UNVEILING THE POWER OF BRAND EXPERIENCE: EXPLORING THE MEDIATING ROLE OF VALUE CO-CREATION IN DRIVING WORD OF MOUTH

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ABSTRACT:
Generation Y consumers make purchasing decisions based on brands that can stimulate unforgettable experiences to be shared with others. Postmodern life has changed the habits and patterns of wedding events, where ideas and bridal concepts play a significant role. This study aims to examine the mediating role of brand experience variables in the influence of value co-creation on word of mouth. The study found that value co-creation does not have a direct impact on word of mouth. This is due to the bridal couple's need for wedding organizer services to ensure convenience and smooth execution of the wedding event without directly being involved in the preparation process and equipment. The study concludes that in wedding events, the exchange value still relies on the use of oper and resources, and the bridal couple still lacks the ability to directly appreciate their wedding concepts and ideas.

Keywords: Value Co-Creation, Brand Experience, Word of Mouth, Operant, Wedding Services

INTRODUCTION
Brand experience is the internal subjective response (sensations, emotions, cognition) and consumer behavior that arises from brand stimuli (Brakus et al., 2009). The publication by Lin and Wong (2020) explains that a company's ability to enhance consumer brand experience demonstrates the company's hospitality. They found that products with experiential consumption process attributes influence
consumer preferences. Based on the understanding of the processing fluency theory (Schwarz and Clore, 1996), consumers prefer experiential products and services that provide ease in processing brand stimuli. Consumers make purchasing decisions based on brands that fulfill their identity, specifically building individual consumption meanings and experiences (Aaker and Fournier, 1995; Fournier, 1998).

A person's brand experience increases when they become a resource integrator to fulfill their own values through resource integration (Merz et al., 2009). Consumers prioritize pleasure, happiness, and the fulfillment of their dreams through brands that stimulate them, actively engaging with the brand to shape values that align with their own (Vargo and Lusch, 2004). Value co-creation is the joint creation of value between consumers and brands to enhance the value of services for specific or individual consumers (Vargo and Lusch, 2004). It is known that consumers' active behavior with the brand to create value for themselves generates loyalty (Iglesias et al., 2020; Opata et al., 2021; Thiruvattal, 2017). Cossío-Silva et al.’s research (2016) explains that value co-creation does not have a significant influence on the loyalty behavior of consumers in beauty care centers aged eighteen and above. This result is influenced by individual consumer characteristics, consumer experiences with the services used, and the level of satisfaction received by the consumer (Cossío-Silva et al., 2016). Therefore, further research is needed to understand the influence of value co-creation on consumer loyalty.

This study focuses on Generation Y consumers of wedding organizer services who have pragmatic characteristics, act as decision-makers, are oriented towards value-added consumption, and share their experiences with others who need them. Generation Y consumers are known to prioritize experiences that provide them with unforgettable personal experiences aligned with their values. They are described as individualistic, educated individuals who are tech-savvy, prioritize comfort, and are mature and structured (Valentine and Powers, 2013). Generation Y consumers are highly group-oriented and display their personal identity or self-image to others. They prioritize brands that align with their self-expression goals (Hanzaee and Aghasibeig, 2008). Generation Y consumers are no longer confined to traditional media environments that position consumers passively. The presence of technology and social media has made this generation more active in choosing brands that can stimulate unforgettable experiences to be shared with others. The subjective responses and behaviors of Generation Y consumers that arise from brand stimuli are aimed at conveying their image and capabilities to others (Joshi and Garg, 2021).

Postmodern life has changed the customs and patterns of wedding events. In the past, every wedding event in Indonesia would involve the participation of extended family members, from planning to execution. However, nowadays, the ideas...
and concepts of the bridal couple play a more significant role (Dinata and Pradnyanita, 2021). The advancement of time has made it easier for prospective couples to obtain information about wedding organizer services that suit their needs. Couples have the freedom to determine the theme and concept of their wedding event according to their desires, but these desires are still influenced by the guidance of traditional wedding customs and culture (Blakely, 2008). The couple needs the services of a wedding organizer to professionally manage and implement their wedding concept and ideas.

Value co-creation refers to the active role of consumers and brands in the formation of consumer value (Vargo and Lusch, 2008). The understanding of value co-creation is based on the theory of service-dominant logic (SDL), which explains that the process of value creation is a collaborative effort between consumers and companies (Vargo and Lusch, 2008). This joint value creation utilizes two types of resources: operand and operant (Vargo and Lusch, 2004). Operand resources are tangible and static, such as financial capabilities and material resources. Operant resources, on the other hand, refer to knowledge, skills, and service competencies that are highly valued by consumers. Operant resources are crucial in creating value and competitive advantage for service companies (Vargo and Lusch, 2004).

Service-dominant logic contributes to the development of understanding brand experience, allowing companies to engage consumers more actively in the branding process. The aim of value co-creation is to use appropriate resources and acquire new resources to continuously deliver added value to consumers. Halliday's research (2016) explains that the brand itself is an operant resource of the company. Consumers use the brand not only to fulfill their own needs but also to meet the needs of other actors, the company, and other parties. Interactions among actors are key to the development of operant resources, as all involved parties collaborate to shape and integrate resources to adapt to market conditions (Merz et al., 2009).

Value co-creation behavior performed by service consumers involves activities such as seeking information, sharing information, evaluating, and achieving value together with the brand. Consumer involvement in the customization process of services and the utilization of operant resources provides them with experiences and knowledge about the brand's performance. The experiences and knowledge that consumers have related to their interactions with the brand increase their tendency to informally share information about their experiences with others (Frempong et al., 2020).

Value co-creation enables brands to tailor products or services according to individual consumer preferences and needs. Personalization creates unique and exclusive experiences, thereby enhancing consumer loyalty to the brand. The value co-creation process allows brands to gain a deeper understanding of consumer needs and expectations. It enables service providers to
deliver higher quality and more relevant products or services. When consumers perceive high value from the product or service, the brand experience becomes more positive and satisfying (Iglesias et al., 2013).

H1: Value co-creation increase is positively related to word of mouth

H2: Value co-creation increase is positively related to brand experience.

The publication by Brakus et al. (2009) defines brand experience as the internal subjective response of consumers (sensations, emotions, cognition) and behaviors that arise from brand stimuli, through design, identity, packaging, communication, and the company's environment. Brand experiences can vary in strength and intensity, with some brand experiences being stronger and more intense than others (Zarantonello and Schmitt, 2010). Brand experience is something stored in consumers' memory, influencing satisfaction and loyalty towards the use of a brand (Oliver et al., 1997).

A similar definition is presented by Gentile et al. (2007), who define brand experience as the customer's experience with a product or company, formed through the personal influence of the consumer with the company. Brand experience is a personal or exclusive response elicited by brand stimuli. The value of brand experience for consumers is that all products provided by service providers aim to satisfy their experiential needs (Holbrook, 1999). Consumer purchasing decisions are made based on brand stimuli that stimulate their senses, making them feel comfortable and relaxed (Dubé & Le Bel, 2003). Consumers choose brands based on the benefits they receive, as the brand they use represents their intellectual, intelligence, and creativity. The brand used by consumers reflects their concept and image in their social environment, and it represents their appreciation for unforgettable experiences (Zarantonello et al., 2007).

Consumers place brand experience as an entity through which they build meaningful influences at the individual experience level (Aaker and Fournier, 1995; Fournier, 1998). Consumers respond to brand experience as a series of exchanges and repeated encounters between the consumer and the brand, creating brand meanings to fulfill their identity projects (Fournier, 1998). The postmodern era influences consumers' understanding of brand experience, where the value of the brand is sourced from the consumer's independence and control over the process (Bernthal, Crockett, and Rose, 2005:). Brand experience reflects consumer integrity towards a group and its influence on the social environment, through the use of a brand that provides an unforgettable experience by showcasing its concept and image (Long & Schiffman, 2000).

H3: Brand experience increase is positively related to word of mouth

H4: Brand experience strengthen the relationship between value co-creation and word of mouth.

Word of mouth refers to an individual's informal and non-commercial behavior towards the use of a brand, in order
to showcase their concept and self-image to others (Bone, 1992). WOM is a process where consumers use their self-expression to convey the credibility of brand stimuli (Anderson, 1998). Consumers express themselves through WOM using carefully chosen words, the interpretations they provide, the body language they display, and self-expression that reflects their rationality and emotions (Buttle, 1998). WOM serves as a means for consumers to share their memorable brand experiences with others, with the goal of having the conveyed information accepted and trusted by other potential consumers.

Word of mouth is a group phenomenon involving the exchange of ideas, thoughts, and feedback among two or more individuals (Lovett et al., 2013). This exchange serves as a source of non-marketing actions, where consumers share their brand usage experiences with other consumers and potential consumers based on their personal experiences. Word of mouth occurs when individuals socialize with peers, friends, and others around them, in order to demonstrate social connections and their role as decision-makers. According to Bearden and Etzel's research (1982), consumer behavior is influenced by the credibility of information, utilitarian motives, and the desire for self-expression.

A pleasant, joyful, and purposeful brand experience creates an emotional connection between consumers and the brand. A positive brand experience creates a strong brand impression related to quality, value, and brand image in the minds of consumers. The branding capability of a company will enhance consumer loyalty, and one form of consumer loyalty behavior towards a brand is word of mouth (Rageh Ismail and Spinelli, 2012). Consumers who feel happy or proud of their experiences tend to want to share those experiences with others through WOM.

**RESEARCH METHODS**

This study utilizes an explanatory research design to test previously proposed hypotheses. Explanatory research is conducted by analyzing quantitative data collected through surveys and statistical analysis. In this dissertation study, a quantitative descriptive approach is employed through a survey to gather primary data. The target respondents in this dissertation study are millennial brides and grooms who have used the services of a wedding organizer. The selection of millennial couples is based on the exposure of brand stimuli to consumption for social needs (Pope et al., 2014; Wood, 2013).

Millennials, also known as Generation Y, are individuals born between 1981 and
1996, currently ranging from 26 to 41 years old in 2022. The attitudes, behaviors, and consumer skills of Generation Y are influenced by social agents such as family, friends, schoolmates, and mass media (Pope et al., 2014). The growth of media platforms such as television, the internet, and magazines has resulted in a wider diversity of product choices and lifestyles for Generation Y. They have grown up in an era where shopping is not just a purchasing activity but also provides entertainment and new experiences (Lehtonen & Mäenpää, 1997). Generation Y is influenced on a broader and more massive scale by the marketing industry, given their high autonomy in making purchasing decisions and acting as decision-makers within their families (Dina and Chris, 2014).

The establishment of wedding organizer services without specific regulations governing their establishment results in the absence of a requirement for service providers to officially report their users. Another constraint faced by the researcher is the unavailability of information regarding the attitudes, preferences, and behaviors of couples emerging in the wedding organizer marketplace. Due to the lack of population data on wedding organizer service users, the respondent sampling method is conducted using a non-probability sampling approach. Non-probability sampling is a procedure for selecting respondents in which each element of the population does not have an equal chance of being selected as a research respondent or in a randomized controlled trial (Hair et al., 2017: 140). This respondent sampling technique is employed considering that the exact population size is unknown, thus the researcher selects respondents subjectively and randomly based on pre-established criteria.

RESULTS AND DISCUSSION

Based on the Model Fit and Quality Indices test, it is found that the three indicators, average path coefficient (APC), have a value of 0.464 with a significance of \(^{p<0.001}\), average R-squared (ARS) has a value of 0.465 with a significance of \(^{p<0.001}\), and average adjusted R-squared (AARS) has a value of 0.461 with a significance of \(^{p<0.001}\), all of which meet the criteria for goodness of fit (Hair et al., 2016).

The AVIF test results indicate a value of 1.638, and the AFVIF test results indicate a value of 2.126, which are ideal for explaining the constructed model. This is due to the absence of a linear relationship between the independent variables and the dependent variables. In this study, there are only two independent variables and two dependent variables. The AVIF and AFVIF test results demonstrate that this model is ideal for explaining the phenomenon occurring in the research area (Hair et al., 2012).
In the other test results, the Tenenhaus GoF (GoF) has a value of 0.488, Simpson's paradox ratio (SPR) has a value of 1.000, R-squared contribution ratio (RSCR) has a value of 1.000, statistical suppression ratio (SSR) has a value of 1.000, and nonlinear bivariate causality direction ratio (NLBCDR) has a value of 1.000, all of which indicate that this model is good for explaining the phenomenon occurring in the research area.

Figure. 2 Results of Direct Effect Model
Based on the hypothesis testing on Table 1, the results of H1, H2, H3, and H4, it is found that H2, H3, and H4 have a positive and significant influence. Hypothesis H1 shows no significant influence, indicating that there is no effect of value co-creation on the word of mouth behavior of couples using wedding organizer services. H1 is rejected, while H2 and H3 are accepted, suggesting that the brand of the wedding organizer plays a significant role as an initiator of brand experience in the wedding event consumption process. The service-dominant logic theory explains the active role of consumers together with the brand in creating consumption value for themselves (Vargo and Lusch, 2008). The empirical implications of this study on the service-dominant logic theory explain the active behavior of couples using wedding organizer services, particularly as first-time consumers heavily reliant on the brand.

The characteristics of services, particularly inseparability, explain that the production and consumption of services occur simultaneously. Make it possible for couples to use wedding organizer to assess the brand in the consumption process once in their lifetime (Otnes and Lowrey, 1993). According to the service-dominant logic, the stimulation of the wedding organizer brand towards the subjective response and active behavior of couples is greatly influenced by the brand's knowledge, skills, and

<table>
<thead>
<tr>
<th></th>
<th>H</th>
<th><strong>Value Co-creation (VCC) to word of mouth (WOM)</strong></th>
<th>0.05</th>
<th>=0.25</th>
<th>Not significant</th>
<th>Not supported</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>H1</td>
<td><strong>Value Co-creation (VCC) to brand experience (BE).</strong></td>
<td>0.38</td>
<td>&lt;0.01</td>
<td>significant</td>
<td>Supported</td>
</tr>
<tr>
<td>2</td>
<td>H2</td>
<td><strong>Brand experience mediate value co-creation (VCC) to word of mouth (WOM)</strong></td>
<td>0.243</td>
<td>&lt;0.001</td>
<td>significant</td>
<td>Supported</td>
</tr>
<tr>
<td>3</td>
<td>H3</td>
<td><strong>brand experience (BE) to word of mouth (WOM)</strong></td>
<td>0.58</td>
<td>&lt;0.01</td>
<td>significant</td>
<td>Supported</td>
</tr>
</tbody>
</table>
competencies in managing the brand experience (Ourahmoune and Toulouse, 2012). It is known that brand experience fully mediates the influence of self-congruence on the couples word of mouth in used wedding organizer services. Therefore, it can be concluded that brand experience plays a fully mediating role in understanding the service-dominant logic theory.

The hypothesis testing results for H4, which assumes an influence of brand experience on the word of mouth behavior of couples using wedding organizer services, are positively and significantly supported. The findings in this dissertation study support the research conducted by Klein et al. (2016) and (Mukerjee, 2018) which explain that a high level of brand experience has a positive effect on an individual’s word of mouth behavior. The word of mouth behavior of couples using wedding organizer services is an implementation of their loyal consumer behavior towards the brand.

**CONCLUSION**

It is known that the wedding organizer brand, particularly in the wedding organizer service industry, contributes to understanding the effectiveness of experiential marketing strategies (Verhoef et al., 2009). The experiential marketing strategies implemented by wedding organizer brands stimulate the self-concept and self-image of couples, based on their desires to experience joy, happiness, and the realization of their wedding dreams. The wedding organizer brand interacts with couples not only during the pre-consumption and consumption stages but also during the pre-consumption stage through consistency in skills and the ability to adapt to the evolving fashion trends in wedding events for future couples. This highlights the importance of word of mouth behavior of couples using wedding organizer services as a competitive advantage to attract future couples or customers.

The results of this study indicate that value co-creation does not influence the word of mouth behavior of couples using wedding organizer services. This finding provides an opportunity for future researchers to further investigate the influence of value co-creation on word of mouth behavior among repeat customers in the service industry.

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