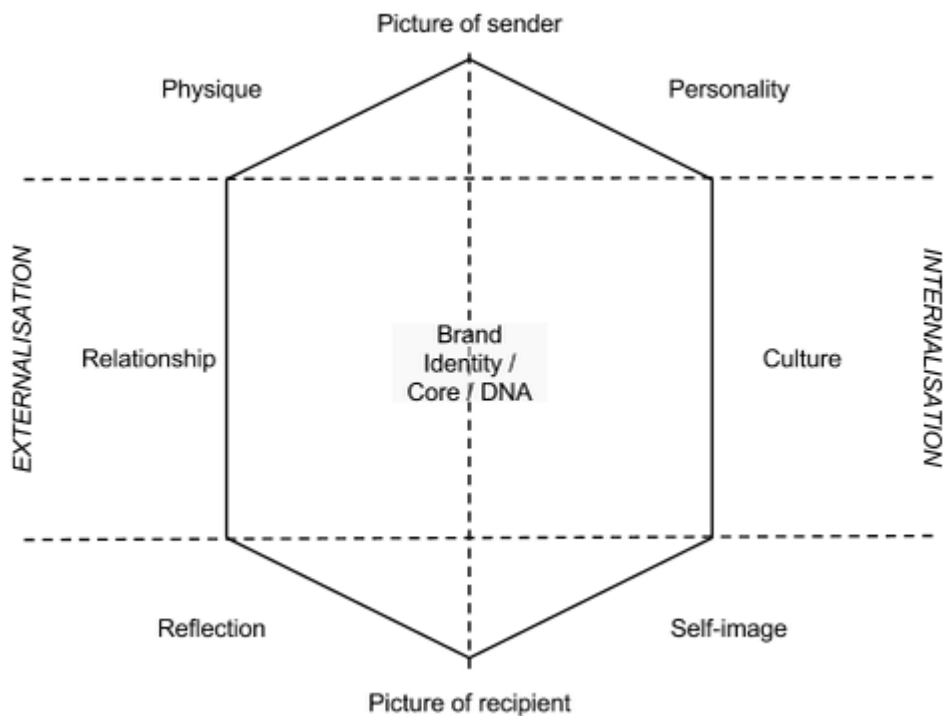


Figure 4: Brand Identity Prism (Kapferer, 2012)

The brand is illustrated through the Brand Identity Prism. It explains the six facets of a brand, which are:

- 1 **Physique:** An exterior tangible facet, which communicates the set of the physical features, colour, form and qualities of the brand, that come up in people's minds when the brand name is mentioned (Kapferer, 2012). Kapferer (2012) states that this aspect has to be considered the basis of the brand.
- 2 **Personality:** An internal intangible facet that forms the brand's character, soul and brand personality (Kapferer, 2012). This can be realized by using a specific style of writing, using specific design features or using specific colour schemes. Also, a person can be used to vitalize a brand.
- 3 **Culture:** An internal intangible facet that represents the set or system of values and basic principles within the organization which a brand has to base its behaviour on, e.g. the country of origin (Kapferer, 2012). "It is the most important facet of brand identity. Major brands are not only driven by a culture but convey their culture. The cultural facet is key to understanding the difference between [different brands]" (Kapferer, 2012, p.159).
- 4 **Relationship:** An exterior facet that represents the way - tangible and intangible - the brand connects to its customers (Kapferer, 2012). In other words: The mode of conduct or behaviour of the brand.
- 5 **Reflection (of the consumer):** An external intangible facet that describes the outward reflection of the customer the brand addresses (Kapferer, 2012). In other words: How the user wishes to be seen as a user of the brand.
- 6 **Self-image:** An external facet that describes the target group's internal mirror of the brand, or, in other words, the customer's attitude toward the brand (Kapferer, 2012).

The Brand Identity Prism is divided into four sections. The first section is the top part, containing the aspects *Physique and Personality* that constitutes the picture of the sender (brand owner). The second one is the bottom part that contains the aspects *Reflection and Self-Image*. It constitutes the picture of the recipient. The third and left part of the Brand Identity Prism deals with the externally perceived brand aspects *Physique, Relationship and Reflection*. The fourth and right part of the brand identity prism deals with the brand aspects of internalisation, which are *Personality, Culture and Self-image*.

Aaker (1996) describes brand identity as "a unique set of brand associations that the brand strategist aspires to create or maintain. These associations represent what the brand stands for and imply a promise to customers from the organization members. Brand identity should help establish a relationship between the brand and the customer by generating a value proposition involving functional, emotional or self-expressive benefits" (p.68).

Comparing Kapferer's (2012) and Aaker's (1996) definitions, it is clear that a brand generates values that help to build relationships between the brand and its customers. Especially Aaker (1996) emphasizes that a brand identity indicates a direct promise to its customers. In

contrary, Kapferer (2012) sees brand identity rather as the static core which creates coherence and consistency where all other elements such as associations, attributes, benefits and promises are built upon (Aaker, 1996; Kapferer, 2012). Thus, a brand can be seen as a prism that helps to understand and define what and how much to expect from a product that carries the name (Kapferer, 2012). The unique attractiveness for customers of a brand such as attributes, benefits and especially promises are built through the chosen positioning or meaning (Kapferer, 2012). Thus, the brand positioning creates the brand promise and the basis for communication and relationship building to fulfil its promises. Kapferer (2012) does not perceive the brand as a promise itself; he regards the promise rather as words which need to be experienced. These experiences can only be created by brand activation (see figure 3), as “values do not exist unless they are activated and today, one would add, unless they are experienced by the clients themselves, fully, at each point of contact, now renamed point of equity building” (Kapferer, 2012, p.132).

2.2.3.2. Brand Positioning

As pointed out above the brand identity depicts the source and represents the basis for brand positioning. According to Kapferer (2012) “positioning is competitive: when it comes to brands, customers make a choice, but with products, they make a comparison“(p.154). Hence, the concept of brand positioning focuses more on the product, service or touchpoint itself to make it comparable and stand out against competition (Kapferer, 2012). While the “old” and static key concept of positioning was to choose one single benefit that should be highlighted by “emphasizing the distinctive characteristics that make it different from its competitors and appealing to the public” (Kapferer, 2012, p.152), the new recent concept emphasizes the importance of a social model that creates a community, fans or follower and facilitates communication rather than just creating a positioning statement. Positioning, therefore, is competition-oriented and aims to make a brands or products contribution immediately obvious to the customer in order to be considered in the selection process (Kapferer, 2012). It serves on the one hand as a concept that creates identification and on the other as a real or perceived advantage for purchase decision-making. Aaker (1996) defines brand positioning as “the part of a brand identity and value proposition to be actively communicated to a target audience and that demonstrates an advantage over competing brands” (p.71). Therefore, when using the concept of positioning, it is on the one hand important to put oneself into the position of the customer, which in turn means that it is based on customer insights that are relevant to the market. On the other hand, it is also important to decide which parts of the brand identity and its value proposition should be communicated; hence, help to build a certain desired image through brand platform activation and with this, social and innovative interactions. Kapferer's (2012) concept of brand positioning is based on four questions (see also figure 5):

1. A brand for what benefit? The brand promise and consume benefit.
2. A brand for whom? The target group and aspects.
3. Reason? / Why? Elements that support claimed benefit.
4. A brand against whom? The main competitors.

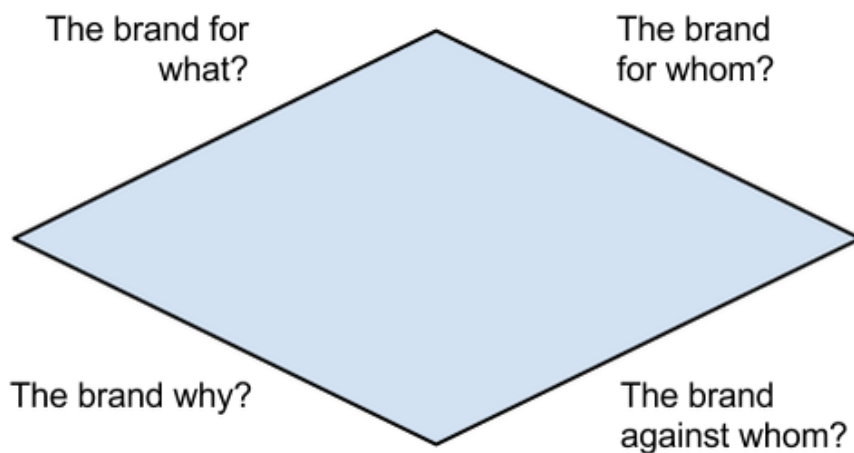


Figure 5: Brand Positioning Concept (Kapferer, 2012)

In conclusion, brand identity and brand positioning can be seen as important concepts when creating communities around a brand and trying to use these communities to contribute to the brand experience. Online users, customers and fans want to interact with a brand that they can identify with. This identification is mainly based on the brand's core values, its positioning and the resulting brand promise and consequently the useful and entertaining content that is generated by the brand in online brand communities. Further, the authors try to identify the brand assets which are most important helping to support Social Open Innovation through Online Brand Communities (Kapferer, 2012). Brand assets seem an appropriate concept as they describe past user experiences with the brand.

2.2.4 Brand Assets

From a user perspective, meaning consumer-brand relationship building it is important to create brand content and brand experiences in order to create a community and to enforce innovation around the brand. A company, however, seeks to increase the financial value of its brand. In order to bring these goals together, it is important to understand the concept of brand equity. In this context, brand content and brand experiences represent the basis of brand equity, the so-called brand assets (Kapferer, 2012). As previously mentioned, among other items, especially brand values have to be activated through the brand platform in order to build brand equity (Kapferer, 2012). In contrast, "brand equity also provides value to customers" (Aaker, 2013). Thus, brand touchpoints represent important environments of equity building (see 2.2.1). According to Aaker (2013) brand equity is a set of brand assets. Brand assets "are learnt mental associations and affects. They are acquired through time, from direct or vicarious, material or symbolic interactions with the brand" (Kapferer, 2012, p.15). In other words, brand assets are created through brand experiences. This in turn means that brand platform activation plays an important role to create these experiences that are reflected in the brand assets. These brand assets "enable the brand to leverage her strength and [...]"

deliver future value to the brand” (van Haaften, n.d.). As displayed in figure 6, past generated brand assets lead to present brand strength and results in future brand value (Kapferer, 2012).

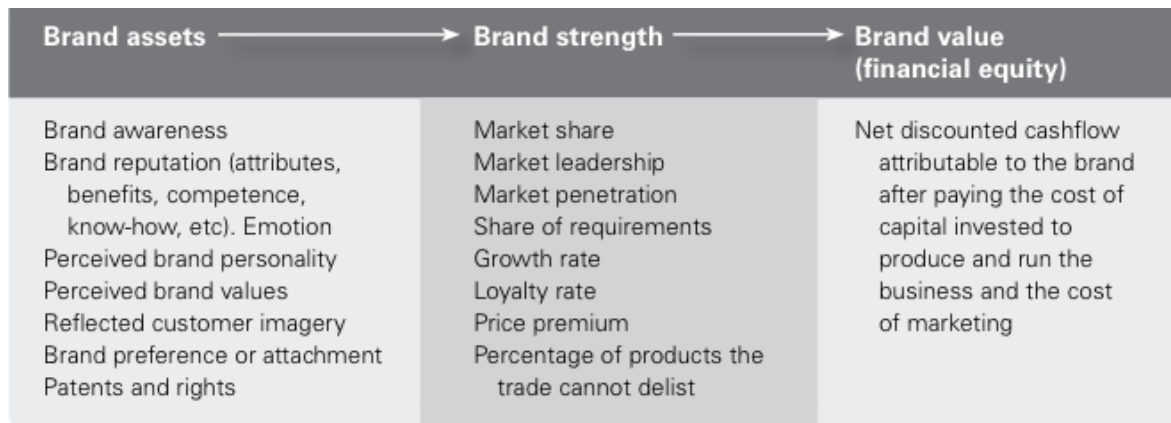


Figure 6: From Brand Awareness to Financial Value (Kapferer, 2012)

According to Kapferer (2012) this connection between the past and the future represent the three levels of brand equity - (1) brand assets, (2) brand strength and (3) brand value. Furthermore, the value of a brand is directly linked to the image and mindset of customers and future customers and, therefore, reflects all direct and indirect brand experiences (Kotler & Keller, 2006). Accordingly, a strong brand can be identified through a strong and loyal customer base that “determines the future attractiveness of a brand and its brand equity” (van Haaften, n.d.). As a consequence, brand assets provide an important unit of analysis for studying users’ expectations and perceptions based on their previous experiences with the brand. Therefore, the brand assets will be shortly described in the following.

2.2.4.1. Brand Awareness

Brand awareness describes the perception of a brand in the mind of its customers, users and other stakeholders. It reflects experiences that have been made in the past and influences future perceptions, attitude and behaviour (Kapferer, 2012). Therefore, when referring back to figure 6, brand awareness plays an important role in brand equity. According to Kapferer (2012) people are aware of a brand when they feel attracted and interested to it which is not only a result of advertising. He argues that it is more about managing selective perceptions, exposure, attention and memory (Kapferer, 2012). In accordance to Kapferer (2012), Aaker (1996) further sees brand awareness as the knowledge and unique characteristics of a brand that customers and users have in mind, in order to recognise a brand. Thereby, the interaction between the brand name, attached symbols, imagery and brand slogan define the level of brand awareness (Aaker, 1996).

2.2.4.2. Brand Reputation

“[Brand] Reputation is measured by the sum of all opinions held by all major stakeholders of the company” (Kapferer, 2012, p.28). These opinions are created through four aspects that are familiarity, brand uniqueness, advertising and the number of competitors. “It is well known from evaluations of past campaigns that the more a brand is known, the more its advertisements are noticed and remembered” (Kapferer, 2012, p.26). Brand reputation,

therefore, can help to increase the demand for and attractiveness of a brand. Hence, if an image of premium quality could be created, a premium price can be justified.

2.2.4.3. Brand Personality

Brand personality is one part of the previously mentioned brand identity (see 2.2.3.1) and brand assets. It is a very important element of brand management. According to Aaker (1996), brand personality can be compared to a human personality. He argues that the personality is associated with a set of human characteristics such as demographic, lifestyle and personality, and, therefore, the intangible behaviour of a brand becomes a more tangible appearance. Hence, brands become a living person through their personality. Furthermore, “Brand personality develops the interaction between the brand, product, service, organization and their users. Nearly everything associated with the brand affects the perceived brand personality” (van Haften, n.d.).

2.2.4.4. Perceived Brand Values

According to Kapferer (2012) brand values are reflected through the brand platform (see 2.2.3). This means brand managers need to filter and communicate the most important ‘core values’, as they represent a key element of a brand’s identity (Collin and Porras, 1997). Consequently, a consistent management of these values over time and through products, relationships, shop and web experience, as well as pricing is important to achieve both, internal and external perception of the brand values (Kapferer, 2012). If the consumers’ values and brand values do not fit, meaning ‘understanding each other and sharing the same values’, the brand cannot create a strong relationship with its customers (Kapferer, 2012). Furthermore, values are also an important factor when it comes to the corporate culture that is represented in the brand identity (see 2.2.3.1). Successful brands can convey their culture and its reflected values in a way that it becomes a cult for external customers and users (Kapferer, 2012).

2.2.4.5. Reflected Customer Imagery

Although the concept of reflected customer imagery is not explicitly defined, it can be described as the pictured or figurative characteristics of a brand that consumers bring up to their minds when thinking of a certain brand (Kapferer, 2012). These characteristics or associations might be closely connected with a brand’s physical appearance such as logo, colours, style and appearance.

2.2.4.6. Brand Preferences or Attachments

The concept of brand preference or attachment describes customers’ desire to develop a lasting relationship with a brand, which can be expressed through loyalty in terms of repeated purchase or future purchase behaviour (Kapferer, 2012). The aspect of preference further emphasizes the distinguishing features of a brand in relation to its competition. Hence, this concept illustrates a close and lasting relationship between consumers and the brand.

2.2.4.7. Patents and Rights

Patents and rights are important brand assets. According to Kapferer (2012), a brand can only exist on the market when it could gain enough power to influence the market. Such influence can be created through patents and rights. Patents further provide a competitive advantage, as

it can also be seen as a protection of a brand's investments, innovations and distinguishing features (Kapferer, 2012). Also without any noticeable brand awareness patents and intellectual property rights can ensure a strong brand value.

Besides brand assets, reflecting past customer and user experiences, the type of interactions and exchanges that take place between the brand and the user will be reviewed in the context of the Social Exchange Theory. As part of this review, the Social Exchange Theory will be introduced subsequently.

2.3 Social Exchange Theory

Originally, the Social Exchange Theory provided an organizational framework for explaining work behaviour in management research (Cropanzano and Mitchell, 2005). The theory seeks to explain that, "individuals engage in a series of interdependent interactions that generate obligations among the exchange parties" (Blau, 1964; Emerson 1976; Homans 1958 cited in Mitchell, Cropanzano, Quisenberry, 2012). According to this explanation, a valued and beneficial resource is offered by one party, which results in an obligation of the other party to give a beneficial resource in return. Social Exchange Theory in this context seems appropriate as it has similar characteristics to Social CRM (see 2.1.1) and allows studying mutual beneficial situations and value creation for both parties. Thus, "a series of mutual exchanges strengthen the quality of the relationship between the exchange parties, which thereby produces beneficial and productive behaviors" (Blau, 1964).

One of many contexts in which the Social Exchange Theory has been applied are online communities in order to study user behaviour and their motivations (Füller 2010; Hemetsberger & Pieters, 2001; Kollock & Smith, 1998). Füller (2010) thereby has analysed three main elements in the context of virtual co-creation: (1) the contents and task, (2) the processes and tools and (3) the people that interact with each other. Additionally, the authors will also include other elements of the SET such as rules and norms (Emerson, 1976), resources (Foa & Foa, 1974, 1980) and relationships (Mitchell, Cropanzano & Quisenberry, 2012) in the analysis in order to get an even more thorough understanding of the user-brand relationship. While previous studies such as Füller's (2010) have focused on interaction between users based on individuals' motives and individuals' specific personalities, this research study aims to identify the company's requirements or more specifically the expectations and requirements towards the brand facilitating such interaction. Further, the elements of the Social Exchange Theory will be briefly explained in the following.

2.3.1 Content and Tasks

Füller (2010) describes that consumers may have certain expectations towards the product, product category or the task they virtually want to contribute. Furthermore, the brand might play an important role in virtual co-creation, as consumers aim to engage only in innovation activities with their preferred brand. In terms of tasks, users also might be influenced by the stage of the innovation process and their specific role at a certain stage. Hence, studying the

contents and tasks of an online brand community used for Social Open Innovation might help to gather rich information about users' expectation towards the brand.

2.3.2 Process and Tools

With processes and tools, Füller (2010) describes how individuals want to interact with each other. On the one hand, the intensity and involvement of user participation depend on the processes established in the online community. The extent of participation can differ from a one-time submission to occasional interactions such as voting and commenting, to a strong relationship building (Füller, 2010). On the other hand, users search for certain tools that "enable them to create their desired solutions and allow them to transfer easily their [...] knowledge" (Füller, 2010, p.102). Consequently, if such tools are provided by the brand, the consumer's inspiration and creativity will be triggered for value creation and innovation.

2.3.3 Users and Relationships

Füller (2010) states "consumers may engage in co-creation activities because they want to interact with other like-minded consumers" or "some could be interested in collaborating with their preferred brand" (p.102). Consequently, the interpersonal relationships that users establish among each other and with the brand are an important element when studying Social Open Innovation in online brand communities.

Although the following elements may have some overlapping parts with Füller's (2010) presented elements, the authors believe that by including these further elements, a more profound understanding of the user-brand relationship and rich insights for brand management will be gained.

2.3.4 Rules and Norms of Exchange

Based on the SET, "relationships evolve over time into trusting, loyal, and mutual commitments" (Cropanzano and Mitchell, 2005, p.875). The rules of exchange help to achieve this kind of relationships. Rules of exchange can be described as "a normative definition of the situation that forms among or is adopted by the participants in an exchange relation" (Emerson, 1976, p.351). They can be seen as "the guidelines" of exchange processes.

2.3.5 Resources of Exchange

In a social exchange, resources can be of economic or symbolic relevance. The resource theory by Foa and Foa's (1974, 1980) illustrates six possible types of resources that can be exchanged: love, status, information, money, goods, and services (see figure 7). Two dimensions thereby are used to organize these benefits: particularism and concreteness.

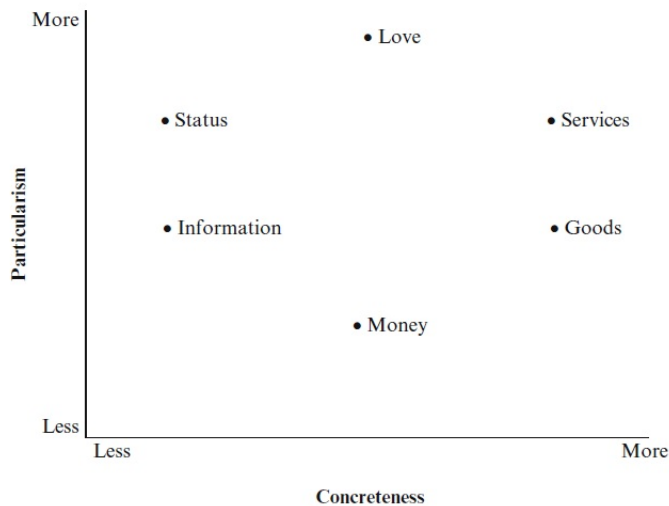


Figure 7: Configuration of the Six Resource Classes (Foa & Foa, 1974, 1980)

Foa and Foa's (1974, 1980) resources can be divided into economic and socio-emotional outcomes. The former ones are of more tangible nature and address financial needs, while the latter "address one's social and esteem needs (and are often symbolic and particularistic)" (Cropanzano and Mitchell, 2005, p.881). The worth and meaning of the resource that is exchanged is largely dependent on its source. Therefore, a distinction between the particularism and universalism of the resource is made. While money, for example, offers a very low particularism, love in contrast, is highly particularistic, as it depends on the source. Concreteness, expresses how tangible or specific the exchanged resources are. While products and services can be perceived easily, which means that they are concrete; other, less concrete resources have a rather symbolic nature. Consequently, the resource theory focuses primarily on what is exchanged, but it has also identified certain types of benefits that are more likely in the way they are exchanged. "The less particularistic and the more concrete a benefit is, the more likely it is to be exchanged in a short-term, quid pro quo fashion. In contrast, benefits that are highly particularistic and symbolic are exchanged in a more open-ended manner" (Cropanzano and Mitchell, 2005, p.881). In other words this means, "it is not uncommon to expect monetary payment for a specific good, but less likely to be true for love or status" (Cropanzano and Mitchell, 2005, p.881).

2.3.6 Social Exchange Relationships

This SET model implies that "certain [...] antecedents lead to interpersonal connections, referred to as social exchange relationships" (Cropanzano, Byrne, Bobocel, & Rupp, 2001 cited in Cropanzano and Mitchell, 2005, p.882). Thus, the social exchange can help to study the type of interpersonal relationships that are established over time, as "implying social exchanges creates enduring social patterns" (Cropanzano and Mitchell, 2005, p.882). Mitchell, Cropanzano and Quisenberry (2012) have identified three perspectives of interpersonal relationships in social exchange, which are the relationship-formation paradigm, the relational-attribute paradigm and the relationship context paradigm. The relationship-

formation paradigm “emphasized that beneficial exchanges could lead to the formation of close relationships” (Mitchell, Cropanzano & Quisenberry, 2012, p.114). The relational-attribute paradigm “emphasizes qualities of the relationship that might become resources for exchange” (Mitchell, Cropanzano & Quisenberry, 2012, p.114). The relationship context paradigm “emphasizes that interpersonal closeness can moderate the manner in which goods are exchanged as well as how people respond to these transactions” (Mitchell, Cropanzano & Quisenberry, 2012, p.114). These different perspectives contribute to a better understanding of how and why some interpersonal connections evolve into committed and trusted relationships (Mitchell, Cropanzano & Quisenberry, 2012).

According to Gambetti et al. (2012) a brand can be associated with human characteristics and establish interpersonal relationships with consumers. If an individual’s personality has an influence on the type of interaction and engagement in online communities among users, the company’s personality or brand identity influences the type of interactions that take place in online brand communities. A brand can be the reason certain users engage in virtual co-creation of that specific brand and no other alternative brands. Fuller (2010) describes these users as brand lovers, which explain why they are interested in collaborating with their preferred brand.

Therefore, users’ expectations and perceptions in online brand communities used for Social Open Innovation will be studied to identify elements of branding that support innovation, user interaction and relationship building. Previously, trust and norms have been identified as important drivers of interaction and engagement (Kosonen et al., 2013). User trust in a hosting firm can be depicted as the “belief in its goodwill and integrity”, which is commonly used in the Social Exchange Theory (Blau, 1964). This paper tries to identify which requirements must be fulfilled by the brand in order to enforce the exchange of knowledge between users and the company and by this support the company’s innovativeness.

2.4 Preliminary Conclusion: Bringing it all Together

The review on the major schools of thought has shown that Social Media is the main driver for Open Innovation and has forced companies to open up their innovation processes which allow user or customer participation and involvement through different stages of the innovation process. Social media, in particular forced companies to engage in Open Innovation due to increased customer empowerment and changing customer behaviour and needs. As a result users and customers demand participation in innovation processes and at the same time challenge advertising messages and are rather influenced by other users or customers. This demand has led to user interaction and exchange through online communities where they can share opinions, ideas, experiences or complaints, but also to get attention from their loved brands. Companies have accepted this challenge and get more and more involved in Social Media Marketing and even more recently in Social CRM. Companies and brands try to establish close connections with their customers in order to gain valuable insights. In Social CRM, these customers or users are known as ‘Social Customers’ whereby specifically the ‘Social Innovators’ and the ‘Opinion Leading Customers’ are most important for Open Innovation through social media. At this point of the literature review, the combination of

Open Innovation and social media could be identified as a new paradigm of innovation which can be denominated as Social Open Innovation.

Social CRM and Social Open Innovation share the view to understand customer and user needs to develop an understanding of the customers' perspective. Therefore, by definition, Social Open Innovation is to be perceived as a subset of Social CRM. As social structures such as social media can be identified as a possibility to trigger strong creative involvement and an increase in the quality of interaction for innovation. One channel through which Social Open Innovation can be executed is online brand communities. From a Social CRM or rather Social Open Innovation perspective community trust and support are most important for knowledge sharing. Especially in online brand communities, members are seen as "especially valuable sources of innovation as they are usually passionate about the brand and experienced with its products" (McAlexander et al., 2002). Such community type can strengthen a brand, thereby influencing the consumer-brand relationship. Especially in Social Open Innovation, 'Social Innovators' need on the one hand to be identified. On the other, the brand needs to increase the willingness of valuable users to participate in their Social Open Innovation activities.

From a brand management perspective, such online brand communities represent a very important touchpoint, as consumers' opinions are being formed every time they get in contact with a brand's communication efforts. Therefore, it is very important for brands to interact with users, fans, customers and other stakeholders by creating special brand content and brand experiences. These experiences must not only be useful but also entertaining, thereby building relationships through enjoyment and satisfaction. Social Open Innovation hereby contributes to the overall brand experience. Generating brand experiences and brand content is based on the concept of brand platform consisting of brand identity and brand positioning. While brand identity is the more static and inflexible concept which represents the kernel values or essence of a brand, brand positioning represents the more important and dynamic concept when connecting Social Open Innovation and brand management. Users, fans and customers want to interact with a brand they can trust and identify with. Brand positioning focuses on specific target groups, and on what kind of kernel values are communicated through a certain touchpoint, product or product line. Moreover, brand positioning is also a social model which helps support community building with fans or followers and facilitates communication. As a result, brand positioning facilitates communication and is thus closely connected to Social Open Innovation. Besides creating experiences and building consumer-brand relationships, brand equity is an important concept for companies to measure the financial of a brand. While brand equity is a set of brand assets that creates brand value for the firm, it also creates value for the users. Hence, brand assets, on the one hand, contribute to brand experience for consumers and, on the other, contain past brand experiences that can result in a strong consumer-brand relationship in the long-term. Furthermore, brand personality can be identified as an important factor when trying to establish interpersonal and long-term relationships with consumers. This is because users try to connect with like-minded people and a brand that has a similar personality or values. As a consequence, the social dimension between the brand and its users becomes increasingly important, because users want to take part in the creation of brand content (Gensler et al. 2013 in Labrecque, 2014). Therefore, the exchange between the brand and the users in online brand communities that are used for Social Open Innovation will be researched in the context of the Social Exchange Theory.

Based on the literature review and the elaborated interconnections between Open Innovation, social media and brand management, figure 8 has been drafted in order to create a better understanding by visualizing these interconnections. Figure 8 represents a preliminary conceptual framework as explained in the following.

Brand Platform Activation: Brand Management & Socialization Stream

The brand platform is the basis of innovation, relationship building, brand content and the creation of a unique brand experience for every product and at every touchpoint. The brand chooses its values and communicates these values in order to make it unique and to single it out from the competition. These intangible values have to be activated through behaviour and tangible actions through every touchpoint that reveals the brand identity. Kapferer argues that the brand has to “inject its values in the production and distribution process” (Kapferer, 2012, p.165). As online brand communities offer a new touchpoint between the brand and users, the aforementioned value injection needs to be executed, to disclose to the users the full identity or soul and purpose of such a community. This perception is especially important when the brand aims to establish a long-term, interactive and interpersonal connection with its users. When engaging in Social Open Innovation a brand needs to position itself and communicate in a way which allows a users to easily identify with it. As a consequence, a community with like-minded people can be formed around the brand that allows users to take an active part in the content creation and the co-creation of value.

In summary, the ‘Brand Management & Socialization Stream’ describes the process of providing a Social Open Innovation platform and connecting the brand with like-minded individuals by revealing the brands core values and making them tangible.

Social Open Innovation and Brand Management: Social Open Innovation Stream

Users build their brand image based on the brand values they perceive and how they interpret them. If they are inspired by the brand and feel enthusiastic about it, they might be willing to exchange knowledge with the brand and thus actively participate in Social Open Innovation. This user image is the basis for social exchange and the willingness to participate in Social Open Innovation. When submitting a new product or service idea or exchanging knowledge with the brand, the user becomes an active co-creator (Idea Generation). The brand then validates every user-generated contribution in order to ensure consistent and authentic brand values, which is illustrated as identity check or injection (Development). If the idea is accepted in accordance with the existing brand values, the brand has to decide how to exactly position it (Commercialization). Successful positioning means, selecting the right target group, communicate the new product accordingly and differentiate it from the competition. When incorporating user-generated ideas correctly, a social innovative brand delivers its brand promise and by this may strengthen its relationship with users and leading back to the brand platform as point of departure. Consequently, a mutually beneficial situation is created both for the user and the brand. However, if the brand image or the brand promise is not consistent and authentic, the consumer-brand relationship turns negative.

The overall process can be summarized in the ‘Social Open Innovation Stream’ which describes the activity of Social Open Innovation and the user participation from a branding perspective.

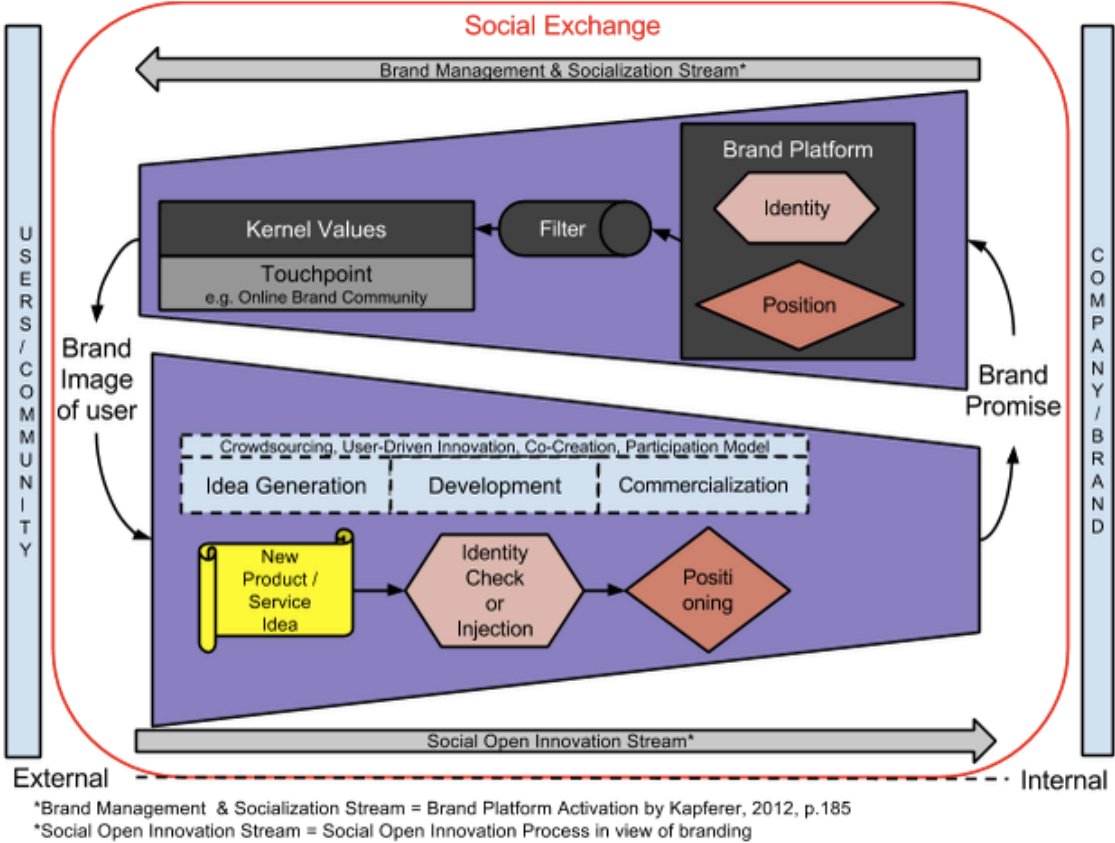


Figure 8: Social Open Innovation in Online Brand Communities (Own illustration)

Figure 8 illustrates a preliminary conceptual framework for Social Open Innovation and brand management in online brand communities. The framework provides guidance for the researchers and explains how the research problem will be explored. This paper will mainly focus on the role of brand management, concretely brand requirements based on user expectations and perceptions. Therefore, the SET will be applied to study the user-brand relationship in online brand communities that are used for Social Open Innovation.

3 Methodology

The following chapter indicates the philosophical and methodological approach applied in this thesis. First, the research philosophy will be elaborated. In a second step, the research strategy, design and method of data collection will be presented. Further, ethical issues of the presented research design will be discussed. As a last point, a self-critical analysis of the research limitations of the presented research design is discussed.

3.1 Research Approach

At first, the epistemological and ontological stance taken by the researchers will be presented. This presentation helps to understand the relation between theory and research and further to ensure a thorough and credible research (Bryman & Bell, 2011). Reflection and knowledge about a researcher's philosophy supports a clear and appropriate research design, and thus prevents the researchers from taking inaccurate steps and enables them to contrast the limitations of an applied research approach (Easterby-Smith, Thorpe and Jackson, 2012).

The present study aims to investigate the perceptions and expectations of users towards the brand in online brand communities, which are used for innovation purposes as basic object of study. To this effect, the researchers take a constructionist stance, which takes into consideration reality as an outcome of the perceptions and actions of social actors (Bryman & Bell, 2011). Therefore, the research is based on intersubjective constituted data that is "expressed in languages and practices [...] in which we experience ourselves and the actions and utterances of others" (Schwandt, 2006, p.156-157). Based on this ontological assumption, the researchers accept the phenomena under investigation, as a result of social interaction which is constantly reviewed and adapted by individuals, which in the presented research are users of online brand communities (Bryman & Bell, 2011). Thus, a constructionist ontological perspective allows the researcher to study the actions and perceptions of actors that are directly involved in Social Open Innovation activities in online brand communities.

With reference to the epistemological stance, the researchers position themselves as social constructionists, an approach that Habermas (1970) has referred to as interpretative method. In other words, this supposes that people build their constructions by relying on their personal experiences, making sense out of it and giving meaning to the world (Easterby-Smith, Thorpe & Jackson, 2012). Based on this epistemological perspective, the exploratory research question aims to contribute to a better understanding of what expectations users have towards a brand when engaging in Social Open Innovation through online brand communities. Bryman & Bell (2011) confirm that an interpretative approach allows researchers to access user's sense making by interpreting their individual experiences. The previously mentioned theoretical framework aims to analyse the social exchange that takes place between users of an online brand community and a company's brand. As this represents a rather complex and unexplored phenomenon that is based on experiences, expectations and perceptions, an inductive approach seems appropriate. The researchers want to build a social scientific framework as a result from the derived interpretations of this research (Bryman & Bell, 2011).

Thus, the overall aim is to theorize the research findings in the end. It has to be pointed out that the applied philosophical stance and its associated qualitative methods rely on “their ability to understand people’s meaning, to contribute to evolution of new theories” by using natural ways of data collection (Easterby-Smith, Thorpe & Jackson, 2012, pp.27-28). Though, the difficulty of effective time management, research progress and interpretation of data must be taken into account (Easterby-Smith, Thorpe & Jackson, 2012).

3.2 Research Design

The following section presents the research design that is applied in this study in order to address the research questions.

3.2.1 Research Questions and Objectives

Based on the above-elaborated approach the present research aims to apply a qualitative and inductive approach. This approach will be done by studying user experiences and expectations when engaging in online brand communities with the purpose to exchange knowledge, create ideas and contribute to the company’s or brand’s innovativeness. An inductive approach facilitates a better understanding of the nature of certain phenomena (Saunders, Lewis & Thornhill, 2009). Therefore, the research questions as mentioned in Chapter 1 have been chosen accordingly:

1. What brand assets are most relevant to support innovation through online brand communities?
2. How can the brand build an online brand community to support innovation?
3. What is the overall benefit from innovation through online brand communities?

In order to explore these research questions, the researchers need to collect data that illustrates what individual users expect in exchange for submitting ideas in online brand communities. There are several online brand communities that have tried to engage in Social Open Innovation over several years which allow studying users’ experiences with such kind of innovation activities. By depicting the users of online brand communities as the basic unit of analysis, rich data can be collected by studying the specific context of such a community and individual user experiences and expectations towards a brand. Furthermore, by studying active users of online brand communities, their first-hand insights and perceptions will provide valuable data on how they perceive the brands efforts to contribute to the generation of new ideas. Additionally, background information about the historical development of the online brand community, best practices, community settings and tools might provide valuable insights in order to explore and address the research questions.

In order to best explore the phenomenon of Social Open Innovation in online brand communities, the authors opt for a case study method. A case study aims to investigate “a contemporary phenomenon in depth and within its real-life context, especially when the

boundaries between the phenomenon and context are not clearly evident” (Yin, 2009, p.18). A case study method in the given context helps to understand what brands have to offer in exchange for user-generated ideas and their contribution to innovation. As the social exchange that takes place in online brand communities is a rather complex and unexplored real-life phenomenon, a qualitative case study research on online brand communities seems an appropriate research design for data collection and in-depth interpretation.

The use of theory in a case study method can serve several purposes. Hence, it can help the researchers to develop research questions, selecting a specific case and an appropriate design and finally to identify the relevant data that needs to be collected (Yin, 2012). Consequently, the overall goal is to expand theory (Yin, 2009). This case study will extend the Social Exchange Theory towards brand management by illustrating the interpersonal relationship and interaction requirements between users and the brand. With this objective, the SET helps to understand what a brand needs and how a brand can support innovation through online brand communities. These requirements will be explored by studying the concept of brand assets and elements of the SET, which consequently provide the main categories for data analysis.

3.2.2 Single Case Study Design

Case study research enables the researcher to gain valuable insights into current as well as past events in the development and experiences of online brand communities that are used for innovation. Case study research implies the collection of empirical data by accessing the case from multiple dimensions and perspectives and allows the researcher to study a specific phenomenon in its real-life context (Yin, 1994). The data interpretation then should provide a “rich picture of life and behaviour in organization or groups (Easterby-Smith et al. 2012, p.55), which is suitable when studying online brand communities. Among qualitative case study methods, Stake (2006) argues that an expressive case study investigates a case that provides unique features that may be generalizable to some extent to other contexts. In contrast, an instrumental case study aims to develop general principles by looking into different cases. In the given context, an instrumental case study is difficult to apply, as Social Open Innovation is a rather recent and unexplored research field. Siggelkow (2007) further argues that a case study method especially is valuable when trying to illustrate abstract concepts, to provoke new ideas or to manifest the importance of a particular research question.

Easterby-Smith et al. (2012) defend the application of a single case study because of its unique interest, which, for example, can be expressed in a company that performs significantly better than others. Saunders et al. (2009) further argue that a single case study provides researchers with “an opportunity to observe and analyse a phenomenon that few have considered before” (p.146). In the presented case, these are the characteristics and requirements of the social exchange that are expected from a brand when trying to engage in Social Open Innovation. As LEGO and its LEGO Ideas community is perceived as a best practice in the field of Open Innovation, the researchers have chosen to conduct a single case study method on LEGO Ideas. For the same reason, the option of conducting a multiple case study has been disregarded. Furthermore, as Social Open Innovation through online brand

communities presents a rather recent phenomena and also taking into account the given time frame of ten weeks, there is no possibility to conduct a longitudinal case study. Therefore the special interest of the LEGO Ideas community and its unique features will be presented subsequently. LEGO Ideas community has been identified as a best practice in the context of Social Open Innovation, because of LEGO's long track record of Open Innovation which already started in an offline environment, its large user base and its several examples of successful innovation. Therefore, taking into account the explorative nature of the given phenomena, this study has been designed as a qualitative single case study on LEGO Ideas (Johnston, Leach and Liu, 1999; Yin 1994). Hence, the LEGO Group and its LEGO Ideas platform will be presented in more detail in the following.

3.2.3 LEGO Ideas Case

The Danish company LEGO with headquarters in Billund / Denmark has been founded in 1932. Since then it is still family-owned and employs today more than 10.000 employees worldwide (Lego.com, n.d. a). The company has become popular because of its LEGO bricks that helped to become the largest toy company in the world with annual revenue of around 3.5 billion Euros (Solomon, 2014).

3.2.3.1. Track Record of User Innovation

Already with its mission statement - „Inspire and develop the builders of tomorrow“ - LEGO shows customer orientation as the builders of tomorrow also represent LEGO customers at the same time (Sandgaard, 2012). That is why terms such as the ‘customer’ and ‘user innovation’ play a big role at LEGO. Consumers and customers are positively invited to create and deliver new product ideas or sometimes even help to co-design and participate in co-development of new goods and services. LEGO is globally known for its co-creation and user innovation philosophy. For example through the LEGO Friends line that has been co-developed together with female children to increase the market share of girls playing with LEGO (Trangbæk, 2012) and the community-based program - LEGO Certified Professional - which consists of “adult LEGO hobbyists who have turned their passion for building and creating with LEGO bricks into a full-time or part-time profession. LEGO Certified Professionals are not LEGO employees, but the LEGO Group officially recognizes them as trusted business partners” (Severson, 2014). Another example is LEGO Factory website which discontinued in 2012 where users could digitally design their personalised LEGO set and then buy all the elements from LEGO to build it in reality. One famous example of user innovation is the example of Adam Reed Tucker. Tucker's contribution resulted in the implementation of a whole product line in the LEGO universe, a clear sign of LEGO's openness for external Idea input (lego.com, n.d. b).

All these activities reflect LEGO's values, namely Imagination, Creativity, Fun, Learning, Caring and Quality, which are the basis of the LEGO Brand Framework that is illustrated in the following figure 9.

Mission	Inspire and develop the builders of tomorrow	
Aspiration	Globalize and innovate the LEGO system-in-play	
Promises	Play Promise Joy of building, Pride of creation	Partner Promise Mutual value creation
	Planet Promise Positive impact	People Promise Succeed together
Spirit	Only the best is good enough	
Values	Imagination - Creativity - Fun - Learning - Caring - Quality	

Figure 9: LEGO Brand Framework (Sandgaard, 2011)

Having a closer look on the framework it is obvious that LEGO has innovation and participation rooted in its brand identity. The most recent example is the launch of its worldwide ‘LEGO Ideas’ Open Innovation / Crowdsourcing platform (former LEGO CUUSOO) where consumers can submit their LEGO idea (Lego.com Newsroom, 2011).

3.2.3.2. Overview & Facts

Statistics from April 2014 of the LEGO’s Ideas platform, where the user can register, submit ideas, comment other suggestions and submit ratings, clearly show LEGO’s success of customer integration. With 578,668 user profiles that submitted 60,173 new ideas, 227,768 comments and 1,438,537 supports for projects, LEGO could identify great success since the launch of LEGO CUUSOO in 2008 (Courtney, 2014).

LEGO Ideas (former LEGO CUUSOO) offers an online platform where customers or users can create a product idea. They can share this idea on other social networks and can get ratings on their ideas from other users (Ideas.lego.com, n.d.). LEGO Ideas, therefore, represents the central Open Innovation pool of the company. One controversy is that LEGO does not actively promote the LEGO Ideas community. This lack of promotion means that users are not aware of such a platform until they actively search for new ideas or get introduced to it by someone. Furthermore, updates or news about LEGO Ideas are not communicated through the Lego Ideas platform itself, but through a separate LEGO Ideas blog.

3.2.3.3. Process & Quality

When participating on the LEGO Ideas platform, the winners benefit from official recognition in form of an enclosed biography in every LEGO Ideas set and further, of a 1% net sales stake of every sold LEGO Idea set. However, before producing a user-generated idea as an official LEGO set, users have to gather the support of 10,000 votes from other LEGO Ideas users. (Ideas.lego.com, n.d.). The process of voting for a specific LEGO Ideas project includes a short survey that every supporter has to fill out. When a project reaches 10,000 supporters, it

passes over to the LEGO review process. In the review process, LEGO evaluates every project on the following attributes: (1) “Your original LEGO model design shown through your photos, illustrations, or artwork”; (2) “The concept presented both visually and in your project’s written description”, (3) “the audience that will potentially purchase the product, based on the project’s supporter survey data and our own market analysis” (Ideas.lego.com, n.d.).

Furthermore, the submitted ideas should have a certain quality. In order to ensure quality and brand fit of user innovation, the customers innovation process on LEGO Ideas runs through multi-steps. Every project has 356 days to gather supporting votes. At 1000, 2000 and 5000 supporting votes the LEGO Ideas team sends feedback about the idea containing tips and information about the feasibility and other relevant aspects for further development. If an idea makes it gather more than 10,000 supporters, it has made the last step for the decision if a project is going to be included in the LEGO assortment or not. For this there will be another more in-depth expert review that is called LEGO Review, which is done three times a year. “During the LEGO Review, a team of specialists within The LEGO Group – including LEGO set designers, marketing and business representatives, and other relevant team members – evaluate each project to determine its potential as a LEGO set” (Espersen, 2014). Only if the idea fulfils all requirements and standards such as playability, safety and a fit with the LEGO brand, it is going to be produced and sold (Espersen, 2014). If a project fails to gather enough supporting votes in the given time frame, it needs to start again with 0 votes. “Once a project is chosen to become a set, professional LEGO designers take over from there” for further development in order to meet LEGO’s final standards (Ideas.lego.com, n.d.). This process is illustrated in the following figure 10.

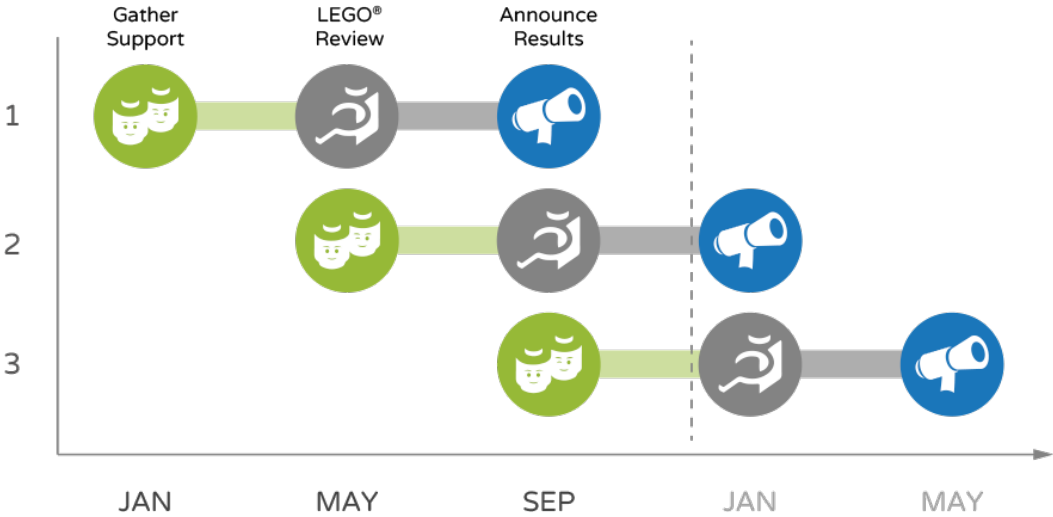


Figure 10: LEGO Review and Deadline (Ideas.lego.com, n.d.)

In conclusion, LEGO has shown that it already uses the possibility of user innovation on a high level and can be seen as a blueprint for Social Open Innovation. Consequently, this LEGO case study offers several points that make it unique and, therefore, justify a single case study approach that are defined as follows. First, LEGO can clearly be associated with

innovation and creativity as it is rooted in its “LEGO brand framework”. Second, LEGO has already first-mover experience with Open Innovation activities (e.g. LEGO CUUSOO, LEGO Factory, LEGO Friends, LEGO Mindstorms, and LEGO Certified Professional Program). This previous experience allows studying and extracting valuable insights from its existing track record. Furthermore, because of its long history and strong reputation it has gained since 1932, LEGO can be considered as a mature brand especially through its efforts in the field of innovation and co-creation. Finally, LEGO Ideas clearly can be identified as an online brand community, as it shares the same name as the LEGO brand and has achieved to create a noticeable user base.

3.3 Data Collection Method

In order to systematically gather information, the two chosen approaches of data collection and data processing will be presented and explained in the following.

3.3.1 Semi-Structured Interviews

Relying on interviews as a modality for collecting qualitative data, seems a suitable method to address the presented research questions, as this method allows gathering information, out of language data from users of online brand communities by “discovering the views, perceptions and opinions of individuals and groups” (Easterby-Smith, Thorpe & Jackson, 2012, p.126). Interviews are one of the most applied methods within qualitative research (Bryman & Bell, 2007, p.472; Easterby-Smith, Thorpe & Jackson, 2012, p.126). Whereas, an unstructured interview might seem justifiable, as it enables the researcher to “gain a genuine understanding of the worldviews of members of a social setting or of people sharing common attributes” (Bryman & Bell, 2007 p.477), in this study no use of unstructured interviews will be made in order to avoid poor data. Nevertheless, semi-structured interviews seem applicable, as the researcher has pre-established “a fairly clear focus” (Bryman & Bell, 2007, p.479). This focus is reflected in the requirements and the role of brand management, as object of study. King (2004) refers to this type of interviews as qualitative research interviews. In order to maintain certain focus during the interview, a guideline has been created beforehand in order to guide the interviewee through all relevant discussion points (see Appendix B). However, themes and questions may vary from interview to interview. This might be a result of omitting or adding questions, or changing the order in which questions are asked in order to explore the encountered context in relation to the research question and objectives by following a natural flow of the conversation (Saunders et al., 2009).

3.3.2 Self-Completion Questionnaire or Email Interview

As this case study research is based on an extensive literature review, which requires a lot of preparation, the researchers have determined significant and insightful questions to the topic beforehand (Yin, 2009, p.14). As a consequence, similar to a structured interview the researchers have developed a questionnaire (Bryman & Bell, 2011), as an optional method of data collection that can be sent out to participants (see Appendix B), if they prefer to write their answers themselves due to limitations of their personal schedule or any other reasons. The difference towards a structured interview lies in the lack of personal interaction between the interviewer and respondent. However, by sending out the questionnaire via email to respondents that have been contacted and informed beforehand, the researchers leave the door open for clarifying questions, both from the interviewee and the researchers. The main advantages of self-completion questionnaires are given through an easy and quick administration, as the researchers can reach a sample that is geographically dispersed (Bryman & Bell, 2011). Another advantage is that answers are directly available in text form. Nevertheless, it must be considered that it might take some time to identify and contact respondents beforehand and to obtain their answers. Furthermore, as mentioned previously, email exchange will be used in order to clarify or pursue ideas in detail. Besides the time constraints and the delay of questions being asked and being answered, this method provides the interviewee the possibility to reflect on his responses (Saunders et al. 2009).

All semi-structured interviews will be conducted face-to-face, using Skype video calls. An audio, as well as video recording, will be set up, with permission from the interviewee. The recording facilitates data collection and enables the researcher to analyse the empirical data appropriately. Recorded data provides the opportunity of an “unbiased record of the conversation” (Easterby-Smith, Thorpe & Jackson, 2012, p.139). After each interview, a record with contextual data, such as time, date, duration, location and background information will be created (Saunders et al., 2009). With reference to data processing, the researchers are aware that transcribing interviews are a very time-consuming task (Bryman & Bell, 2011). Nevertheless, the researchers can make use of the possibility to send the transcript back to the interviewee and give him or her opportunity for final reviewing or clarifying (Saunders et al., 2009).

3.3.3 Selection of Interviewees

The sample of interviewees has been selected on the basis of purposive sampling that is a non-probability form of sampling (Bryman & Bell, 2011). Purposive sampling means “the researcher does not seek to sample research participants on a random basis. The goal of purposive sampling is to sample cases/participants in a strategic way, so that those sampled are relevant to the research questions being posed” (Bryman & Bell, 2011, p.442). Thus, when having chosen to contact a potential sample member, the following criteria should have been fulfilled: He or she is a user of the LEGO Ideas community that has submitted at least one project with at least a minimum supporting votes of 1,000 to ensure that this user is highly involved in the LEGO Ideas community and also had at least one feedback interaction on his projects with the LEGO Ideas team. In relation to the sampling strategy, the question of

accessibility to the described profile arises. As the research investigates an online brand community with no entry restrictions, the accessibility to LEGO Ideas users should not provide any obstacles. The researchers aim to interview at least twelve LEGO Ideas community members, which have been approached via their social media profiles that have been stated and could be assessed through their LEGO Ideas profile. If no social media profiles were stated, the authors used Google to find contact information by looking for the nickname and project name. Each interview has taken around 30-45 minutes, which the researchers consider as an acceptable timeframe when keeping in mind that users from all over the world participate. The following table 1 shows the list of all participants.

Table 1: List of all Interview Participants (Own Table)

Participants	Age category	Interview type (Interview/Email)
Interviewee 1	40-45	Interview
Interviewee 2	40-45	Interview
Interviewee 3	35-40	Interview
Interviewee 4	35-40	Interview
Interviewee 5	20-25	Interview
Interviewee 6	30-35	Interview
Interviewee 7	30-35	Email
Interviewee 8	35-40	Email
Interviewee 9	25-30	Interview
Interviewee 10	40-45	Email
Interviewee 11	15-20	Email
Interviewee 12	45-50	Email

3.4 Data Analysis

In order to gain comprehensible insights from the collected data, the procedure of data analysis will be explained in the following. Marshall and Rossman (1995) state that “data analysis is the process of bringing order, structure and meaning to the mass of collected data”(p.111). Based on the applied interpretative stance, the researcher focus on the expectations, perceptions and experiences of LEGO Ideas users. By that, the relationships with the LEGO brand and the expectations towards the LEGO brand constitute the foundation of the data analysis. After the analysis of each individual’s perspective, a cross person analysis will be conducted which allows the researchers to identify common themes that represent a collective perspective of the phenomenon under study.

The identification of categories has been guided by the purpose of the research expressed in the research question and objectives (Saunders et al., 2009). Consequently, the brand assets (see Chapter 2.2.4) and elements of the SET (see Chapter 2.3) help the researchers to reduce data into categories, in order to display them in a comprehensible way and draw conclusions from it. Following the argumentation of Strauss and Corbin (2008), the main source for the derived categories, in this case, already are existing terms in theory and literature, namely brand assets and elements of the SET. Saunders et al. (2009) further describe the categorization of data as an outcome of the interactive nature of data collection and analysis, allowing “[themes, patterns and relationships] to emerge from the process of data collection and analysis” (p.488). As the theoretical review has tried to identify the role of brand management and its relation to users, the concept of brand assets and the different elements of the SET, will serve as main categories of analysis.

All interviews are transcribed or in the case of e-mail interviews, completed by the interviewees themselves. Hence, all data is available in text form, which facilitates a profound analysis. When reducing data, categories, themes or patterns might emerge that facilitate a better understanding of the role of brands in online brand communities. Nevertheless, the researchers should not focus too much on the previously identified elements. They rather provide guidance for analysis and interpretation. Therefore, a careful and critical approach to the data analysis, which takes alternative explanations into account, leads to more valid interpretations. As the researchers bring in brand assets and the Social Exchange Theory when analysing the interpersonal relationship between the brand and the consumer, this contributes to a new complementary understanding of the exchange that is taking place between brands and consumers.

3.5 Ethical Reflections

The researcher have taken ten ethical principles into account, based on Easterby-Smith et al. (2012) in order to avoid ethical conflicts during this study. In the following the most relevant principles will be presented based on the applied research design. Firstly, the researchers have made sure, that the purpose of the study was communicated clearly to all participants. A clear understanding of the purpose might help to increase the likelihood of collaboration from the

interviewee and allows establishing certain degree of trust. Moreover, the researchers have obtained consent about the use of data from all participants by informing them about the collection and processing of the data. All interviewees have been offered the opportunity to review and edit the collected data before analysing. The information has been treated confidentially in order to ensure high data privacy standards. Therefore, all data have been exclusively processed by the researchers themselves and have not been transmitted to third parties. Furthermore, the researchers aim to protect the participants from any harm and respect their dignity and privacy to avoid conflicts such as harm to their career prospects or their personal self-esteem, etcetera (Bryman & Bell, 2007). Hence, all interviewees' names have been anonymised, as this additionally reduces the probability of misleading or false reporting by the interviewees. Additionally, the researchers have considered any possible harm that could have been produced for non-participants during the process and the implications of the research (Gorard, 2002).

3.6 Limitations

There are several limitations of this research design that will be presented in the following. The research was restricted to a period of 10 weeks with a limited student budget. The approach of interview participants was more difficult than expected as LEGO Ideas users needed to be contacted via a variety of different social media channels. In this context, the LEGO Ideas platform acted as an organizational gatekeeper that assigns the interviewees, which means the authors could only choose among the users that have provided their social media profiles on the LEGO Ideas platform, as the LEGO Ideas platform gives no possibility to contact directly their users (Easterby-Smith et al., 2012). Alternatively Google was used in order to find any contact possibility by searching for the user's nickname or project. Besides the difficulty of getting access to LEGO Ideas users, another challenge was to arrange the appointments with users from countries outside of the European time zone. The global user base narrowed down the flexibility and time for conducting an interview (Bryman & Bell, 2011). Some participants were very inflexible or very shy, assumingly because of the language barrier, and, therefore, were only willing to participate in an email interview. While it was obvious that email interviews have provided only less satisfying data due to the lack of interaction and direct inquiries, the interaction in the face-to-face interviews has led to rich amount of data but also to a mutual influencing of researchers and LEGO Ideas user. This interaction means that the researchers and with this also their outcome may be influenced by their own, concrete, and previous research experiences, but also through their own ideas, concepts and perspectives of the subject of research. Nevertheless, the researchers have tried to avoid imposing their "own beliefs and frame of reference" when designing or asking questions in order to reduce bias. (Saunders et al., 2009, p.326). When conducting research through email interviews, the possibility of building trust between researchers and interviewee is not fully given. Hence, the interviewee could have mistrusted the researchers and may not have provided correct or valuable data (Easterby-Smith et al., 2012). When having conducted the interview via Skype, the researchers tried to adapt a style of language that seems professional but still is easy to understand for any user in the LEGO Ideas community. As the interviews have been conducted via Skype, the location of the interviewee could also not be influenced. Nevertheless, every Skype interview took place in a comfortable and quiet

environment. Additionally it must be mentioned, that Skype is a computer program that depends on an Internet connection. Thus, the quality of the sound sometimes was influenced by the connection, but still of good and easy understandable quality.

3.7 Validity and Reliability

Every research also needs to have a certain reliability, validity and generalizability (Easterby-Smith et al., 2012). However, qualitative research can also be assessed through other evaluation criteria such as generalizability, transferability, dependability and confirmability (Guba, 1981). Easterby-Smith, Thorpe and Jackson (2012) argue that it might be possible generalizing findings beyond the sample. However, Bryman and Bell contrast, when “interviews are conducted with a small number of individuals in a certain organization or locality [...] it is impossible to know how the findings can be generalized to other settings” (2007, p.423). Taking into account the sample size of twelve (12) Lego Ideas users in this research, the study provides rather a snapshot of the investigated context. As a result, the findings of the presented single case study on LEGO Ideas represent a reality in a certain time and specific context (Saunders et al., 2009). Therefore, a similar case study in the same context will not necessarily lead to similar findings, because the nature of the “circumstances to be explored are complex and dynamic” (Saunders et al., 2009, pp.327-328). Nevertheless, in terms of transferability, dependability and confirmability, the “research design, the reasons underpinning the choice of strategy, methods and data obtained” enables another researcher to follow the processes and reanalyse the collected data (Saunders et al., 2009, p.328) or apply a similar design to another context. The rich background information and case definition provided in this chapter enables other researchers to understand how the results are transferable to other contexts (Guba, 1981). When designing this research and subsequently analysing the collected data, the researchers have always tried to maintain neutrality. As the analysis is based on the exact wordings of the interviewees, the researchers have made sure that the findings reflect the experiences and ideas of the informants (Shenton, 2004). Thus, an exploratory qualitative study in form of semi-structured and email interviews is useful “to find out what is happening [and] to seek new insights” (Robson, 2002, p.59).

The present case study on LEGO Ideas is designed to collect data in form of semi-structured interviews and (self-completion) email interviews, both taking place online via Skype or email. The interview guideline that has been used can be found in Appendix B. Given the globally spread user base of LEGO Ideas platform, located in different time zones, the interviews have been conducted online. Yin (2009) supports the usage of modern information technologies by stating “you could even do a valid and high-quality case study without leaving the telephone or Internet, depending on the topic” (p.15). Additionally, it stands to the reason that the applied methods of data collection takes place online, as it represents in the context of Social Open Innovation a natural way of data collection within a real-life context.

3.8 Chapter Summary

This section outlined the research methodology of this study. The presented research design is based on a single case study on the LEGO Ideas community by interviewing active users at a certain point of time. The main aim of this study is to examine perceptions and expectations of a purposive sample of twelve interviewees that have submitted at least one successful idea that has gathered at least 1000 votes. To this purpose, categorization is based on existing terms of theory and literature, namely brand assets and elements of the SET that facilitate a structured analysis and interpretation. The final findings should allow the researchers to address the research questions and to identify requirements for brand management when engaging in Open Social Innovation through online brand communities.

4 Analysis and Discussion

In this chapter, the empirical data that have been collected in form of interviews will be analysed. During the analysis the researchers will focus in the first place on the relevant brand assets, as they, on the one hand, represent past experiences that are created through brand platform activation and, on the other hand, indicate how these assets contribute to a brand's strength and future value. In the second place, the elements of the Social Exchange Theory that can be identified and emerge from the obtained data will be analysed. At the end of this chapter, the findings will be discussed and connected with aforementioned concepts of the theoretical review. Furthermore, the major findings will serve as a basis for extending theory.

4.1 Brand Assets

This part of the analysis aims to identify which brand assets are most influential in order to support innovation in the LEGO Ideas community. Therefore the interviewees' opinions and experiences that have evolved over time with the LEGO brand and its Ideas community will be illustrated. The concept of 'reflected customer imagery' is not included in the analysis as no explicit data emerged to address this brand asset.

4.1.1 Brand Reputation

The following part will illustrate the general reputation of the LEGO brand among users of LEGO Ideas by the following statements:

Interviewee 6: "...It is basically the ultimate Toy. You can do anything with it. You can build a small model with ten pieces you can build a model that's 10.000 pieces. The possibilities are endless."

Interviewee 9: "Just the material itself is a cool way to build something. It is not really permanent. You can take it apart at any point, but it is such a high-quality product, LEGO in itself that it can sit in a shelf for a 100 years and still last, which is kind of cool thing." Interviewee 1: "that's the beauty of LEGO, right.., the fact that they have made such a diverse number of pieces to do so many different things, [...] pretty impressive to me. [...] in building with LEGO helped with my perception of things, ah, not only just in, you know, being creative in, in arts, drawing or painting but, um, also just, I think seeing the world a bit differently."

Interviewee 10: "To me, LEGO is the ultimate tool for model building and expressing my creativity."

When it comes to the LEGO Ideas community, the following statements illustrate its reputation:

Interviewee 6: “The LEGO Ideas community is a great way to see other people’s contributions. There are lot of interests that people have [...] But if you see it expressed in a LEGO form, it is very exciting to see brand new concepts and brand new ideas and supporting those ideas.”

Interviewee 6: “This is like once and a great opportunity to...everyone loves LEGOs but they [customers] don’t have a lot of say and what sets get made and now they do. So that is very exciting.”

Interviewee 9: “I think it is a great idea. And I think it is a good platform for people to share their ideas.”

Interviewee 1: “I think [...] that a brand like LEGO would allow for, you know, a non-LEGO associate or employee to hand an idea off in a public forum, so it’s not behind closed doors, where, you know, business is happen in rumour to steal other people’s idea. It’s out there, you know, it’s just I think just such an awesome way of allowing the public to submit something that they would like to see.”

It can be summarized that users have a good opinion about the LEGO brand itself and they appreciate LEGO’s efforts to allow external user participation through the LEGO Ideas platform. Nevertheless, despite the good reputation of LEGO and its Ideas community, some users also show signs of negative opinions that have been created through their interaction on LEGO Ideas.

Interviewee 2: “...there is quite a lot of disappointment actually on LEGO Ideas because great Ideas get supported and then LEGO just says NO we are not gonna make it without actually telling the people why and what was their rational or motivations for it? It pissed quite some people off. So if I had a discussion with people in the community about submitting then I also get a lot of negative comments which surprised me. I was not aware of this.”

Interviewee 2: “...a really great model that was added there and now at the same moment they actually launched a copy of that from their own. [...] they just say: Hey there is an interesting idea and then they commercialize that them themselves.”

The user opinions have shown that the overall reputation of LEGO is very positive based on the previous experiences with the brand and its products. Furthermore, in terms of the LEGO Ideas community users appreciate the opportunity to become part of the LEGO’s innovation process. However, some users also scrutinize and distrust the brand’s interaction with themselves and other users in the community.

4.1.2 Brand Awareness

The following statements express how LEGO is rooted in users' daily life and what type of spontaneous inferences they make about LEGO and the LEGO Ideas community. How LEGO, in general, is rooted in users' daily life can be identified through the following statements:

Interviewee 4: “Yes, sure. Especially with kids. [...] And of course oneself explores it again for sure. [...] the old parts and bricks, I still know them from my own childhood and new sets. And so I use this of course and I can play together with my kids. That is a great excuse.”

Interviewee 2: “...about two years ago I started this hobby. Maybe triggered by the children. It escalated by itself.”

Interviewee 9: “I used LEGOs as a kid as far back as I can remember. Probably when I became a teenager I stopped using them. [...] a few years ago my oldest nephew really got into LEGOs that's all he wanted for toys for a while. So I started buying him kits [LEGO sets] and through that I sort of got back into it a little bit, realizing that it is kind of a cool medium to explore your creativity and kind of a great hobby.”

Interviewee 5: “The good thing is that I never stopped playing with LEGO. It's all around, you know. Maybe I am not playing in a period. But it is there. And I sometimes use it to create a support for my notebook or something like that. And I also work at LEGO Education here in [my country]. It's kind of I am always playing with LEGO.”

LEGO's brand awareness can be identified as a very strong element of users' daily life. The high awareness is mostly based on their early childhood experiences that are later on revived through relationships with younger family members, such as own children or nephews. In contrast, LEGO Ideas' role in user lives can be identified through the following statements:

Interviewee 4: “I heard of it from a colleague who is very interested in LEGO.”

Interviewee 6: “First time I heard about LEGO Ideas was reading an article about the first one that got released [...] What really entreat me was the article showcasing the other ideas, Ghostbusters kits for the Ghostbusters' car.”

Interviewee 12: “There are about three years old, my son wanted us to publish his ideas, he wanted to measure themselves against the other creators!”

While LEGO's general brand awareness is mostly established and supported through relationships with younger family members, the LEGO Ideas community awareness is strongly triggered through the revivification of previous LEGO experiences. Nevertheless, other sources of influence are newspapers, social media, family, friends, and colleagues.

4.1.3 Perceived Brand Personality

In the following the human aspects of the LEGO brand will be illustrated based on how users perceive and experience the brand as a result of their interactions in the community. In doing so it will be distinguished between currently perceived personality and the desired personality of the brand as an actor in the community.

Interviewee 4: “I also think that the constructive creativity is represented and rooted in their products. They [LEGO] do it increasingly. [...] if I buy, I buy it because creativity is rooted in the product itself. This is similar to as if creativity is rooted in any product design. Furthermore, they [LEGO] stands for a high standard of quality. Since I know LEGO, they had high-quality standards. For instance they made sure that their products are not poisonous or toxic...”

Interviewee 6: “People who play with LEGO when they are children they are going to be engineers, interior designers and everything.”

Interviewee 6: “Some of them [ideas] are really very good and some of them are looking at it, are not so great. But LEGO puts them in anyway, because they like to encourage people to create and to innovate. Even if your idea is not so great, it is more important to encourage you and inspire you by allowing the projects to be on the website. Because that inspires to create more and maybe better ideas.”

Interviewee 1: “...I think it drives you to strive for the best model you can make.”

Interviewee 3: “I think that just the fact that they have LEGO ideas at all clearly means that they want to hear from the community.”

Interviewee 4: “That is why I fundamentally like it, that they give a chance to these people [that don't rely on franchise and upload complex models], but the way how they do it, they [LEGO] have to reconsider.”

Interviewee 4: “...the most votes I got after staff picks. Because that just...I mean what do they put in there? Themes, that fit thematically. For Christmas, Christmas themes, any things. Sometimes I think they also pick a project that they want to push a little bit, because it is interesting.”

While the brand personality is associated with positive characteristics that can be described as smart, creative, supportive, motivating and caring there are also negative associations that can be derived from the following statements:

Interviewee 12: “The support of Lego Ideas is totally negative, it is not their interest that many projects reach 10k of supporters, on the contrary, they require you to do the promotion for your projects, but again, in fact, their purpose is to advertise their website to attract more users to refine their statistics!”

Interviewee 2: “I don't know how I would change it, but as I said, I don't think that everybody has a fair chance. And that is the basic thing. There seems to be such an

arbitrary thing and which you actually can already know in advance if your model has any chance or if it doesn't."

Interviewee 4: "What I definitely think which is also a problem, what you also can see from the many comments. Some projects get preferred treatment, right? For instance if you do franchise, people know that already. Then you may find some [enough supporters]. But this doesn't mean that it is gonna be produced, that is why."

Interviewee 2: "And then indeed if there is something that is not mainstream, [...] even if you make it, there is a few very known people [...] that have managed to get the 10,000 and yea... And I contacted them and they were very disappointed because they were just rejected. Almost rejected without any good reason. And then it's just done and over with. [...] And then if you managed that [to invest time and work] and then you just say, we have done ideas and these nine were just rejected we decide not to continue, I would be frustrated as well, especially without a good reason why they do it"

Interviewee 3: "...it's hard to me to see exactly, like, how that sort of is fair for everyone, because I mean, I'm sure there are some people who have been on CUUSOO [beta version of LEGO Ideas] forever who just never get that media support..."

Here, the interviewees express an unfair treatment from the brand. First, it seems that some projects that include a franchise are more likely to get approved. Thus, it seems that there is no equal opportunity for all projects to get approved. Second, the brand does not provide any personalised or individual feedback when rejecting a project. Furthermore, there is no guarantee that a project will get approved by LEGO when reaching 10.000 supporters. This behaviour is also emphasized by other interviewees that mention a certain degree of closeness and non-transparency of the brand when interacting with users in the community.

Interviewee 4: "...actually they reveal quite less, they actually don't say anything or give any information or feedback about projects they reject. In the past they have commented on projects something like: 'Yes, this was a great cooperation. Nevertheless we cannot produce this as a set because it may overlap with another project we are currently doing here at LEGO.' [...] Now they just write standardized responses. This means they reveal less information. [...] you sort of cannot read anything out of it..."

Interviewee 2: "there is really a feeling of they decide themselves as if they would sit in the LEGO Ivory Tower, what they like and what they don't. That's the luxury they have, if they have so many people that putting in great ideas." [...] So I do see that LEGO they can probe what is interesting, what people like and even without losing the ideas, so indeed just without getting and having ideas that have enough support or they can indeed reject the idea they can still see what ideas and concept get a lot of interests. So for them it is for real helpful, that is for sure. I think, they are getting more from it than the actual community, which they know. So for them it is for real helpful, that is for sure."

Interviewee 1: “I don’t really know what the criteria are in the LEGO review. [...] it would be nice to know specifically what those criteria are [...] just a fair shot.”

Interviewee 3: “So in that sense, I mean, you know, it would be sort of out there and awesome if they would maybe support some of the more random ones. [...] So its kind of hard to say what they are thinking about it...”

Interviewee 7: “I think if they were more open with their review process, tell people why their project didn't pass a review it might give the end users some insight into what to avoid/aim for in their own projects.”

Because of the perceived unfairness and non-transparency the interviewees stress that it is very important for them to understand the review process in order to create ideas that are in line with LEGO’s evaluation criteria. As a result, users would appreciate more transparency in this type of interaction. Furthermore, interviewee 3 and 4 try to explain this behaviour by stating that the brand acts very carefully.

Interviewee 4: “I also think that they got extremely cautious on how they communicate.”

Interviewee 3: “So I think, personally I think they are a little, I don’t want to say short-sighted, but I feel that they are a little bit too careful and a little to cautious and that they actually could be a really inspirational company, way more beyond what they already have done, if they would consider doing certain things that they aren’t doing currently. They definitely have, I was looking at the mission statement/ brand framework, and some of the stuff is awesomely well suited for them, so no comment, they are perfect, but in other ways I do think that they could be a little bit more innovative.”

Moreover, interviewee 4 demands the brand to treat users as equal opponents. Therefore, the brand should consider how the current feedback is perceived by the users in the community.

Interviewee 4: “Here I think, it is very important how you treat users.”

The statement of interviewee 4 clearly underlines the aforementioned gaps between user expectations and LEGO’s actual performance and stresses that it is very important how the brand personally treats its users. How users would like LEGO to behave in the LEGO Ideas community is illustrated through the following statements:

Interviewee 4: “...they [LEGO] stated that interesting products sometimes need more time to get 10.000 votes. That also implies that LEGO may find some things interesting for a product idea, which don’t get that much votes. And that it doesn’t necessarily correlate with what people vote for.”

Interviewee 3: “...it would be cool if they had more updates on their blog, I mean they kind of only occasionally put things out there and, you know, if their goal is for this to be “Social Media” or a social thing, then it would be nice if they were a little bit more, if they actually did more back and forth. I would also say that if you go to

their Facebook and their Twitter, it is very much like pushing media out there. They are just pushing their products; I don't feel like it's a one on one. So for that reason I don't love LEGO, [...] there is not as much like back and forth with the people in the actual community which is kind of what they are trying to go for I thought with the IDEAS thing. So I think there could be more interaction on their part."

Interviewee 4: "That the people sort of feel understood. Or that it will be acknowledged if they [LEGO] are delighted about a project. But conversely, that they rather could pick themselves projects, which they like."

Interviewee 12: "Lego should actually help in the field of promoting projects, even if at the end of the road, Lego rejects your project"

Interviewee 4: "They should try to meet the people on equal footing as a brand, so to speak."

Interviewee 4: "I definitely think so. Yes, well, they should for sure a little bit...because there are not that many, they can handle this. Personal assistance or anything, because this is.., because I think people who are very popular in the community they then again influence the community. If they are not treated well."

In summary users, in general, prefer a more humanly treatment and active behaviour from LEGO. A more humanly behaviour also implies, as illustrated by interviewee 4, that users expect the brand to act more self-aware and independent in terms of community rules and guidelines. Furthermore, the brand should avoid focusing too much on its own interests. Otherwise it might seem that the brand focuses mainly on the commercial goal of the community and tries to avoid taking over responsibilities, as argued in the following:

Interviewee 1: "I'm sure that they want to strive to produce the best product they can, you know, to, to gain money, to gain more popularity."

Interviewee 2: "For them [LEGO] it doesn't matter if they have to reject ideas you get this arbitrary situation and now they just say let the community decide, which they do because these ideas don't get any support."

Furthermore, the following statement underlines the assumed perception of LEGO's intention with the Ideas community:

Interviewee 4: "I think, they should not scare people off by sort of pushing rather products that can be commercialized. Of course they will just produce and commercialize things they think they can sell."

Interviewee 3: "Part of me feels like they want to promote this sort of like Online bulletin board system of old, where, you know, everybody knows everybody else and, you know, we all love each other. But then the other part is sort of this commercialized, you know, contest part"

Consequently, users clearly can distinguish and recognize the commercial goal of the brand behind the LEGO Ideas community. On the one hand, the LEGO brand is perceived as a facilitator and on the other it is perceived as a commercial actor with the intent to create equity and other financial improvements. As a consequence, the brand should not be too selfish and try to avoid creating the image of exploiting its users.

In conclusion, the perceived brand personality through the LEGO Ideas platform is associated on the one hand with positive characteristics that are smart, creative, supportive, motivating and caring. These characteristics seem to be in line with LEGO's brand values. On the other hand, LEGO's personality can also be perceived with a lot of negative characteristics through its Ideas community. These can be described with unfair, unpredictable, arrogant, selfish, exploiting, closed or non-transparent and cautious.

4.1.4 Perceived Brand Values

In this part, user's perceptions and recognition of LEGO's brand values are depicted.

Interviewee 9: "I think Lego is a great way for people to express their creativity. I think they are, in some ways they are an artistic medium I would say [...] They are a good creative medium but they are also sort of finding number of different pieces. [...] You have to use from a specific number of pre-made shapes and I think that is what is especially sort of cool to me is to see how people use a certain piece in a way that I would never think to use it."

Interviewee 8: "It is mark of quality, little bit luxury, much fantasy and creative potential."

Interviewee 11: "...what comes to my mind when I think of LEGO - creativity, hands-on fun, an artistic medium rather than a toy."

Interviewee 4: "The most important thing is constructive creativity. [...] it says on it: 'Constructive toy'. So the constructive part that you have to build something, that you create something. [...] And the other thing is creativity, but I think this was a little bit easier in the past because there were less different bricks. Today it is rather complex. Today you have to sort everything in order to find the right bricks. But nevertheless it stands for creativity, even if they exploit it a lot in terms of marketing. Today there are existing many more complex sets, very rich in detail. [...] Well in general for high-quality standards. Generally I say for innovation. They continuously do new things. And basically for a marketing success..."

Interviewee 6: "LEGO stands for...It is basically the ultimate Toy. You can do anything with it. You can build a small model with 10 pieces you can build a model that's 10.000 pieces. The possibilities are endless."

Interviewee 2: "LEGO stands for in general quality, of course. There is nothing else, there are a lot of alternatives but LEGO is the only certain brand that counts. So quality and, yea, enormous versatility. You can just built anything you want and go

on the Internet and see that anything is possible and it's really surprising. [...] Yea, definitely, creativity and popularity. These boxes with...yea, well it's nothing, it's just a box with parts and in the end you have something which looks like something.”

Interviewee 1: “Definitely creativity, without question. I mean, it's also, I think, education. You know, when, when ... kids are little and you want to try to structure ... their mind set while they are growing, you know, while they are maturing, I think following directions [...] I guess the usability of everything that they have, you can take any piece of any of these lines and do something different and make that model that you want...”

Interviewee 3: “So, in terms for what they stand for I feel like obviously they stand for, play and creativity, but they also are big corporate giants and so you have to just keep that in mind. And they, you know, represent, you know, making money for themselves. Sort of a little of both.”

Most of the interviewees have similar perceptions of LEGO's brand values, such as creativity, imagination, innovation, versatility, play, fun, education, quality and usability. Furthermore, commercial values are also reflected such as popularity, marketing, and financial success.

4.1.5 Brand Preferences and Attachments

The following statements illustrate users' attitudes towards the LEGO brand that might express a brand preference or brand attachment. Preference or attachment means that users clearly prefer the LEGO brand in relation to competing brands or express future purchase intentions for LEGO products.

Interviewee 2: “There is nothing else, there are a lot of alternatives but LEGO is the only certain brand that counts.”

Interviewee 9: “Yeah, I have supported a few projects. Pretty much I would say my thought for supporting other projects is actually if I would actually buy that product. If I definitely support it I gonna buy that someday.”

Interviewee 2: “...so generally I support models and leave a comment that you like or would like to buy it.”

It can be summarized, that some interviewees clearly express a proximity to the LEGO brand and a willingness to buy products that emerge from the LEGO Ideas community. Furthermore, interviewee 3 appreciates the LEGO Ideas community as a differentiating factor from other brands, as can be seen in the following statement:

Interviewee 3: “I mean it's an interesting situation because that is a company that is taking ideas from the community that doesn't happen that much, so I definitely give them credit for that.”

For some users, the LEGO ideas community is an important touchpoint that represents an important aspect of differentiation and may result in a greater satisfaction, closeness and perceived performance of the LEGO brand.

4.1.6 Patents and Rights

The following statements illustrate how LEGO patents and rights are managed in the LEGO ideas community and how users perceive them.

Interviewee 4: “Which I think is a little bit disappointing, is that the rules are in a way that you just can build product ideas with existing bricks. They sort of exclude ideas for computer games or other things. This is clear of course, because they want to produce products that they can make with cost efficient efforts. So, yes this is absolutely understandable. But, maybe they can think about such extension in the future, as it does not always has to be a product. If they would have some kind of system where in somehow ideas get sort of rewarded. That not necessarily become a product. With this I think they could increase and move a lot of potential.”

Interviewee 1: “...there was a specific technique that I used with the model, with the [name of model] model, why I actually cut tubing they have and a lot of LEGO purists out there feel that there cutting and modifying pieces is incorrect, while there happens to be a set that LEGO produces whereas LEGO has cut a piece of tubing to fit it to length in one of their sets. So I argued against that and said I’m still using a technique that LEGO approves...[...]...the other thing is just a fair shot. You know, if I produce something like this [shows the model] which they launch likely already have a design for it being that they are the only IP, I would like to know that. Um, in that way I’m not wasting their time and I’m not wasting the communities time or did something that is only going to be produce in the future by LEGO.”

Interviewee 8: “Unfortunately Lego does not support new-brick ideas. In CUUSOO [beta version of LEGO Ideas] you could present your own bricks - 3D models”

The current design of Lego Ideas community only allows ideas suggestion with LEGO bricks and excludes other diverse product categories such as video games. This exclusion shows that LEGO is not willing to completely open up its whole research and development department. Furthermore, it can be concluded that LEGO clearly protects its main patents from external modifications, which is the LEGO brick that presents the essence of the LEGO brand itself.

4.1.7 Preliminary Conclusion: Brand Assets

A high level of brand awareness in general could be identified as a prerequisite for users to engage in LEGO Ideas community. This finding can be verified as aforementioned there is no active promotion from LEGO of the LEGO Ideas community (see 3.2.3). For most users, LEGO and LEGO Ideas represent an important element in their daily life.

With reference to brand reputation, it can be identified that a good reputation management is required, because users build positive, as well as negative opinions about the brand when engaging in Social Open Innovation.

Brand personality can be identified as an important asset when trying to engage in Social Open Innovation. Users associate the brand with a certain personality. Consequently, they have certain expectations when engaging closely with the brand. It can be identified that users expect the brand to interact with them in a more open and transparent way. As mentioned in the case background, the communication efforts from LEGO on LEGO Ideas itself are rather limited, as LEGO uses the LEGO Ideas blog to communicate with its users. Thus, brand personality is an important asset when trying to establish relationships with users and collaborating with them in Social Open Innovation. The main difficulty with managing brand personality is to keep the balance between the commercial goals of the brand and the needs and interests of users.

Regarding the perceived brand values, it can be summarized that LEGO has managed to communicate their core values in a way that they are quite similarly perceived on LEGO Ideas. However, it must be noticed that users increasingly associate commercial values with LEGO, such as marketing and financial success, as well as popularity.

Social Open Innovation in the case of LEGO Ideas can result in brand preference or brand attachment, as some users clearly show increased interest and purchase intention in the brand. Additionally LEGO Ideas is a unique touchpoint that differentiates LEGO from other competing brands.

With reference to patents and rights, it can be noticed that despite engaging in Social Open Innovation, LEGO protects its most essential product (the LEGO bricks) from external user modification. Innovation in this context is focused on product ideas (themes and sets, including co-branding) and market trends, rather than disruptive innovation. Thus, patents and rights are an asset that needs to be protected from external user modifications that go against LEGO's identity and core values.

4.2 Social Exchange Theory

In order to understand why users interact on the LEGO Ideas community and with the objective to identify their expectations towards the brand when engaging in Social Open Innovation on LEGO Ideas, the main elements of the SET such as contents and tasks, processes and tools, and the users of LEGO Ideas community (see 2.3) will be analysed in the first step. In the second step, other elements such as rules and norms of the LEGO Ideas community, the type of resources exchanged and the relationships that are built between users and the brand over time will be presented.

4.2.1 Contents and Tasks

As already mentioned in the background information about LEGO Ideas (see 3.2.3), the main purpose of the LEGO Ideas platform is to source product ideas on LEGO bricks which might have a chance to become an official LEGO set. This part describes what type of product ideas are created by users and how they perceive their task or role in the community.

Interviewee 4: "...I am interested in this because already the thought of exchanging product ideas actually is very fascinating, I think, especially for me."

Interviewee 4: "[The] Exchange is always very focused on the projects."

Interviewee 4 confirms the basic concept of LEGO Ideas which is submitting product ideas. Nevertheless, users are not only interested in creating simple product sets. They also try to contribute 'bigger' ideas behind their projects and are looking for ideas that might have not existed in the LEGO 'universe' so far, as can be illustrated with the following statements:

Interviewee 2: "I try to build something that not has been built before, which is fairly in Technic world quite difficult because there has a lot been built already. So I just have an Idea and I look on the internet, I look on google and say is there anything or any pictures of that out there. And if they are not there I just start building."

Interviewee 7: "...I create things I'd like to see as a LEGO product so I restrain from submitting things that are too big or complex to be feasible for a real set."

Interviewee 1: "I think that when it comes to IDEAS you really have to find a niche, um, a niche built, so if there is a line they already have, you need to build something they don't have or haven't done yet, that is why I went with this."

Interviewee 3: "The whole reason that I got involved with LEGOs at all as an adult was to promote the idea of [field of interest], something that I like to move on to IDEAS at some point and some way. There are some folks who are doing that with slightly more [...] figures and there so there are some interesting set ideas there. That's kind of how I got into it."

Interviewee 4: "Specifically, how to entertain people. And then I thought ok, what can you do that doesn't exist at the present stage. And real innovation is relatively difficult, I would say. But you can adapt things. Yes, you can take things that haven't existed yet on LEGO, but maybe somewhere else. [...] And then I thought, what can you do with LEGO? [...] Something [...] fascinating [...] and with a high playability."

While some users just are looking to create 'ready to sell' sets, other users try to find a niche that has not existed within LEGO before. Furthermore, some users only submit an idea with the aim to share it with the community. They have no real intention to get the product produced by LEGO, as expressed in the subsequent statements:

Interviewee 4: “I would not exclude that I sometimes anyway submit a project where I think: As previously. This is now something I like but not necessarily a product idea, but I would say that it is for me quite ok. For me it is very interesting to see that different topics perform very differently. For instance some things like LEGO Technic are generally very difficult. And especially for me but also I think for LEGO it is very exciting to see how they handle and control this dynamic.”

Interviewee 6: “The LEGO Ideas community is a great way to see other peoples contributions. There are lots of interests that people have, like my that people aren’t even aware. But if you see it expressed in a LEGO form, it is very exciting to see brand new concepts and brand new ideas and supporting those ideas.”

Besides of submitting ideas, the LEGO Ideas community is set up in a way that users can comment, vote and support on each other’s project ideas. Although users can comment, the opinions are mainly focused on the projects themselves.

Interviewee 4: “[The] Exchange is always very focused on the projects.”

Interviewee 3: “...there are these folks who just kind of like, comment on everything, and some of them become sort of these, like, stars of IDEAS, even though they might not actually have any ideas of their own and so those people are, you know, one subset of the IDEAS community and then there is others who are like the creators. [...] I think some people are motivated by that. To a certain extent LEGO makes it clear that, you know, if you get a certain number of likes on your comments, you know, yeah it is a gamification situation.”

Through users’ task of commenting and voting, LEGO has taken a rather passive role in the LEGO Ideas community as this provides a self-regulation mechanism until an idea gets 10.000 supporters. As a consequence, not only product ideas are created, but also opinions and non-commercial product ideas are gathered in the community in the form of comments.

Another major task that is assigned to users in the LEGO Ideas community is the promotion of their submitted ideas. Users thereby actively communicate their ideas not only within LEGO Ideas community, but also through other social media channels, investing time and resources, as can be illustrated by the following statements:

Interviewee 4: “I have invested a lot into the YouTube video because I like to create videos but also photography and stuff and this was something you had to show in motion. And, the YouTube video had already 40,000 views in the first week.”

Interviewee 2: “...submitting an idea is making a model, making some pictures, writing some story, that’s it. And then all things around it is using forums and other platforms to get other people aware of your idea. That really helps. You have a lot of LEGO Forums, you have forums like reddit and if you just publish your statement, I submitted an idea that draws again in a few thousand clicks of people. [...] My main focus indeed is trying to promote my own model ...”

Interviewee 3: “...I had this whole media plan ready and I had made sure that the photography had a really good quality, you know, and all that stuff...”

Interviewee 6: “...I retweet their projects and then immediately those come back and retweet my project.”

Interviewee 10: “I have an active YouTube channel, where I share my models. Since most of the models I build involve motion, videos are the ideal medium for showing how they work.”

As a result, users actively promote their ideas, but at the same time create valuable and relevant content and promotion for the brand. As illustrated by interviewee 4 users communication activity also can result in electronic word-of-mouth.

In terms of contents and tasks that are exchanged in the LEGO Ideas community, it can be summarized, that besides commercial product ideas, real innovative ideas, as well as non-commercial ideas are created by LEGO Ideas users. While the main task consists of submitting ideas, users are also partly responsible for evaluating ideas through the voting and commenting functions. Furthermore, as described above, users take over responsibilities of communicating and promoting ideas through other social media.

4.2.2 Processes and Tools

This part tries to identify the main characteristics of how the users are integrated in the different stages of the innovation process and what tools are provided to support idea creation and innovation on LEGO Ideas. Furthermore, users expectations within these stages of the process and tools will be presented.

Interviewee 9: “I think that is from my point of view what they are all about, is Idea creation and creativity and you know imagination. And I think that through them to have this website [LEGO Ideas], is just that they really support people taking the product and making their own ideas from it and then really increasing it making it all around.”

Interviewee 4: “as such I like that LEGO does it a little bit restricted. But I like, that it is focused on product ideas”

Interviewee 1: “...but I mean, it’s really, because the way they structured IDEAS, it’s really kind of a face the approach right.”

Interviewee 9: “Yeah, I think LEGO does a good job of keeping it really simple. There is no ‘bells and whistles’ to the website, which is probably good for the most part.”

LEGO provides users with a suitable platform, where they can submit, share and promote their ideas. Some users thereby appreciate the simple and functional design of the platform, as it is focused on the projects. However, some users expect improvement in some of the

processes. One frequently mentioned aspect is the limited direct interaction possibility with other users, as illustrated in the following statements:

Interviewee 4: “There is no bulletin board or anything else. I mean, the exchange is always very focused on the projects, which is ok. Here they could think about how to extend this. Or if they integrate a direct messaging function or tool. All this is not existing yet, right? It is very focused. Hmm, but it is also quite difficult if they integrate a bulletin board because then people talk about ideas “But made this and that and I did this idea and then he has stolen this and that” and so on and so forth. This is a very sensible topic. That’s why I like that they have made the platform a little restrictive. But I also like that it is quite focused on the product ideas.”

Interviewee 3: “I feel like the actual set up of the community is somewhat difficult to navigate in terms of, like, really understanding, like, how to connect with people. [...] how is that really helpful to try to get me understand how influential that person really is or how creative that person really is. So I’m not, I think it’s, you know, it’s a cool, like, I love the idea of IDEAS but I do think that it could use a little bit of work on the implementation.”

Interviewee 10: “Better community tools. One of the reasons I am not very active on the site is that it is quite difficult to engage with the community as a whole. Comments are isolated to specific projects. I think a forum would facilitate more community interaction.”

Users understand the limited interaction possibility, and they also appreciate that the main activities are focused on the projects themselves. Nevertheless, users are seeking for more direct interaction possibilities. Another process that is rather underperforming from a user perspective is the voting process, which can be identified through the following statements:

Interviewee 4: “The onboarding is quite bad, right? This simply means the registration process. I mean not entirely bad. It is just one of these standard processes that is simply not the best solution.”

Interviewee 6: “Make it simpler. They ask you to submit email and then go to your email and confirm. Just record the person’s IP address or let them sign in with fixed book for instance. That would simplify it greatly.”

Interviewee 4: “The onboarding process is too hard for people that say: I like this YouTube video. I click on it [website link] and see ahh now I have to register [on LEGO Ideas] [...] this registration process they [LEGO] could definitely improve. [...] But they also should, if they want to support the people in the community, give them also this possibility [external votes]. But yea, you have to register, but they should directly make it [registration process] as easy as possible for the people.”

Interviewee 3: “there is actually the huge barrier having to sign up twice. I mean, there are so many people who have told me who are friends and not friends, people who are strangers, are like, it is actually really hard to vote for your set or anybody’s

sets. You have to sign up for two different accounts and then they sort of lose you and have to figure out where they came from to find the set again.”

Interviewee 2: “Because to support somebody takes a few seconds of your time, so it’s already a lot to ask for me in that community.”

Interviewee 6: “The main obstacle for gathering the votes for projects is the process that people have to go through before they can vote. You have to set/sign up to LEGO Ideas [...] But for people who you contact to vote for a project, that are only occasionally interested, they only want to click like ..no more than three clicks before and they don’t want to do anything. So if I could change anything. Simplify and condense the process that people have to go through to vote.”

Interviewee 3: “...people who like LEGO but may not be invested enough to have an LEGO account or what ever. I think that is something they can work on, because innovation really come from ideas really external to what you are doing and, you know, in many cases I think with people on CUUSOO or Ideas, you know, they are coming from people who are already within the community and I feel they could do a lot more to really listen to the people out side of the community a little bit.”

Interviewee 11: “I’d make creating an account for a new user a quicker and more streamlined process.”

From a user perspective, the main obstacle for gathering external votes and input for their projects is the entry barrier created through the registration process, which is not very user-friendly. Some of the interviewees argue that LEGO seems to maintain a certain degree of control when it comes to interaction and participation in the community. In this context, users further expect the brand to be more open and cooperative towards external supporters, as illustrated in the following statements:

Interviewee 6: “...which I understand where LEGO is coming from, where they want people to serve the LEGO Idea and that prevents people from voting multiple times, and lets them know who you are, who you are coming from. And it helps them in der decision making process...”

Interviewee 4: “This clearly means they [LEGO] do not want that this is working with Facebook likes...”

LEGO maintains itself the possibility to support projects. This possibility can be expressed by including a project in the staff picks category, which then appears on the top of the community’s main page.

Interviewee 4: “...it then was just like this, that after a certain time, some time after around two months my project got into the ‘Staff Picks’. Meaning it went to the top [of the page] into their banner. And then it sort of took off as I saw this in the curve of my idea statistics. [...] But I got most votes after my project showed up in staff picks.”

If a project then reaches the 'LEGO review' stage, users expect LEGO to be more transparent in order to ensure equal opportunities for every project.

Interviewee 1: "You've got the community, the community has to like it, if the community likes it, then we can talk about LEGO thoughts, talk about what happens during the LEGO review. I don't really know what the criteria are in the LEGO review. It might be published out there somewhere It might not be, actually I do my research. Um, but it would be nice to know specifically what those criteria are so you can build to cater to that. That is one of the things..."

Interviewee 4: "Yes, more transparent. It is also relatively unclear how the review is executed."

Interviewee 7: "I think if they were more open with their review process, tell people why their project didn't pass a review it might give the end users some insight into what to avoid/aim for in their own projects."

When analysing Open Innovation processes in Online Communities, tools that are provided by the brand are an important aspect to consider. The following statements describe users' experiences with the free available LEGO Digital Designer (LDD) tool:

Interviewee 9: "That is one tool, that I think if I didn't have, I really would have been able to design my project in the first place. So, yeah I really appreciate that LEGO has that and that it is freely available for anyone and I am sure it drives a lot of people to buy their products, cause once you design something, you have to go and buy all the pieces. So I think it is really smart for them to put that out there for people. Yeah I thought about filtering the product actually before I found that software and I have hadn't I am not sure if I would have actually ever made it."

Interviewee 1: "That's their freebie ad tool, which is really good and works for me. There are other tools out there, LDRAW happens to be one of the, it's a very popular tool. I haven't really looked into others, because LDD does what I needed to do and it's free and I guess the only other tool would be my brain. So those are the tools I use."

As a result, the LEGO Digital Designer can be identified as important tool that supports users when designing their ideas. By providing the right tools, the brand is able to influence significantly the impact of user contributions.

In summary, users appreciate the simple and functional design that is very focused on LEGO Ideas projects. However, some features could be improved from a user perspective, that are better interaction possibilities and an easier registration process to gather more external support. It further can be noticed that the design of LEGO Ideas community and its processes provides a mechanism of control in terms of how much interaction and external contribution LEGO is willing to admit on LEGO Ideas. Furthermore, the non-transparent review processes is seen as a major obstacle for users to meet LEGO's standards and requirements when submitting a project. Although LEGO takes a rather passive role in the community, because it has established a sort of self-regulation mechanism through its users before becoming active,

it reserves itself the right to promote certain projects by including them in the ‘staff picks’ category. It can be concluded that the brand acts rather as facilitator by providing users with a Social Open Innovation platform and the right tools (e.g. the ‘Lego Digital Designer’) to support idea creation.

4.2.3 Users and Relationships

In order to understand what kind of people are participating in the LEGO Ideas community, the connection between users as well as between users and the brand will be illustrated in the following. In the course of this, the interests and expectations in collaborating with other users and the brand will be illustrated:

Interviewee 6: “You know you help other people’s project you establish friendships and network with other projects as well. [...] The most important thing I like about LEGO Ideas is just how polite and curious everyone is on LEGO Ideas. There are a lot of online communities and a lot of them, the people are not so nice basically They throw around insults back and forward...but LEGO Ideas is not like that and that’s why I love it. It is a great great refuge where you don’t get things like that.”

Interviewee 1: “I actually made some pretty good friends over the course of the last 3-4 month I have been on there,...”

Interviewee 3: “...people go out and, like, say awesome things about other projects and I think, that is really nice. I mean, you know, it’s great when we can all sort of just support each others cool ideas. So that is good. And that is really kind of the whole point. So I would say that is probably the strongest part of the community.”

The interviewee statements reveal a nice, polite and supportive relationship among LEGO Ideas users. The LEGO Ideas community thereby enables people to establish close connections with other users. They do not only establish relationships through the LEGO Ideas community, but they also build connections outside of LEGO Ideas, as illustrated through the following statements:

Interviewee 1: “um, it’s been great, um, I met a couple of different, ah, LEGO user groups, one happens to be in Kansas City, Missouri, um, they had a show at the Comicon there and invited me down to show the model and so I did and I met a lot of people there, great, excellent people, you know, like-minded, so yea... [...] ...here [...] they do have a local user group, they get together I think once or twice a month and I’m going to visit with them here in the next couple of weeks...”

Interviewee 6: “I have contacted people that are on LEGO Ideas or outside LEGO Ideas. On Flickr on Twitter as well, a lot of people...I retweet their projects and then immediately those come back and retweet my project. It is very nice collaborative effort.”

Interviewee 1: “I think LEGO, you know, promotes the positive environment and that’s great...”

As illustrated, LEGO is able to attract and to create a strong community with like-minded people both, inside and outside the LEGO Ideas community. Next to community building, it can be identified that users are very supportive and collaborative among each other.

Furthermore, the relationship between users and the brand as co-creation partners is presented in the following.

Interviewee 3: "...it's within a system that already encourages people who have sort of been long time LEGO GEEKs I guess, to way more heavily than people who like LEGO but may not be invested enough to have an LEGO account or whatever."

Interviewee 3: "...I have been both, critical but also supportive of LEGO, depending of what they do, [...] I think there might be a minority of the community such that some people's voices may not be heard so much..."

Interviewee 1: "I wouldn't necessarily say it's bragging rights but I assume that any serious builder out there would want to be able to become a part of that LEGO brand. Not just build some of it, be part of it. That is the ultimate goal. [...] I think it's the essence of accomplishment, at least it would be for me."

Interviewee 7: "I felt my creations would make good LEGO sets and I wanted to fulfil a lifelong dream of becoming a LEGO designer."

LEGO Ideas is likely to attract users that already have a long-term relationship with LEGO. While some users like interviewee 3 try to help the brand and other minority user groups to improve and establish a stronger relationship with each other, other users like interviewee 1 try to become part of the brand.

4.2.4 Preliminary Conclusion: Main Elements

This preliminary conclusion covers the elements content, process and users on the basis of Füller's (2010) previous research of co-creation in online communities. Despite analysing the relationships between users, this study focuses on the relationships and exchanges taking place between users and the brand.

In terms of content and tasks, it can be summarized that the focus of LEGO Ideas community lies on user-generated product ideas that represent a rather incremental innovation. At the stage of idea generation, promotion and evaluation users take over an active role and responsibilities. Thus, a large part of the task in the community is managed by the users themselves without any significant interactions from LEGO.

When analysing the processes and tools of LEGO Ideas, it can be noticed that LEGO, on the one hand, acts as a facilitator by providing a community and appropriated tools to its users. On the other hand, the setup of the process and the platform are also a mechanism to police user interaction and the level of external participation.

When analysing the users of LEGO Ideas community, LEGO can create a strong community with a polite and supportive atmosphere. It can be noticed that users establish close connections with LEGO and other users, both inside and outside the LEGO Ideas community, which can result in a long-term relationship with the brand.

As explained previously in 2.4 further elements of the SET will be analysed to gain additional insights about the social exchange, which takes place between users and the brand.

4.2.5 Rules and Norms of Exchange

The guidelines that reinforce and support the exchange process can be an important element in order to establish a trusted and collaborative environment in an online brand community. Therefore users' experiences and opinions about the LEGO Ideas 'Project Guidelines and House Rules' will be presented in the following:

Interviewee 3: "I expect civility and, you know, if people want to be supportive, that's awesome."

Interviewee 9: "...foremost to be just respectful of other people's ideas and to be supportive and if you like it, like it and if you don't just move on. Go and look at other projects. So it is nice to get a positive feedback, see that people are interested. That's pretty much it."

In general the users within the community expect a respectful interaction that is not necessarily influenced by the official community guidelines. Some users argue that the guidelines support creativity.

Interviewee 4: "This is actually with every design project. I concretely mean, if you sort of provide guidelines the creativity actually should increase."

At the same time they provide a challenge, as can be shown by the following statement:

Interviewee 3: "I expect that they would be very clear about their rules. [...] I was hoping that it would be a little bit clearer about allowing or not allowing XYZ in some areas, which are greyer than others."

While some users see the LEGO Ideas guidelines as a challenge, others see them rather as a limitation, which can be underlined by the following statements:

Interviewee 4: "That is some kind of a double-edged thing, right? Every brand stands for something and then they set certain limits. [...] It is not just Brand. By this, they exclude some things. In contrast there is of course a real chance, that it [the idea] becomes a product. That is why I...or some people see this as a limitation, but others see it as a challenge."

Interviewee 3: "...they have their rules for certain reasons and I don't necessarily agree with all of them. I think most of them are fine and totally make sense, but I do

think sometimes that they are sort of losing sight of the bigger picture of what they could do as far as innovation and doing new things. So in that sense I think maybe some of their guidelines are a little bit stifling. [...] ...I do think that they clearly support creativity and ideas but, I'd like to see them thinking a little bit more outside of the box."

Interviewee 2: "Yeah, I think yea on the LEGO platform itself LEGO is completely in control. You actually, yea, that is what people actually complain about, let you sign "I want to submit the idea" you actually give up almost all of your rights until the point that LEGO says we don't want it anymore. So you cannot commercialize it anywhere. You cannot sell it to somebody. As long it is on their site, it is very close to being their property. They can decide whether they want it or if they don't want it anymore."

On the one hand the guidelines might be seen as limitations, but on the other hand they might be used to establish a certain degree of control for the brand and through this, ensure certain quality standards of exchange and interaction. The control aspect of the brand can be illustrated through the following responses:

Interviewee 9: "Yeah I think through the guidelines. I think they absolutely make sense for the brand and the use of you know like political sort of scenarios and you violence and drugs, all that stuff and making anything, an idea that is like a competing brand of LEGO. All that stuff completely make sense as they preserve their brand and I totally get that. Like, they don't want to track themselves into lawsuits or bad press or anything like that. All their guidelines yeah I completely understand and I think they completely make sense."

Interviewee 4: "So, the brand stands for something and I accept that if I contribute and submit something."

Interviewee 7: "I think they have a good balance of acceptability and having strict enough rules to prevent the site being overrun with poor quality creations. They frequently highlight through Facebook of social media some of the better creations on the site."

As illustrated through the statements above, users see the guidelines as a control mechanism to protect the brand. Moreover, the following users also consider the guidelines as a tool to ensure certain quality.

Interviewee 9: "I know they have, which I think will get to the guidelines as far as what can be uploaded, what is acceptable and so on. So I expected them to...you know they will look at the product and will make sure that is acceptable before it uploads to the website and all that."

Interviewee 1: "Ah, and that was just my first try building anything and it, it wasn't the best, but I definitely wouldn't put it on ideas. [...] I have read through the house rules and the guidelines, um, in fact that changed my model once or twice."

It can be summarized that the guidelines support a certain quality standard of the community and the projects submitted on LEGO Ideas. Additionally, the brand values assumingly provide an ‘unofficial’ guidance, as users are striving to create a project in accordance with the brand values that reflect the brand’s quality expectations. Despite the official guidelines, some users such as interviewee 2 expect even higher quality from other users, as LEGO Ideas platform is rather perceived as a professional environment that should have high-quality standards.

Interviewee 2: “I would expect their [other users] idea to be of good quality. I think there is a lot of ideas they know which are of really bad quality which you still submitted and still accepted and there you get...yea... so there is not a minimum quality level which actually also degrades the quality of the podium.”

Interviewee 6: “I think the expectation anyone should have on LEGO Ideas is to submit a project that they are confident [meeting quality standards] will reach 10.000 votes, which is that be aware [...] to consider to what would be sold.”

Interviewee 3: “...and I had made sure that the photography had a really good quality, you know, and all that stuff.”

In summary the rules and norms that are provided on the Ideas community support creativity for some users, while the majority of the guidelines are rather perceived as challenging and limiting. Additionally they are perceived as a tool for control, protection and to ensure a certain quality standard. Unwritten rules could be identified as civil and respectful interaction. As a major challenge, the rules and norms are perceived as not clear enough and too stifling. However, the guidelines and the underlying brand values can also be seen as limitations, as products need to be in line with LEGO’s brand values and users need to give up their rights. In terms of rules as control mechanism, it becomes evident that the uploaded ideas should represent a certain image and quality standard. This standard further protects LEGO and other users against certain political issues and lawsuits or bad press.

4.2.6 Resources of Exchange

The six types of resources of the Social Exchange Theory based on Foa and Foa (1974, 1980), which are love, status, information, money, goods, and services will be analysed in the following, to understand what type of exchange takes place between users and the brand on LEGO Ideas.

4.2.6.1. Love

When it comes to the exchange in terms of ‘love’ among users, it can be identified that users create a warm and positive atmosphere as expressed in the following statements:

Interviewee 6: “I would describe myself as a very active member of LEGO Ideas. You know I like to vote for a lot of projects, I comment a lot of projects, ... you know like being a positive force to promote the whole program basically. [...] From other users, you hopefully expect them to vote for my project and also spread the word about my project. And then, I also hope to expect that people will...you know take any advice that I will give or anything...and...perhaps stay positive and make hopefully everyone else to be positive.”

Interviewee 9: “It is something that I just made for myself, something for my own enjoyment. Once I saw the other projects on the website I saw well, you know, I just upload it. If a few people see it and enjoy it...that’s great. [...] I just thought if it’s up there and a **few people like it and enjoy it, that’s cool.**”

Interviewee 6: “You know you help other people’s project you establish friendships and network with other projects as well. [...] The most important thing I like about LEGO Ideas is just how polite and curious everyone is on LEGO Ideas. There are a lot of online communities and a lot of them, the people are not so nice basically They throw around insults back and forward...but LEGO Ideas is not like that and that’s why I love it. It is a great great refuge where you don’t get things like that.”

When it comes to the exchange of ‘love’ between the user and the brand, users expect to get attention and affection from LEGO in exchange for their contribution. Especially, if LEGO appreciates or is fascinated by an idea, users demand LEGO to show this appreciation.

Interviewee 1: “For Ideas specifically I think it’s just about that ultimate goal saying: One of my models is out there as a LEGO product. [...] and the BIO of the creator goes into the built retail box. And that is neat. I wouldn’t necessarily say it’s bragging rights but I assume that any serious builder out there would want to be able to become a part of that LEGO brand. Not just build some of it, be part of it. [...] I think it’s really the ultimate goal, at least from my perspective anyway, of any builder of LEGO, to be able to have LEGO published something they made and say hey, that is mine. That’s pretty cool. [...] That would be..., you know, I mean, wouldn’t that be a dream job to play with toys as a business type?”

Interviewee 7: “I think allowing me to contribute the LEGO legacy is what I appreciate the most. LEGO Ideas has allowed me to have an official connection to 3 brands I love, ...”

Interviewee 4: “What I actually expect from LEGO is that they notice the idea. And that this happens relatively early. That is...the first day when my project was online, a LEGO employee tweeted: “I love the project, people go and support this”. And this was not some random employee, but one that is responsible for LEGO.com and customer experience. This doesn’t mean you are in direct contact [with LEGO]. Also if an idea doesn’t reach 10.000 supporters, they will have a look at it. And that is also one of my expectations, that LEGO notices an Idea also if it might not get 10.000 votes.”

It must be noticed that this expression of affection from the brand was not provided on the LEGO Ideas platform itself, but on other social media and through an individual employee. Nevertheless, interviewee 4 highly appreciated the shown affection and support of the LEGO employee.

In summary it could be identified that users create a warm and positive atmosphere by acting as positive forces, by providing enjoyment and entertainment and by giving advice and opinions. From the brand itself, users expect LEGO to notice their work or project at an early stage. For some users the ultimate goal is to become part of the brand and by this, to achieve their dream of self-realization as an officially recognized 'LEGO Designer'. It can be noticed that these social and esteem needs of users and the correspondent reward of the brand are an important element of the community.

4.2.6.2. Status

Another socio-emotional resource that can be exchanged is status. Status mainly addresses users' social and esteem needs. The following statements explain user's needs that can be classified as status needs:

Interviewee 2: "And for me LEGO ideas is one of the platforms I use to spread my model around. Because it is one of the things people look at. And that is the whole thing with for me for Internet. You can have a great idea, but if you don't use the right platform nobody sees your idea. [...] So that's for me the goal of LEGO Ideas, yea, to provide another way of having people look at it so there is a big, I think 2000, 2200 that look at this model and that's what it is for me.

Interviewee 9: "I think what I appreciate most is just the platform itself is there for people to express their ideas and have other people all over the world be able to see them.[...] And I appreciate that it is available and I think it is also really great...."

Interviewee 1: "...get the appreciation of everybody, a larger audience..."

Interviewee 3: "And you know, part of it is the fun of wanting to see your project, like, in stores, I mean, I think everyone is motivated by that to some extent who submits a project. But another motivation and a very strong motivation for me is like inspiration of the actual problems and, you know, giving a totally new kind of toy to the LEGO community. [...] obviously it would be great to have it in the stores just for personal pride and you know I love LEGO myself, but also it would be a wonderful opportunity to promote the ideals that I have been interested in."

Interviewee 8: "I hope that one of my project will reach 10.000 supporters ...for my own satisfaction."

Users appreciate the possibility to get their project published on LEGO Ideas very much. They like to share it with the world, through the community, social media and stores, and other users in order to gain esteem and recognition for their creations. For some users, LEGO Ideas is a medium to express or to communicate a statement beyond their ideas, something that they would like to contribute to the LEGO (Ideas) community.

4.2.6.3. Information

Information in the form of advice, opinion and instructions are another resources that are exchanged on LEGO Ideas. User's opinions about the exchange of information can be expressed through the subsequent statements:

Interviewee 9: "So it is nice to get a positive feedback, see that people are interested [...] So any feedback is good to have."

Interviewee 2: "But in general I make something, I publish it, I also made instructions and I want to share them."

Interviewee 4: "This was never supposed to be a product. But I thought. I have spent a lot of work with this, how do people react on this [creation]. And you can see, there are not a lot of votes. [...] Basically, that you can get feedback. And that it is very targeted. I like that the focus lies on product ideas."

Interviewee 1: "...just see who else is out there, um, you know, to support and comment other people [...] what I would like to see more and I think some of the users out there are afraid to, to, to truly give a honest opinion. I'd like to get more criticism, to really understand, you know, the perspectives of other builders and what they like to see in a product. If you don't get that kind of feed... If it's only positive feedback it doesn't help you, you need, and I won't say negative, but you need a different perspective how, you know, your product looks to others."

Interviewee 1: "...but I'd like to see more of those people that haven't voted or supported that model, ah, say something, so that I can understand why or what I need to change to..."

Interviewee 6: "Oh, yes very very much so. I actually, you know I take positive...but I also like constructive criticism, cause that.. if you take constructive criticism that only can make you better and make you improve."

It can be summarized that information are a major resource that is exchanged on LEGO Ideas. Constructive criticism or feedback thereby is appreciated most by users. While they generate a lot of information, LEGO provides rather scarce information. This lack of information is mainly through the limited interaction intention of the brand. Feedback and opinions by LEGO are only provided when a product reaches 1000, 2000, 5000 and finally 10,000 votes.

Interviewee 1: "For me specifically it was, the first comment I got at 1000 supporters was, I look it right now, I think I got it right here, ah, they specifically said that I was green-lighted to go and that there were no licensing issues. Um, it was great, ah, because that was my worry, which was my main worrying."

Interviewee 7: "I expect them to give balanced judgement on whether a particular set would sell if brought to market. If a set doesn't pass review it's likely because the license couldn't be obtained or LEGO just didn't think it would be profitable."

Users expect an honest opinion from the brand as well as advice when it comes to licensing issues and feasibility. From a branding perspective, the information that is provided by users is also appreciated as it provides market insights and trends, that otherwise would be costly to collect. Furthermore, the brand can test ideas and to make use of the information.

Interviewee 2: “...it’s a big organization and they have marketing in their organization and their goal is to try to find the best ideas and what you can do is to do a lot of qualitative investigation and ask people and that is very expensive, yeah, [...] actually [it] is an extremely cheap way of investigating what is interesting and for that they have staff picks every 2 to 3 days they published models. And it is very interesting how they actually decide which models they put on the forefront. I think they choose there, they use that platform to choose, to see if certain ideas that they might like, if they indeed get a lot of attention if they put them on the foreground. Even if they put it on the front page of their own page, of their own platform, and they don’t get a lot of voters, it’s probably not a lot of people that would support that or buy that if it would be published by themselves. So it is much cheaper than inviting a lot of people for interviews which you would cost you a lot of money.”

Interviewee 7: “It brings fresh ideas into LEGO that they may not have considered, it allows them to measure actively the popularity of particular IPs or brands.”

Information can be identified as one of the major resources that is exchanged on LEGO Ideas community. While users are seeking for opinions, advice and instructions, LEGO seeks market insights and trends of its LEGO Ideas community users.

4.2.6.4. Goods

Resources in terms of goods are only exchanged at the final stage of the innovation process when a product idea has been approved and commercialized by LEGO.

Interviewee 4: “And then [his product idea] emerged. That was already very targeted, I would say. That was really something, where I thought, that could be or become a product.”

Interviewee 1: “But if LEGO does produce it you get 5 retail sets,...”

Only a few users within the community have the confidence and privilege to reach that phase. Consequently, the exchange of tangible resource is very limited on LEGO Ideas.

4.2.6.5. Money

The same applies to money, as it is connected to the final product idea getting produced and sold in LEGO stores.

Interviewee 1: “...you get a certain percentage of the profit, I’m sure it’s very very tiny, it’s 1 %...”

Interviewee 2: “...you can make money out of that but that’s not what I want to do.”

As it only represents a little chance for users to reach this stage, it seems that they are not mainly motivated by that. It is rather by the self-realization and esteem needs, as described in Chapter 4.2.6, which motivate users to submit their product ideas.

4.2.6.6. Service

While the LEGO Ideas platform provides scarce service functionalities, the platform itself can be seen as a service for the LEGO community. LEGO Ideas provides the possibility to exchange either feedback or to promote a certain idea behind a LEGO set. Services can be described as activities on the body or as activities that are belonging to the individual (Mitchell, Cropanzano, Quisenberry, 2012). Such activities are illustrated through the following statements:

Interviewee 2: “It’s fun if people give feedback, it is not to get people to support you.”

Interviewee 4: “...but to get this feedback. Specifically on one platform. Of course you also can submit it to some forum. But here it even more official. It is a bigger platform and you get also feedback.”

Interviewee 3: “The reason that I had decided to make a set was for similar aims as others, who want to promote their Idea, not just their set,...”

Interviewee 8: “...it is a good way how to present my own creations.”

Interviewee 10: “I appreciate that LEGO is giving fans the opportunity to submit ideas.”

Interviewee 11: “...when I heard about LEGO Ideas I thought it would be cool if one of my own creations becomes an official set. [...] The opportunity for regular people to design a potential set.”

It can be summarized that there is no real exchange of services, but LEGO by providing the LEGO Ideas platform to its brand community acts as a facilitator for its users. Users are able to share their ideas in one place, to entertain them and to establish a closer connection to the brand.

4.2.6.7. Skills and Competencies

In addition to the six types of resources identified by Foa and Foa (1974, 1980) other emerging elements can be identified within the LEGO Ideas community. These elements can be classified as ‘skills and competencies’, which represent another resource that users bring in and make use of when creating and submitting ideas. The following statements show that some users have certain skills and competencies which they usually use at work or for a special hobby:

Interviewee 9: “I am set designer at television. So a lot of hobbies overlap with work I guess. So art & design, I do some interior design as well, graphics, stuff like that. So all that overlaps a little bit though with LEGOs I would say. Since it is certainly a medium for some of that”

Interviewee 4: "I work as an experience designer. So actually mostly interaction design... [...] I also think a lot about usability, but also about experience. How do the people feel with the part of the interaction? With other things I do, such as movie creation you also think about this: How do people feel? [...] ...this was mainly my idea. The rest then was a lot of work. [...] Mainly I was driven through my job and my passion for design I would say and sure, experience design."

Interviewee 2: "...work as a project manager... [...] I have a university mechanical engineering degree so that helps in the mechanics."

Interviewee 1: "my field of studying in school was computer science, and so I was a software engineer for a number of years, software development manager and then went to project manager. But I was definitely involved in different user groups of various software programs and stuff like that..."

Interviewee 7: "I work as an Environment Artist in the video games industry..."

Consequently, LEGO Ideas can attract users with professional skills, even without providing them with any specific incentives for their contribution. The above-mentioned interviewees have diverse professional backgrounds such as designers, engineers, developers and project managers. These users professionally approach LEGO Ideas and invest their skills and time to create and submit their product ideas.

4.2.7 Social Exchange Relationships

While the Chapters 4.2.1, 4.2.2 and 4.2.3 have discussed LEGO Ideas users and its relationships in general, the following chapters will analyse these relationships from the more specific perspectives of the three relationship paradigms: the relationship-formation paradigm, the relational-attribute paradigm and the relationship-context paradigm - identified by Mitchell, Cropanzano & Quisenberry (2012).

4.2.7.1. Relationship-formation Paradigm

The relationship-formation paradigm "emphasized that beneficial exchanges could lead to the formation of close relationships" (Mitchell, Cropanzano & Quisenberry, 2012, p.114). In the LEGO Ideas community such beneficial exchanges and formation of close relationships can be identified as in the following:

Interviewee 6: "And I don't get really back into LEGO since I start hearing about LEGO Ideas the last year which it started in its current form."

Based on the statement of interviewee 6, LEGO Ideas provides users with a new opportunity to get in touch with the brand and to establish new relationships. Furthermore, such relationships can develop to a close affiliation between users and the brand, where both parties mutually benefit from the situation, as explained in the following:

Interviewee 1: “...I think it’s just about that ultimate goal saying: One of my models is out there as a LEGO product. [...] and the BIO of the creator goes into the built retail box. And that is neat. I wouldn’t necessarily say it’s bragging rights but I assume that any serious builder out there would want to be able to become a part of that LEGO brand. Not just build some of it, be part of it. [...] I think it’s really the ultimate goal, at least from my perspective anyway, of any builder of LEGO, to be able to have LEGO published something they made and say hey, that is mine”

Interviewee 11: “Before I just built LEGO. Now I can build with the possibility of it being made into a set.”

Interviewee 7: “...I wanted to fulfil a lifelong dream of becoming a LEGO designer.”

Interviewee 3: But I don’t know it’s gonna be interesting to seeing how this whole thing works and, you know, I do sort of get the sense that there are these folks who just kind of like, comment on everything, and some of them become sort of these, like, stars of IDEAS, even though they might not actually have any ideas of their own and so those people are, you know, one subset of the IDEAS community and then there is others who are like the creators.

As LEGO gives users the possibility to become an officially recognized ‘LEGO Ideas Designer’, this offers users the chance to get in touch and build a close relationship with the brand. Both parties benefit from this relationship in the end. LEGO gets market insights, and product ideas and the user gets attention from his preferred brand and can self-realize his idea or dream through LEGO Ideas community.

4.2.7.2. Relational-attribute Paradigm

The relational-attribute paradigm “emphasizes qualities of the relationship that might become resources for exchange” (Mitchell, Cropanzano & Quisenberry, 2012, p.114). As previously mentioned LEGO can form a creative and supportive atmosphere in the community. Furthermore, it is able attract users with professional skills that enhance the overall quality of LEGO Ideas, which might attract other professional users in the future.

Interviewee 3: “...it’s within a system that already encourages people who have sort of been long time LEGO GEEKs I guess, to way more heavily than people who like LEGO but may not be invested enough to have an LEGO account or whatever.”

Interviewee 1: “I think LEGO, you know, promotes the positive environment and that’s great...”

Interviewee 6: “There are a lot of online communities and a lot of them, the people are not so nice basically. They throw around insults back and forward...but LEGO Ideas is not like that and that’s why I love it. It is a great great refuge where you don’t get things like that.”

Interviewee 3: “...people go out and, like, say awesome things about other projects and I think, that is really nice. I mean, you know, it’s great when we can all sort of

just support each others cool ideas. So that is good. And that is really kind of the whole point. So I would say that is probably the strongest part of the community.”

The main characteristics of the relationships that are formed on LEGO Ideas are the long-term commitment between the user and the brand and the supportive attitude among the users. These characteristics enhance the quality and the overall supportive environment of the community. Beside the individual projects, there is an overall vision to create and share new ideas, to support each other and to succeed together.

4.2.7.3. Relationship-context Paradigm

The relationship-context paradigm “emphasizes that interpersonal closeness can moderate the manner in which goods are exchanged as well as how people respond to these transactions” (Mitchell, Cropanzano & Quisenberry, 2012, p.114).

Interviewee 4: “Basically I would say, rather yes [submit another project if LEGO would reject the current project]. That I would submit a project again. But it is just equally difficult, if you once got 10.000 supporters. You know that it is not easier to submit another project.”

Interviewee 3: “Oh yea, definitely, yeah. I mean, it didn’t even exist back then and so for that I am super grateful. I mean it’s a cool/great idea to have this and as I was saying it’s really, you know, not that many companies around the world that take ideas like this and potentially produce them, so I give them all the kudos in the world for that.”

Interviewee 3: “...I have been both, critical but also supportive of LEGO, depending of what they do, [...] I think there might be a minority of the community such that some people’s voices may not be heard so much...”

Interviewee 6: “The LEGO Ideas community is a great way to see other people’s contributions. There are lots of interests that people have, like my that people aren’t even aware. But if you see it expressed in a LEGO form, it is very exciting to see brand new concepts and brand new ideas and supporting those ideas.”

Interviewee 7: “I’ve used some of the lessons learnt from my LEGO ideas projects to Kickstarter, I felt the onus was on me as a project creator to "pitch" or "sell" the idea, if an idea doesn't generate interest it's no one's fault except my own.”

Given the fact that some users care about the overall welfare of the community, as illustrated by interviewee 3, this might be a sign for a close “interpersonal” relationship between users and the brand. Users are willing to invest and sacrifice time and resources to support the brand through LEGO Ideas community. They understand that LEGO has created a unique setting for them to get in touch with the brand and with other users. Hence, a completely new user-brand experience has been created. Furthermore, users are aware that this setting includes a competitive environment and that there is no guarantee to succeed. By this, LEGO has created a context that can achieve both, community building around the brand and sourcing or commercialization of user-generated ideas.

4.2.7.4. Negative Experiences

Besides of positive user-brand experience and relationship building, there also can be noticed negative associations with the brand.

Interviewee 2: “And it takes a lot of time and effort and generally you see on the Internet only the winners and think they got it for free, but it was actually a lot of work to get into that top one box. [...] Yeah, so, it was that for me, so probably I won’t submit on there again and I learned a lot of how the whole process works, yeah, and how the internet and social media on this sort of ideas sharing, how this actually works.”

Interviewee 3: “...it’s just, that is frustrating, and, you know, so to sort of, I do feel like getting involved in a project really sort of makes you think about the nuts and bolt of what LEGO is trying to do and how they are doing it and in some cases you sort of to lose a little bit of your love because it’s like very a lot of red tape and whereas, you know, I feel like if you have a cool idea people should just be able to have some way to easily represent that they are cool with it.”

Interviewee 3: “...I submitted a set that I had been planning for a month, literally a month and, you know, spent a lot of money on it and a lot of time and [...] I had this whole media plan ready and I had made sure that the photography had a really good quality, you know, and all that stuff. And, you know, and then two, like, three or four days later after I have submitted it, I get this total form letter, with a totally vague reason of why my set was not accepted, was like, extremely frustrating, not only because it didn’t get accepted, but because I didn’t know or I didn’t get any sense it was ok to ask them, well, what specifically was the problem and what could I do to change it [...] I ultimately did end up revising it and resubmitting it...”

Interviewee 3: “I mean, clearly some human actually did go through and made the decision not to accept whatever my and anyone else’s project. So at the very least you would assume you could get some kind of slightly personalised email. I mean, like, you know, again I worked for a number of companies where there is interaction with customers and that is pretty basic. I get it if you are doing, like, you know, I get it if there are, just like, a lot of Frequently asked questions about things or just generic customer service questions that you have, that are much less personalised, but actually now that I think about it. Somebody wrote to me saying that she has written to customer service, just the general LEGO customer service, asking about my set or whatever it was, and she did get a very personal response. And I am like: “that is weird” because that, you know, they would on customer service get this, you know, random response, to just a questions and then the people on ideas after spending all this time on this project, would get like a form letter.... So I, yeah, the ideas users are actually like super users.”

Negative associations such as frustration, demotivation or resignation seem to be a result of the way how the brand currently communicates and interacts with users and can lead to negative brand experience through LEGO Ideas. This negative experiences do not necessarily mean that users stop using LEGO, but they may stop creating and submitting ideas on the

LEGO Ideas platform. As already mentioned in chapter 4.1.3, users expect a more humanly and personal treatment from the brand. They demand a fair acknowledgment and appreciation for their efforts. Consequently, this requires a more open and transparent relationship with users.

4.2.8 Preliminary Conclusion: Other Elements

The Social Exchange Theory offers other relevant elements that can provide rich insights when studying brand user interactions in Social Open Innovation. The most important findings are summarized in the following.

Rules and Norms of Exchange in online communities can be a tool to support creativity, but also to control and protect the brand essence by ensuring certain quality standards. Furthermore, they can also be seen as a challenge or limitation in the social exchange between the brand and user. Besides the officially stated rules, it can be noticed that mutual trust, commitment, and a collaborative atmosphere are a prevailing aspect of the community, mainly influenced by the brand's ability to attract supportive and like-minded users.

By analysing the types of resources based on the Social Exchange Theory by Foa and Foa (1974, 1980) the findings can be summarized as in the following.

While 'love' in form of a supportive and warm atmosphere can be identified as an important resource for social interaction among users, this resource is even more important between users and the brand. To gain the attention and affection of their preferred brand is for some users the ultimate goal. The brand thereby responds to users' social and esteem needs. Consequently, 'love' is an important resource that is exchanged in the process of Social Open Innovation.

Another important characteristic of social exchange in Social Open Innovation is 'status'. Users not only appreciate the LEGO Ideas community as a platform to present and share own creations with a large audience, but through this, also can and want to gain esteem and recognition. Additionally the Ideas community serves as a medium to express a certain statement beyond normal set ideas. Besides 'status', 'information' could also be identified as another major resource that is exchanged. While users are seeking for constructive feedback and support, LEGO seeks for market insights and trends that can be identified through 'information' exchange.

Less important resources of social exchange could be identified in 'goods' and 'money'. While LEGO provides 'Ideas winners' with five of their commercialized LEGO sets and 1% net profit of every sold set, users that submit product ideas are rather driven by self-realization and esteem needs. 'Service' resources are rather less important, as there are no real services exchanged, except that the LEGO Ideas community itself can be considered as a service. Additionally to the six types of resources by Foa and Foa (1974, 1980) a seventh type of resource that is exchanged could be identified as 'Skills and competencies'. Users invest time and bring in their professional skills when creating ideas. Through this, users create brand-related content without getting any concrete or tangible reward in return.

The analysis has shown that the relationship formation paradigm between users and the brand can be identified by the mutual beneficial situation for both parties. While users are driven to self-realize their dreams and establish a close relationship with the brand, LEGO gains valuable market insights and free of charge skills and competencies.

The relational-attribute paradigm in the case of LEGO Ideas has allowed identifying a long-term commitment between users and the brand, as well as a supportive attitude among users as major characteristics. These characteristics can attract new users and by this might become important resources for exchange.

The relation context paradigm has shown that LEGO has created a unique setting for users to establish a close “interpersonal” relationship with the brand and other users. It can be identified that users also support the community as a whole and support the brand and other users of the community rather than focusing only on their projects. Despite the competitive design, LEGO Ideas contributes to a new user-brand experience and enables LEGO to achieve both, community building around the brand and crowdsourcing of commercial ideas generated by users.

Additionally to the three interpersonal relationship paradigms that support relationship building between users and the brand, there are also negative interpersonal experiences that might influence the relationship between users and the brand. These negative experiences are mainly a result of the impersonal behaviour of the brand. As a result, this can be seen as an expectation-performance gap, as users demand a humanly, transparent and personal treatment from the brand.

4.3 Discussion

The findings that have been elaborated from the analysis above will be discussed in the following by referring to the previously elaborated theory. On this basis, only the major findings of the analysis will be presented. Hence, these findings are not necessarily congruent with the previously elaborated concepts. As stated in Chapter 3.4, alternative explanations that emerge from the data will be taken into account. Nevertheless, if possible, the connection to relevant concepts will be made.

4.3.1 Brand Personality

The analysis has shown that LEGO has a high level of brand awareness in users' daily lives. Through the different forms of interaction - early childhood experience, the revivification of this experience through children and lately through LEGO Ideas community - a variety of characteristics are associated with LEGO. Due to these associations, users mostly bear positive characteristics of LEGO's brand personality in mind such as smart, creative, supportive, motivating and caring. These characteristics reflect very closely LEGO's official brand values, which are creativity, fun, imagination, learning, caring and quality. LEGO Ideas users have a good understanding and perception of LEGO's brand values that are quite well reflected in its products. This value reflection is also valid for LEGO Ideas community as the brand values perceived by LEGO Ideas users are congruent with LEGO's overall brand values. However, LEGO Ideas community offers users a touchpoint where they can interact more closely with the brand and other like-minded users. Through this form of new interaction, the brand is perceived slightly different from some users. As for some users LEGO represents a lifelong companion, they have certain expectations when interacting with the brand. If these expectations cannot be fulfilled by the brand, users also associate negative characteristics with the brand's personality. These negative associations clearly can weaken or damage the user-brand relationship, as long-term users might be disappointed from the brand. It can be concluded that Social Open Innovation in online brand communities is not always an opportunity for brand building (Pahnila, Väyrynen and Pokka, 2012; Janzik and Raasch, 2011; Jang et al. 2008; Kosonen et al., 2013). It also implies significant risks for the brand (Kapferer, 2012; Brito, 2011; Vernuccio, 2014; Baird & Parasnis, 2011).

In the case of LEGO Ideas, such performance gap is mainly given to an impersonal, non-transparent and selfish behaviour of the brand. Through such behaviour, users might feel that the commercial goal of LEGO is a prevailing part of the brand-user relationship. As a consequence, users demand a more active, transparent and humanly treatment from LEGO. Thus, LEGO should reveal more of its identity and objectives by not behaving too cautiously when interacting with users on LEGO Ideas. Users expect their contributions and efforts to be appreciated by LEGO and to be considered as equal opponents.

The findings stated above support the importance of brand identity (see 2.2.3) and brand assets (see 2.2.4), such as brand personality (see 4.1.3) and brand values (see 4.1.4) by Ind (2002) and Roscam Abbing (2005) as they are also reflected and can be perceived by users through the Social Open Innovation activity. Furthermore, the findings illustrate that in the

LEGO Ideas community, a collaborative and supportive environment contributes to idea creation and innovation (see 4.2.3). Moreover, trust in the brand could be identified as major aspect for users to engage in Social Open Innovation. These findings confirm Kosonen et al.'s (2013) concepts of 'community trust and community support' on the one hand, and on the other, Kapferer's (2012) view that a brand and its identity have to create trust in order to build strong relationships through authenticity. In the case of LEGO Ideas, brand personality (see 4.1.3) could be identified as main brand asset that influences the level of trust between users and the brand. The importance of brand personality is also emphasized by Quinton (2013), which describe a brand's original personality as driver for digital engagement. The same author includes the concept of authenticity and respectful interaction under the 'new community paradigm' which describes a reliable conveyance and consistent brand story at various touchpoints that has relevancy to consumers (Quinton, 2013). In this context, the author mentions a brand's ability to move with the times.

4.3.2 Brand Experience

Although the strategy of the LEGO Ideas community, which is designed to be very focused on the creation of new product ideas, there are also other outcomes and by-products of Open Social Innovation. Besides a pure innovation environment, LEGO Ideas provides users with the opportunity to share their ideas in one place with other users and the brand. By offering community building and Social Open Innovation at the same time, the brand acts as a facilitator, allowing the users to establish relationships with other like-minded users and with LEGO as a brand. These findings are in accordance with the previously mentioned 'new community paradigm by Quinton (2013) which also emphasizes the role of the brand as 'supporting facilitator' and driver for engagement and brand experience. As a consequence, a community with supportive, polite and collaborative user behaviour is created. Furthermore, by giving users the possibility to fulfil a lifelong dream of becoming an officially acknowledged 'LEGO Designer', a new experience is created that affords the opportunity for a close and long-term relationship between users and LEGO. Users not only want to develop individualised or personalised products, as argued by Vernuccio (2014), Gensler et al. (2013) and Brito (2011), they rather want to establish a close and personal relationship with the brand and become an active part of the brand as the findings in the Chapters 4.1.3, 4.2.3, 4.2.6 and 4.2.7 confirm. By establishing a personal relationship with the brand, a unique co-creation experience can be created that confirms Prahalad & Ramaswamy's (2004) statement about the converging roles of the company and the consumer.

Additionally, it can be noticed that relationship and community building go beyond the boundaries of the LEGO Ideas community and thus, contributing even more to the overall brand experience. The findings in 4.2.2 demonstrate that the brand acts as a facilitator by firstly providing a Social Open Innovation platform and secondly by offering users tools that differentiate the brand from the competition. These findings support the arguments of Persson (n.d.) and Dunn & Davis (2003). While Pahlila, Väyrynen & Pokka (2012), Kapferer (2012) and Persson (n.d.) argue that online communities are an opportunity for innovation and brand building by creating entertaining brand content. Nevertheless, the findings show both, supportive and contrasting arguments. On the one hand, LEGO Ideas for most users is a

differentiating factor and unique touchpoint with the brand (see 4.2.2) that allows establishing close relationships (see 4.2.7) and consequently strengthens the brand. On the other hand, LEGO Ideas community also can weaken the brand, as some users make negative experiences (see 4.2.7.4) with the brand, mainly through certain aspects of the brand personality (see 4.1.3) that is perceived by the LEGO Ideas community. Users share these experiences with other community users but also on other social media. As a result, these negative experiences represent a significant risk for the brand when they are shared on the social web (Kapferer, 2012; Brito, 2011; Vernuccio, 2014; Baird & Parasnis, 2011). From a brand management perspective, these findings support Kapferer's (2012) notion of a consistent touchpoint management and the delivery of the brand promise. If the brand promise is not delivered, this can be a result of a mismatch between brand experience and perceived brand image.

4.3.3 Rules and Norms & Brand Promise

The discussed findings identify that rules and norms (see 4.2.5) are important factors not only to ensure a certain control and quality through the brand, but also to ensure that the brand values and brand promises are well perceived. While some users perceive the rules and norms as a support, other users rather interpret them as a challenge or limitation. Consequently, Kosonen et al.'s (2013) statement about users' reliance on rules and norms can be confirmed. Besides the official 'House Rules', it could be identified that the LEGO Ideas users have established unwritten rules that are based on mutual trust and commitment that is expressed in a positive and supportive working atmosphere. These findings support Roser et al.'s (2009) and Blau's (1967) statements about the quality of the relationship and the quality of interaction for innovation. Nevertheless, some users expect LEGO to be more flexible, more transparent and not too restrictive with the Intellectual Property Rights and the project submission approval in order to lower the barrier for creativity. Furthermore, the empirical data have shown that the rules and norms provide a control mechanism for LEGO. Despite the argumentation of Baird and Parasnis (2011) about decreasing control on social media, the findings contrast that rules and norms, as well as brand values still offer certain degree of control for brand management. However, rules and norms should not be too restrictive, as they otherwise might be perceived negatively or represent a limitation for the innovation potential and creativity within the community. With this mechanism, LEGO makes sure that any submitted product ideas are in line with LEGO's existing brand values and with this enables LEGO to fulfil its brand promise. LEGO's four brand promises are: (1) Play promise: Joy of building and Pride of creation, (2) Planet promise: Positive impact, (3) Partner promise: Mutual value creation, (4) People promise: Succeed together.

If LEGO is not able to fulfil its brand promises, users' expectations toward the brand are not satisfied and may end up in frustration, demotivation and other negative experiences. As a result, this may lead to resignation from the LEGO Ideas community. Especially for long-term LEGO users and customers who are familiar with the brand since their early childhood experiences, LEGO fails to convey these brand promises and values into LEGO Ideas. This failure might explain their frustration and demotivation towards the brand. As already mentioned in Chapter 4.1.3, users expect a more humanly and personal treatment from the brand. They demand a fair acknowledgment and appreciation for their efforts. Thus, a more

open, proactive and transparent relationship with users is required. Furthermore, it can be concluded that the brand can significantly influence the atmosphere of the whole community by attracting users with a similar mindset through a culture that is driven by common goals and brand-related values. However, while among users there might be a feeling of “everything is awesome” due to the collaborative and supportive environment, the findings show that there is room for improvement for the brand in terms of user-brand relationship.

4.3.4 User-Brand Relationship

The findings in the Chapters 4.2.3 and 4.2.7 show that Social Open Innovation is an interactive process that establishes relationships between users, but also between users and the brand. Through these interactive processes, relationships are not only established on LEGO Ideas, but also beyond the LEGO Ideas community, such as local LEGO user groups or other external communities, both online and offline. These findings are in accordance with the concept of Open Innovation described by the authors Rocheska et al. (2014), Martini, Massa & Testa (2013), Laursen & Salter (2006), Piller, Ihl & Vossen (2010), Sofka & Grimpe (2009) and Marchi, Giachetti & Gennaro (2011).

Furthermore, the findings illustrate that LEGO Ideas is able to attract long-term users with a similar mindset and a supportive behaviour (4.2.7) that increases the level of trust in the community, which might be a result of a high brand awareness (see 4.1.2) and good brand reputation (see 4.1.1). The long-term involvement of users or customers and its effect on the level of trust in the brand or firm is in accordance with Algesheimer et al. (2005).

Furthermore, Mount and Garcia’s (2014) connection between users’ interest in the brand and their participation regardless of incentives can be confirmed. The findings illustrate that although LEGO offers concrete monetary incentives, users are not influenced by this kind of incentives. It can be noticed that users are rather driven by the opportunity of satisfying their social and esteem needs through receiving particularistic resources from the brand, such as ‘status’ and ‘love’ (see 4.2.6). These findings are in accordance with Quinton (2013) who describes the acknowledgement of brands as central element of relationship development. As a result, for most users their interest in the brand is reason enough to engage in its Social Open Innovation activities. Some users thereby develop an interest in the overall well-being of the community, but also in the brand. As a consequence, users are reflecting upon possible improvements and are exchanging their opinions with other users, in and outside of the LEGO Ideas community. According to Hall (2010), LEGO Ideas shows clear characteristics of an online brand community, because its users are dedicated to the community and initiate conversations about the brand or business (see 4.2.1 and 4.2.6). Therefore, the brand is an important factor of Social Open Innovation, as it contributes to community building and the type of activities that are conducted and the type of relationships that are formed. However, it is questionable if LEGO can achieve both, Social Open Innovation and community building in the long-term. While at the moment LEGO Ideas community is very focused on idea submission, the growing user base increasingly demands more interaction possibilities with other users and closer interaction with the brand. Furthermore, the current engagement in the community seems unbalanced, as users invest a lot of time and resources while LEGO takes on a rather passive and cautious role. Bringing into mind that LEGO Ideas is a company

managed community, this situation seems rather paradox. It can be concluded that LEGO's Social Open Innovation strategy is questionable, as the current execution reflects rather a situation of "exploiting friends" than "mutual value creation" or "succeeding together".

4.3.5 Brand Advocates

The analysis has shown that some users have a strong positive attitude towards LEGO. Part of this positive reputation is created through LEGO Ideas community and its facilitation of external user participation. Consequently, users invest time and resources in order to promote individual projects, but also the idea of the whole community. Through these investments, users occasionally make use of their professional skills or other competencies. As a result, they create relevant and authentic content for LEGO and become an active part of LEGO's brand communication. The increasing role of users in a brand's content creation and communication efforts can be explained through the Consumer-Brand Engagement (CBE) framework (Gambetti et al. 2012). Although not previously mentioned in detail, this framework describes the process of opening up the brand to an increased social media activity by allowing increased user participation. Findings emphasize that these users can be seen as 'brand advocates' or more concretely, as volunteer marketers. They proactively use their time and their social capital to promote projects or the LEGO Ideas community as a whole which can result in electronic word-of-mouth (Zuberance, 2010, n.p.).

It can be summarized that some users rely on professional skills and competencies (see 4.2.6) and are trying to contribute highly innovative product ideas (see 4.2.1). These users thereby take into account LEGO's existing products and values (see 4.1.4). Hereby, the findings correspond with Marchi, Giachetti and de Gennaro (2011). Furthermore, it can be noticed that these users also have similar characteristics that can be compared with 'Opinion Leading Customers' by Brito (2011b), as they actively produce valuable brand content. In the case of LEGO Ideas opinion leading customer can be identified through receiving support from the community. While this could be seen as a characteristic of Social CRM (Greenberg, 2010; Metz, 2012; Baird & Parasnis, 2011; Vernuccio, 2014), it must be contrasted that there is no active inclusion or support of these 'opinion leaders' from the company or brand itself. In the LEGO Ideas case, the brand's activity is only very limited to occasional feedback and support.

5 Conclusion

Social Open Innovation in online brand communities is a complex phenomenon becoming increasingly important to companies and brand management, as ‘Social Customers’ seek to actively participate in the development of new products and the creation of brand content. Social Customers increasingly wish to influence the decision making process in the development of products. Research has shown that the brand plays an important role, as it acts as a facilitator for both, Social Open Innovation and community building. The main requirements for a brand to engage in Social Open Innovation have been identified as, brand personality, brand experience, rules and norms & brand promise and user-brand relationship as is summarized below.

Next to brand awareness and brand reputation, brand personality seems to be the most important brand assets. Brand personality helps users identify with a brand and associate a certain personality with it. Such brand personality can attract like-minded users who have similar interests and values, which then offers the common ground for collaboration. In the context of Social Open Innovation, the findings seem to suggest a personal and humanly treatment between brand and user. As a result, a rather transparent and collegial relationship is demanded by users. However, it must be noted that if users’ expectations towards the brand in Social Open Innovation are not satisfied, such disappointment can result in negative associations and implications. Consequently, if the brand promise is not kept users’s perception of the whole company may suffer as a result. Thus, Social Open Innovation in online brand communities implies both a significant risks and an opportunity for brand management. Meeting long-term users’ expectations and achieving the balancing act between Social Open Innovation and brand building through online brand communities represents a major company challenge for brand management.

Furthermore, online brand communities that make use of Social Open Innovation offer a touchpoint that can influence users’ previous brand experience. Users are offered to become co-creators and participators in the creation of brand content. A new community is created where users can interact with other like-minded people. In the process of community building, the brand contributes to a collaborative and supportive environment, as the brand and its underlying values help establish a certain degree of trust and standards. Trust is supported by a high degree of brand awareness and good brand reputation, which assists in establishing long-term commitment and relationship building.

Social Open Innovation can facilitate and strengthen internal and external relationships between users but also between users and the brand. User participation is driven by intrinsic motivations and particularistic benefits rather than concrete monetary incentives. Consequently, users long for ‘status’ and ‘love’ from the brand. Such relationships also support community building as users are interested in the overall well-being and purpose beyond the community and actively initiate conversations and engage with other users.

Lastly, the discussion has shown that Social Open Innovation in online brand communities is likely to produce brand advocates. As a result, some of its users are actively and voluntarily communicating their excitement and positive feelings about the brand, investing their time

and social capital that can result in electronic word-of-mouth. These users thereby become part of the brand communication.

The preliminary framework (see figure 8) from Chapter 2.4 serves as a basis for the application of the SET to the phenomena of Social Open Innovation. It has contributed to the understanding of the interconnection between brand management and Social Open Innovation with which the interactions and exchanges between users and brand can be studied. On this basis, a comprehensive overview of the findings is illustrated in the following ‘Social Exchange and Brand Management Conceptual Framework for Social Open Innovation’ (see figure 11).

In this diagram, the user-brand interaction is expressed through the inner streams. The upper ‘Brand Management & Socialization’ stream describes the process of brand platform activation and brand asset management. From a brand management perspective, the supportive aspects of brand management are illustrated. Evidence suggest that brand personality is the most important asset for engaging in Social Open Innovation. The lower ‘Social Open Innovation’ stream depicts the process of external user participation and contribution in the innovation process. The outer streams illustrate the interaction between users and the brand from the perspective of the SET. Through this view, the mutual beneficial resources exchanged between users and the brand are presented. It seems that Social Open Innovation is narrowing the distance between users and the brand and, therefore, contributes to a close relationship building.

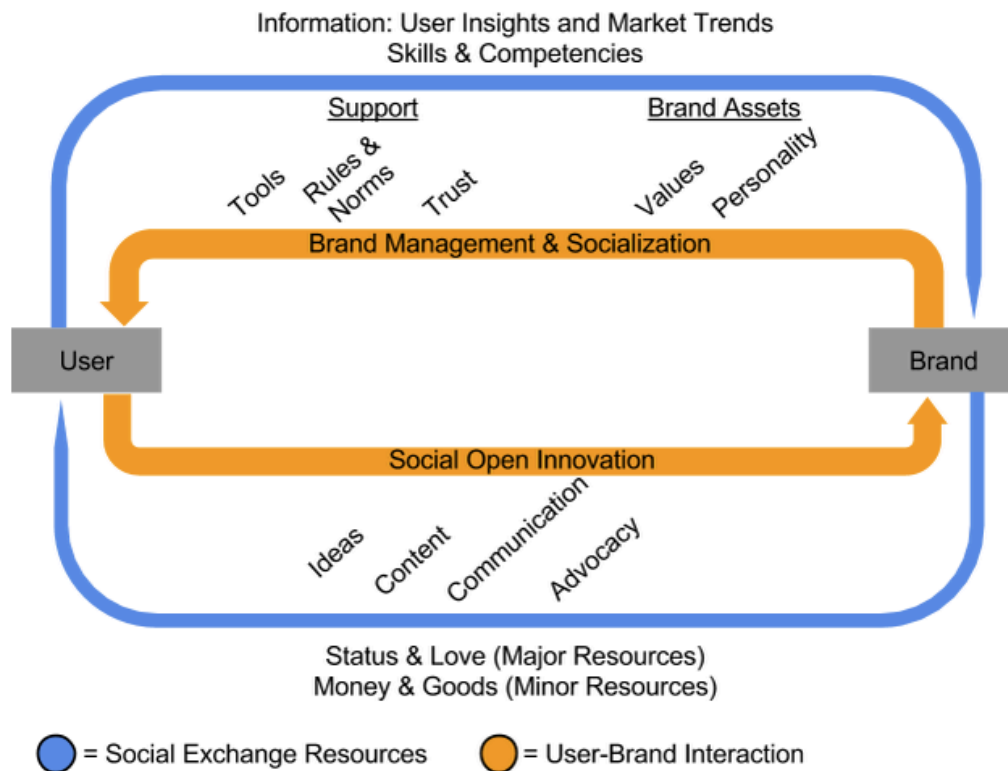


Figure 11: Social Exchange and Brand Management Conceptual Framework for Social Open Innovation (Own illustration)

5.1 Theoretical Contribution

This research seeks to make a contribution to the various schools of thought. It has shown that the SET provides a useful framework for studying social exchange and relationships between the user and the brand. A close study of Social Open Innovation through the lenses of the SET, shows that the context of a Social Open Innovation community has similar characteristics as those seen in the work behaviour in an organization. The main similarity thereby can be identified through the mutually beneficial situation for both, the company, and the user or customer. One major contribution of this thesis is expressed through the application of the SET to brand management by looking at the relationship between users and the brand. By applying the SET to Social Open Innovation in online brand communities, there where signs of an “interpersonal” relationship between users and the brand that has added rich insights that has contributed to a further understanding of brand management in Social Open Innovation.

5.2 Further Research and Limitations

Upon reflection of the result of this study, several limitations can be identified. One limitation of the presented study was given through the disregard of a detailed analysis of the concepts of brand equity. However, brand assets offer a first approach to addressing this concept. Furthermore, the research has been designed to gather user expectations towards the brand without taking into account the company’s and practitioner’s perspective of Social Open Innovation. The study did not provide a typology of different outcomes or types of innovation that might result from the activity of Social Open Innovation. Rather, presents a general view of Social Open Innovation and its byproducts in the context of an online brand community. Moreover, the chosen example of LEGO Ideas represents the context of a mature brand. Therefore, the findings and implications are not necessarily transferable to the context of new or recently introduced brands. As the research is designed in form of a single case study at a particular point in time, the findings are bound to provide only a snapshot of Social Open Innovation and brand management of the particular example of LEGO Ideas community. As a result, the generalization of the findings to be applied to other contexts is risky though not inconceivable. General lessons can be learned from this example if one is aware of its limitation.

Further research in the form of longitudinal or multiple case study research on Social Open Innovation would provide a more thorough understanding of this social phenomenon. The research has provided a general overview of user needs, whereby further research could be undertaken by identifying and classifying the different types of users or Social Innovators. In order to gain better insights and to obtain data from a larger user base, a combination of qualitative and quantitative research could offer a more profound understanding of Social Open Innovation. From a brand management perspective, it would be interesting to conduct research about how Social Open Innovation influences brand equity or more concretely the financial value of a company or brand. Additionally, carry out research through the lens of the Consumer-Brand Engagement (CBE) framework might allow to explore the increasing users

participation and its impact on brand content and communication. Another important element of Social Open Innovation communities are the cultural aspects which further should be illuminated. Finally, it would be beneficial to compare the phenomena of Social Open Innovation by studying different contexts, such as company externally organized social media.

5.3 Managerial Implications

Social Open Innovation is more than just incorporating external resources into the innovation process. It provides a company with valuable user-generated input and at the same time, contributes to community building around the brand which consequently requires good brand management. Hence, brand managers need to understand the brand requirements and the social interaction in order to create valuable Social Innovators and brand advocacy.

Thus, the ‘Social Exchange and Brand Management Conceptual Framework for Social Open Innovation’ represents a tool for Social CRM (Greenberg, 2010; Metz, 2012) by giving practitioners additional insights of what consumers need and what a brand has to give in order to manage a user-brand relationship in Social Open Innovation. Nevertheless, this framework has to prove its practical feasibility in different contexts. However, this framework may help practitioners to create a strong and close relationship with mutual beneficial value for both, users, and the brand.

There is, however, an implicit risk in such closer interconnected communication. The brand of a company can deteriorate at much greater speed than in times prior to social media technology. The word-of-mouth propaganda can produce and facilitate a trend towards both directions. Such ambiguity creates all the more an urgent desire for companies specialising particularly in mass or consumer products to carefully listen to the first signals of a downturn in branding. Although this downside risk approach may not have been covered in this research in extenso, it suffices to emphasise that it is equally important to develop downside risk tools in order to avoid such negative impact.

Nevertheless, this study has hopefully contributed to an understanding of the user-brand relationship in Social Open Innovation. As users are the major external resource that contributes to a company's innovativeness, this study has shown that the brand, its behaviour and experience creation have a major influence on the participation in Social Open Innovation. From a strategic brand management perspective, a consistent touchpoint management through brand platform activation represents a key issue for Social Open Innovation. Furthermore, users' wishes wants and needs represent a major key aspect of successful Social Open Innovation that needs careful consideration. Lastly, the interpersonal dimensions and closeness between users and the brand could be identified as key success factor when establishing relationships and creating experiences. Consequently, brand personality is an important brand asset that brand managers have to take into account when engaging in Social Open Innovation.

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Appendix A

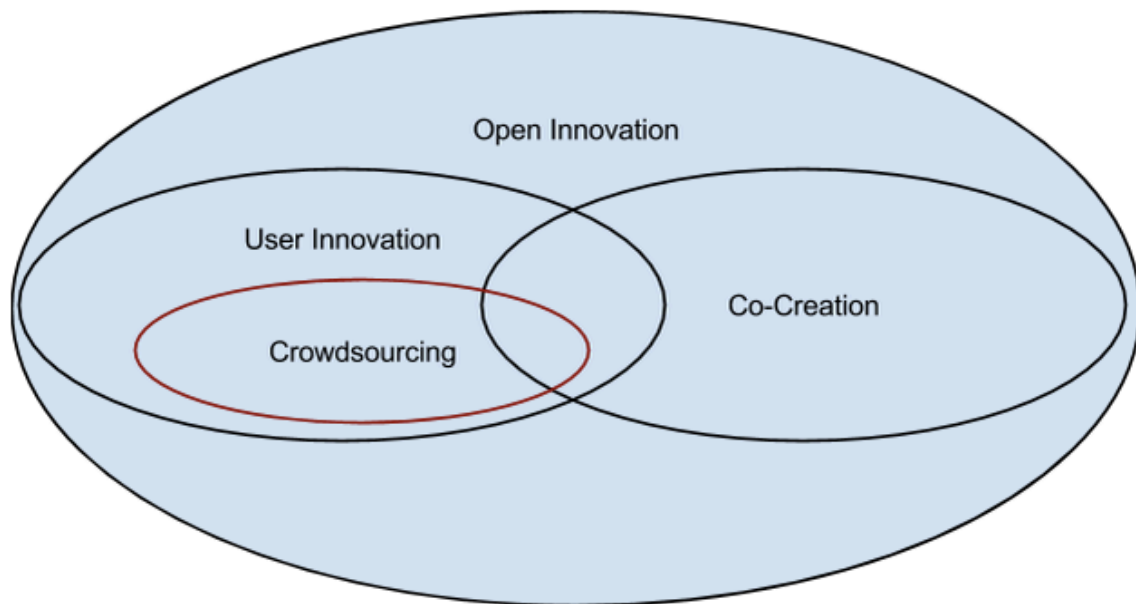


Figure 12: Overview of Open Innovation and its Tools (Own illustration)

Most companies and practitioners have used the terms Open Innovation, User-Driven Innovation, Co-Creation and Cordsourcing in many different ways that can lead to confusion for novel researchers. Hence, the previously shown figure 12 has been created to provide a clear classification of these terms. Further, the definitions of these terms will briefly be reviewed in order to foster an understanding of the characteristics and classification.

The two main tools or types of Open Innovation could be identified as User-Driven Innovation and Co-Creation. While User-Driven Innovation is user-centric and initiated by users where the company plays rather a passive role, Co-Creation is based on collaboration between users and the company which has a rather active role. Co-Creation is defined by Roser et al. (2009) as “an active, creative and social process, based on collaboration between producers and users that is initiated by the firm to generate value for customers” (p. 9). In other words Co-Creation is a term that expresses working together with the end user of a product or service in order to exchange knowledge or resources and to deliver a personalised experience using the company’s value proposition. On the other side User-Driven Innovation “is primarily based upon understanding the customer needs and embedding them into appropriate innovative solutions” (Rocheska et al., 2014, p.33). Users or consumers in this context develop their own ideas that in a next step are approved by others and then refined, implemented and commercialized by the company (von Hippel, Ogawaand & DeJong, 2011). “User-driven innovation makes use of information on customers, user communities and customer companies, and engages users as active participants in innovation activities”, where the primary focus lies on gaining insights into user’s needs and experiences at an early stage of the innovation process (Renders & Sleecx, 2012, p.11).

Baldwin and von Hippel (2010) define users as “firms or individual consumers that expect to benefit from using a design, product or service” (p.3). An important actor in the context of

User-Driven Innovation is the so called lead user. Lead users are described as early identifiers or anticipators of market needs and they are able to develop solutions to these market needs (von Hippel, 1988).

The activity and interaction between users and company may differ from case to case and can not be fully distinguished. Thus, the two types, User-Driven Innovation and Co-Creation, may have overlapping elements. Crowdsourcing is the most recent term which rather is used in the context of front-end innovation and the use of Web 2.0 technologies such as brand communities or other Social Media (Spruijt, 2012). The literature review has shown that there is still an ongoing discussion how to classify Crowdsourcing. Most recent scholars see it as part of User-Driven Innovation which reflects also the opinion of the authors. Crowdsourcing can be defined as “the act of taking a job traditionally performed by a designated agent (usually an employee) and outsourcing it to an undefined, generally large group of people in the form of an open call” (Howe, 2006). Some authors describe Crowdsourcing very narrowly as a task of the crowd to give money or to vote for and give opinions on certain products (Estellés-Arolas & González-Ladrón-de-Guevara, 2012). These definitions can rather be classified as Crowdfunding and Crowdvoting that are subsets of the wider term Crowdsourcing.

Appendix B

The following questions represent the interview guideline:

1. Please introduce yourself briefly. What is your name, how old are you, what are your hobbies, etc?
2. Since when do you know LEGO bricks
3. What does LEGO stand for in your mind?
4. When did you hear the first time about LEGO Ideas/CUUSOO
5. When, how and why did you engage in the LEGO Ideas/CUUSOO platform?
6. What is your main activity on LEGO Ideas?
7. How would you describe yourself as a member of LEGO Ideas community?
8. What influences most the type of ideas you submit on LEGO Ideas? (hobbies, skills, job, books, etcetera)
9. What do you expect from LEGO when submitting an idea on LEGO Ideas?
10. What do you expect from other users when submitting an idea on LEGO Ideas?
11. Which aspects of LEGO Ideas do you appreciate most?
12. Which tools are most useful to create and submit new ideas?
13. How does LEGO support idea creation and innovation?
14. Do you think that LEGO Ideas' guidelines and LEGO's brand values support creativity?
15. If there is anything you could change or if there is anything that is missing that would improve the LEGO Ideas platform, what would you change or add?
16. What motivates you to create new ideas and what else motivates you to engage on LEGO Ideas?
17. Do you also engage in other innovation communities? If yes, where and why?
18. Has LEGO Ideas changed your (previous) LEGO experience?
19. Has LEGO Ideas contributed to other innovative activities that you engage in?