

# *Study on the Influencing Factors of L'Oreal Customers' Participation in Brand Value Co-creation Willingness*

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**Abstract:** With the rapid development of Internet and new media marketing, the rapid development and popularity of various social media and platforms have brought the relationship between brands and customers closer, customers have transformed from mere product consumers into “Co-creators” of brand value. Whether it is the traditional real economy, or the internet leading enterprises, everyone has realized that we can not stay in the traditional marketing thinking, but should pay attention to the important role played by consumers in brand marketing, to stimulate the willingness of consumers to participate in the co-creation of brand value, we can achieve rapid development in the rapidly changing internet era. Taking l'oréal brand as an example, this study adopts the method of questionnaire and empirical analysis to explore the relationship among brand awareness, interactive experience, benefit factors and value co-creation intention, the final results show that brand awareness, interactive experience and benefits significantly affect the willingness of customers to participate in the co-creation of brand value.

## 1. Introduction

In the context of the rapid development of the Internet economy, customer experience and customer participation have become more and more important, and customers have changed from simple product consumers to "co-creators" of brand value. This paper takes beauty care brand L'Oreal as an example to study the influence of various factors on customers' willingness to participate in the co-creation of brand value, in order to understand the influencing factors of customers' willingness to co-create value and give play to the positive influence of value co-creation.

## 2. Theoretical basis and literature review

### 2.1 Value co-creation

Value co-creation plays a moderating role in the relationship between corporate brand image building and customer consumption experience.<sup>[1]</sup> Customer value co-creation willingness refers to the state that customers are willing to participate in the process of designing related products and services of enterprises, and are willing to share and help other users in order to realize their own

personalized benefits.<sup>[2]</sup> In the process of participating in value co-creation, customers enhance their understanding of the brand, improve their trust and goodwill to the brand, and enterprises also establish emotional relationship and association experience in the interaction process, and promote products and deliver brand reputation through customers.

## **2.2 Brand awareness**

Among the many brands, consumers will trust and rely more on the brands they are familiar with, and they will have a stronger purchase intention for the familiar brands. The brand awareness of a product will affect consumers' purchase intention and decision.<sup>[3]</sup> Customers have a good impression on the brand, and the higher the possibility of participating in the co-creation of brand value. The better the brand image and the higher the brand awareness, the more consumers can identify with the product quality and value of the brand.<sup>[4]</sup> There is an obvious correlation between brand awareness and consumers' purchase intention.

## **2.3 Interactive experience**

Customer interaction experience includes emotional experience, sensory experience and related experience. The emotional experience is manifested as the customer's favorable impression of the brand, easy to have emotional resonance with the brand, feel close to the brand. Sensory experience refers to the brand's promotional posters and video production will bring visual and auditory experience to customers, while the brand's products will bring using experience to customers. Related experience is the indirect experience that customers get from people around them, and it also affects customers' perception of the brand. A good experience effect can form and strengthen customers' perception of a good brand image of a store, and is also conducive to the shaping of an enterprise's brand image.<sup>[1][5]</sup>

## **2.4 Interest factors**

Starting from customer needs, customers will spontaneously participate in enterprise activities (including but not limited to brand value co-creation activities) out of economic and social needs, so as to realize their own demands. Customers will participate in the value creation activities of enterprises based on their own cognitive interests, personal integration interests, social integration interests and entertainment interests.

# **3. Research hypothesis and model construction**

## **3.1 Variable determination**

Based on the above literature review and research, this paper identifies the variables studied as brand awareness, interactive experience, interest factors and value co-creation willingness. Among them, brand awareness, interactive experience and benefit factors are independent variables, and value co-creation willingness is the dependent variable.

## **3.2 Research hypotheses and models**

Based on the above theoretical and related literature review and research, the research model shown in the following figure, which includes four variables, namely brand awareness, interactive experience, interest factor and value co-creation intention, as shown in Figure 1:

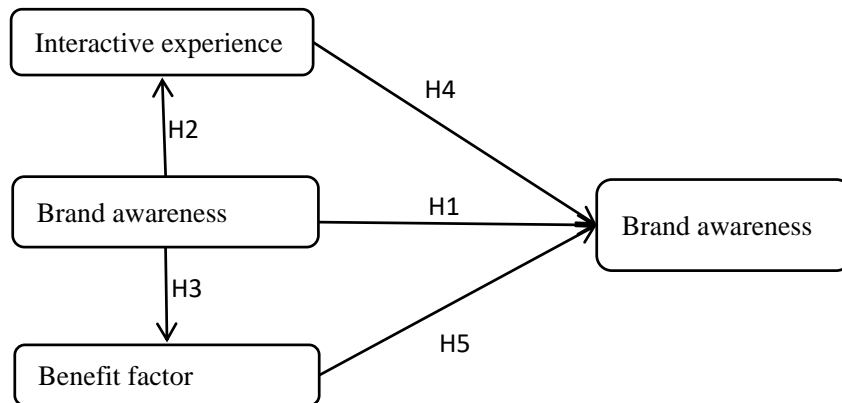


Figure 1: Value co-creation influence model

Based on the above model, the following hypothesis is proposed:

H1: Brand awareness significantly positively affects customers' willingness to participate in value co-creation;

H2: Brand awareness has a significant positive impact on interactive experience;

H3: Brand awareness has a significant positive impact on profit factors;

H4: Interactive experience significantly positively affects customers' willingness to participate in value co-creation;

H5: Benefit factors significantly positively affect customers' willingness to participate in value co-creation.

## 4. Empirical analysis

### 4.1 Questionnaire design and sample structure

Table 1: Sample structure table

topic	options	sample size	percent
sex	male	82	41%
	female	118	59%
age	under 18 years old	8	4%
	18-22	122	61%
	23-30	55	27.50%
	over 30 years old	15	7.50%
educational background	high school and below	9	4.50%
	junior college	21	10.50%
	undergraduate course	152	76%
	master degree or above	18	9%
monthly income	less than 3000 yuan	91	45.50%
	3001-5000	57	28.50%
	5001-8000	29	14.50%
	over 8000 yuan	23	11.50%

Based on the above research hypothesis, this study takes L'Oreal as the target brand and mainly targets its online consumers. The questionnaire for L'Oreal mainly consists of four parts: brand awareness, interactive experience, interest factors and value co-creation intention. The value co-creation willingness scale developed by Bilsen Bilgili and Emrah Ozkul(2015) was used for reference, and the five-level Likert evaluation standard was adopted. The questionnaire was distributed in seven cities, and 200 valid questionnaires were finally collected. The specific sample

structure is shown in table 1:

## 4.2 Hypothesis testing

### 4.2.1 Correlation analysis

According to the results of relevant analysis, the following table 2 can be obtained. The data show that there is a close positive correlation between "brand awareness" and "interactive experience", "benefit factor" and "value co-creation intention". There is a very close positive correlation between "interactive experience" and "benefit factor" and "value co-creation intention". There is a very close positive correlation between "benefit factor" and "value co-creation intention".

Table 2: Correlation analysis

variable	average	Standard deviation	Brand awareness	Interactive experience	Benefit factor	Value co-creation willingness
Brand awareness	11.66	2.89	1			
Interactive experience	15.04	5.43	.521**	1		
Benefit factor	10.25	3.13	.492**	.763**	1	
Value co-creation willingness	13.27	4.03	.559**	.782**	.791**	1

### 4.2.2 Regression analysis

The regression results of the relationship between the three dependent variables (interactive experience, interest factor, value co-creation intention) and the independent variables in this study are shown in Table 3 below.

Table 3: Regression analysis

Dependent variable	Independent variable	Mode 1	Mode 2	Mode 3
		$\beta(t)$	$\beta(t)$	$\beta(t)$
Interactive experience	Brand awareness	.521**(8.587)		
Benefit factor	Brand awareness		.492**(7.943)	
Value co-creation willingness	Brand awareness			.152**(3.369)
	Interactive experience			.374**(6.158)
	Benefit factor			.430**(7.223)
$\Delta F$		73	63	166
VIF		1	1	1.41-2.56
$R^2$		.271	.242	.718

The data show that VIF values are all less than 5, indicating that the model has no multicollinearity problem and is well constructed. The  $R^2$  values are 0.271, 0.242 and 0.718 respectively, indicating that the assumed independent variable has a significant influence on the dependent variable, that is, "brand awareness" has a significant influence on "value co-creation intention". "Interactive experience" significantly affected "value co-creation intention"; "Benefit factor" significantly affected "value co-creation intention".

## 5. Conclusion and suggestion

### 5.1 Research conclusion

After the above empirical analysis, the following conclusions can be drawn:

Generally speaking, L'Oreal has a high brand awareness and consumers are familiar with it.

Brand awareness significantly positively affects interactive experience, benefit factors and value co-creation intention.

Interactive experience significantly positively affects customers' willingness to participate in value co-creation.

Benefit factors significantly positively affect customers' willingness to participate in value co-creation.

### 5.2 Suggestion

#### 5.2.1 Brand awareness

Enterprises need to attach importance to brand publicity and improve brand awareness. They can make full use of new media platforms, through social platforms such as Tiktok, Xiaohongshu and Weibo, adopt the way of cooperation and promotion with network celebrities to let the brand approach the public's vision, and strive to let the public recognize the brand when they see it, and think of the brand when they do not see it.

#### 5.2.2 Interactive experience

First of all, it is necessary to improve the interactive atmosphere of the brand community, establish convenient and quick interaction channels, improve the interactive platform and interaction methods, optimize the interactive experience of consumers, and stimulate the enthusiasm and enthusiasm of customers to participate in brand interaction. At the same time, we should strengthen the grasp of customers' interest points, improve the sensitivity of hot spots, do a good job of "topic marketing", and encourage customers to strengthen interaction.

#### 5.2.3 Benefit factors

Enterprises should adhere to customer interest-oriented, understand customer needs, formulate a reasonable incentive program, and reward customers' positive value co-creation behavior. They should pay attention to the psychological needs of customers and meet the sense of accomplishment and belonging of customers, such as doing a good job in membership management, providing priority services, focusing on communication and communication with customers on maintenance, and actively asking customers about the use of products and suggestions.

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