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Description	



A Consideration on University Branding Based on SDL (Service Dominant Logic): the Lens of Stakeholders' Value Co-creation

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Abstract— University branding based on Service Dominant Logic (SDL) enables university stakeholders to play a very important role in co-creating value for all stakeholders and also for university brands. Our SDL-based definition of university branding includes both internal and external branding. This research aims to propose a new methodology for internal university branding. We developed a brand creation model by using the perspective of the value co-creation process involving the experience of universities' stakeholders. The model includes direct value co-creation for internal branding and indirect co-creation for external branding. Case study methodology was conducted for the case of a very strong university brand and a developing university brand in Japan. This analysis clearly revealed the efficacy of branding based on experience and co-creation, and shows that our university brand model is potentially applicable to all universities.

Keywords: *university branding, experience, value co-creation, Service Dominant Logic, brand value co-creation, universities' stakeholders*

I. INTRODUCTION

Nowadays, branding is not only an important marketing concept in business but also a key role management concept in higher education institutes [1]. Global trends in higher education are leading to increased competition among such institutes, thus requiring them to have competitive advantages. Universities in many countries have been internationalized, and a university's brand strongly affects its ability to collect good students and faculty members. Service research is potentially a strong factor in creating university brands, and university branding management is changing as the flow of service changes in accordance with the FP5 of Service Dominant Logic (SDL) "All economies are service economies" [2].

From the perspective of SDL [2], customers engage in dialogue and interaction with their suppliers during product design, production, delivery, and consumption. These trends obtained in studies provide a new perspective for international university branding and brands through the lens of co-creation [3]. An experience-centric co-creation perspective is needed, and brand becomes the experience. [4]. Moreover, brand identity is co-created with the participation of customers and other stakeholders [5] such as university stakeholders, who are people (or groups) having an interest or stake in the university's activities [6]. Therefore, we define university brand as a co-creation of universities' stakeholders based on their actual experiences in education.

Although branding of universities and institutions is very important, there is a lack of research papers addressing higher education branding in detail [1]. There have been few previous empirical studies on international university branding [7]. Some researchers have focused on the external aspects of branding rather than conducting specific, deep research on organizations, and few studies have focused on the communication of university brands [1]. When the topic of university brand being a co-creation of students is raised, arguments appear. One such argument is that some students (customers in the education market) are denied the opportunity of playing a role in the co-creation process, and that such students are likely to feel that their experiences have little effect on university branding.

It is necessary to study university branding with the lens of stakeholders' value co-creation through their actual experiences. People think of university brands as reflections of external thinking and viewing, and brands are what people outside universities think about the universities. However, the question is: "What creates this way of thinking or viewing?" Only real stakeholders with their actual experiences can provide an answer to this question. On the other hand, the core and root resource of university stakeholders' value co-creation can create a real, trustworthy, and quality brand for universities.

This paper presents a new model for and concepts of SDL-based university branding with the lens of stakeholders' value co-creation. First, we define university branding from two perspectives: direct and indirect co-creation. Then, we discuss direct co-creation in branding in detail with main actors (i.e., stakeholders, professors, and students), who can use their experience to create true brands for universities and then work together to expand them.

II. SERVICE BRAND, UNIVERSITY BRAND IN THE PERSPECTIVE OF SDL

A. Service brand evolving based on Stakeholders in perspective of SDL

In SDL, Lusch & Vargo consider (1) all economics are service economics, (2) customers are the value co-creators and (3) value-in-use is the key point of the co-creation [2]. From this perspective, the evolution of brands and branding has resulted in brands being considered not a firm-provided property of goods but as collaboration, i.e., value co-creation activities of firms and all of their stakeholders (Table 1) [5]. Hence, the role of co-creation and collaboration with firms

stakeholders is the nature of brand value from an SDL perspective.

B. Definition of Service brand & University brand.

1. Service brand

There are many definitions of service brand depending on the research approach. Aaker defined a brand as “a distinguishing name and/or symbol (such as a logo, trademark, or package design) intended to identify the goods or services of either one seller or a group of sellers, and to differentiate those goods or services from those of competitors.” [8] This approach emphasized Goods-Dominant Logic (GDL) and the brand was considered as an entity. Other definitions regarded the brand as a process, which is close to the viewpoint of SDL. For example, Prahalad focused on co-created brand experiences. This author proposed that “experience is the brand” [4]. Brodie et al. defined the service brand in other way: “Service brands facilitate and mediate the marketing processes used to realize the experiences that drive co-creation of value. They provide sign systems that symbolize meaning in the marketing network, and hence are a fundamental asset or resource that a marketing organization uses in developing service-based competency and hence competitive advantage.” [9].

2. University brand

Since education is not a simple and normal service, the service brand definitions cannot be directly applied to the university brand concept. Although this concept is an important one, it has been the subject of few studies. An especially contentious issue is the validity of the viewpoint that students should be considered as customers. This viewpoint affects the branding approaches of researchers and universities. When students are recognized as customers, complementary strategies become important in enabling universities to maintain and enhance their competitiveness. The strategies try to differentiate each university to others by unique characteristics. Besides a set of unique characteristics, the relationship with relevant stakeholders based on these characteristics is necessary [1]

In our approach, the SDL perspective, the university brand concept is based on a service brand definition. University brand is value co-creation stemming from the true experience of stakeholders as professors and students. They directly experience and co-create a university brand’s core value and quality. They thus become the channel through which the university brand is exposed to other stakeholders.

C. Value Co-creation and Brands

According to Lusch and Vargo, customers are co-creators with suppliers [2]. Prahalad and Ramaswamy argued that co-creation experiences become the basis of value co-creation (Fig. 1) [10]. It is not a time to be product-, service-, or firm-centric any more, but a time for co-creation with customers and other stakeholders through human experience. Only by experience can customer and firm realize and perceive the real value of service or products.

Ramaswamy also stated the premises of an alternate logic of value and its creation as follows: [11]

- Value is a function of human experiences
- Experiences come from interactions
- A firm is any entity that facilitates this creation of experience-based value through interactions. Engagement platforms are the means to creating value together
- Co-creation is the process by which mutual value is expanded together, where value to participating individuals is a function of their experiences, both their engagement experiences on the platform, and productive and meaningful human experiences that result.

With the SDL context and value co-creation, branding based on the human experience can be the stable foundation for expanding the brand. Brand value is co-created with the value of customers and all of stakeholders. In the participation in dialogue with supplier, customers and other stakeholders become the channel of expanding brand.

Regarding the term “university brand”, it can be built by a combination of good reputation and polished marketing strategies. However, the nature of the good reputation and persuasive marketing strategies is the real value for students and other stakeholders of universities. A university brand cannot last and develop without this value. Only by experience, sharing and co-creation, the brand value can be realized, fostered and developed stably.

WHAT CO-CREATION IS NOT	WHAT CO-CREATION IS
<ul style="list-style-type: none"> • Customer focus • Customer is king or customer is always right 	<ul style="list-style-type: none"> • Co-creation is about joint creation of value by the company and the customer. It is not the firm trying to please the customer
<ul style="list-style-type: none"> • Delivering good customer service or pampering the customer with lavish customer service 	<ul style="list-style-type: none"> • Allowing the customer to co-construct the service experience to suit her context
<ul style="list-style-type: none"> • Mass customization of offerings that suit the industry’s supply chain 	<ul style="list-style-type: none"> • Joint problem definition and problem solving
<ul style="list-style-type: none"> • Transfer of activities from the firm to the customer as in self-service • Customer as product manager or co-designing products and services 	<ul style="list-style-type: none"> • Creating an experience environment in which consumers can have active dialogue and co-construct personalized experiences; product may be the same (e.g., Lego Mindstorms) but customers can construct different experiences
<ul style="list-style-type: none"> • Product variety 	<ul style="list-style-type: none"> • Experience variety
<ul style="list-style-type: none"> • Segment of one 	<ul style="list-style-type: none"> • Experience of one
<ul style="list-style-type: none"> • Meticulous Market research 	<ul style="list-style-type: none"> • Experiencing the business as consumers do in real time • Continuous dialogue
<ul style="list-style-type: none"> • Staging experiences 	<ul style="list-style-type: none"> • Co-constructing personalized experiences
<ul style="list-style-type: none"> • Demand-side innovation for new products and services 	<ul style="list-style-type: none"> • Innovating experience environments for new co-creation experiences

Figure 1. Concept of the co-creation from Prahalad&Ramaswamy[10]

III. A PROPOSED CO-CREATION BRAND MODEL BASED ON VALUE CO-CREATION

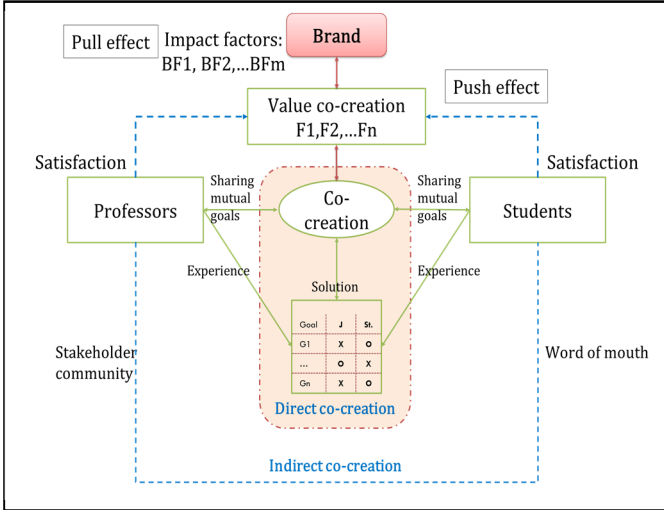


Figure 2. Brand creation model based on direct and indirect co-creation

A. Concept

In the evolution of SDL-based branding, stakeholders play a very important role in brand expansion. We define stakeholders of universities are people who have interested in any activities of universities [6] such as: students, their families, friends, faculties, their families and friends, other university which collaborate with a university, etc. Combining this definition with the viewpoint of brand as human experience, we considered universities on the basis of analyzing the co-creation of professors and students through their experiences in university.

Co-creation in university branding includes both direct and indirect co-creation. *Direct co-creation* is the co-creation between professors and students through their experiences with having mutual goals, as well as with having different goals (or 'gaps'). Value co-creation is the output of the co-creation process to show the value-in-use of professors and students. *Indirect co-creation* is the co-creation among all universities' stakeholders based on the experience of the two main actors, i.e., professors and students. By word of mouth or through community activities, professors and students will share their value co-creation with other stakeholders and the brand will be expanded.

B. Architecture

In the direct co-creation phase, professors and students have their own goals in each situation. There are many mutual goals and also differences or gaps between professors and students. They interact and co-create based on the mutual goals. When gaps are present, the effort to make them become mutual goals is the co-creation. Professors and students get satisfaction from their research, their daily life, and their laboratory activities among other things. The satisfaction can be improved day by day as they co-create together. The output of the co-creation process based on mutual goals and different goals is value co-creation. In other words, value co-creation here is the value-in-use that professors and students obtain and satisfy through experiencing the co-creation process. Both professors

and students will obtain value co-creation at each of certain factors defined as F_1, F_2, \dots, F_n . These factors are impact factors for making the university brand regarded as BF_1, BF_2, \dots, BF_m . Value co-creation reflects the level of satisfaction: the higher the satisfaction level is, the higher the level of the brand's impact factor is and the more famous the brand becomes. Thus, in indirect co-creation, professors and students share the brand knowledge with other stakeholders on the basis of the co-created value they obtain. If they obtain no value, there is no reason for them to expand the university brand and share it with others.

C. Relationship between push effect and pull effect

Push marketing and pull marketing are not strange concepts in marketing, so with the same idea we applied the concepts 'push effect' and 'pull effect' to university brand. When professors and students obtain value co-creation through their experiences and they with other stakeholders push the university brand to expose it, we call it 'push effect'. This is an inside-out effect; it emphasizes the real brand value on the basis of experience in universities. When universities have factors that everyone can use to search for, find out about, and evaluate the university brand, we call it 'pull effect'.

Figure 3 shows the brand creation process from the viewpoint of experiencing goals. In this process, the satisfaction and value students and professors obtain by experiencing education service in university is the true evidence of whether a brand is good or not. If they can produce and get satisfaction from meaningful value co-creation, they can push the university brand so that it becomes more established and famous. Figure 4 shows a specific answer to the question: "How can a university brand be created?"

In SDL terms, professors and students are both providers and receivers in the co-creation process. They interact and co-create together to share goals and obtain value co-creation, which is the root resource for creating an established and trustful university brand. If they can gain such value, they will

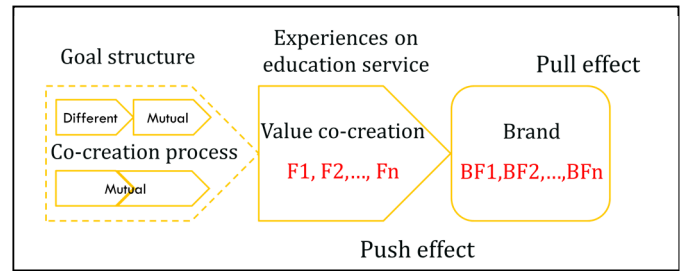


Figure 3. Process of brand creation based on experiencing goals

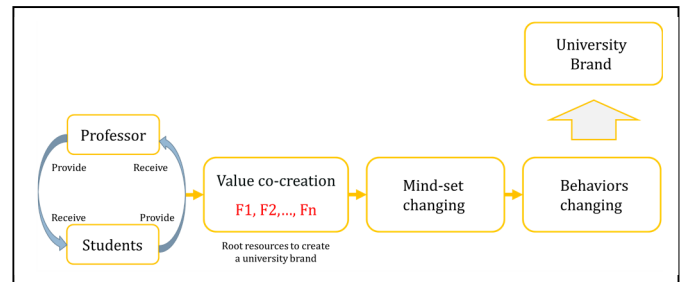


Figure 4. Process of brand creation

change their mind-set and then change their behavior to share brand knowledge and expand the university brand so that other stakeholders become aware of it.

Within the context of our institute, we analyzed the factors for value co-creation and impact factors for brands in detail. Examples are shown in Fig. 5. For F2 the factors are ‘Communication skills and job-hunting ability’, which are values professors wish to impart and students wish to obtain in the course of university study. Professors wish to provide graduating students with communication skills and job-hunting ability to prepare them for meetings with corporate recruiting personnel at the end of term. To help them prepare for job interviews, students wish to receive suggestions and training from professors with regard to things such as special abilities, Japanese company culture, or personal styles. On the other side, professors wish to receive information from students by asking them questions such as: ‘Which companies would you like to work for?’, ‘What type of position would you like to get?’, ‘What would you like to know about these companies?’, ‘What requests or desires would you have when working for them?’, and ‘Which ones would you like or not like to have an interview meeting with?’ Students hope to both get information from and provide information to professors by asking them questions such as: ‘What questions are they likely to ask me?’ and getting answers to them.

Plainly, co-creation between professors and students in this situation will help both of them establish communication skills and job-hunting ability for students as the mutual goal. With this value co-creation, the students’ mind-set change may be as follows. First, they become satisfied with the professors, then they become self-confident, and then they come to believe in the university’s quality. Consequently, their behavior may change as follows. They become active as working people as a way of thanking the professor. They become willing to talk about the professor’s help and willing to share information about the school in the form of, for example, notes in social networking. They will also proudly add the school’s logo and name and its laboratory’s name to presentations they make with proud attitude. Through this behavior they will use their own experiences to share the trustful university brand with others and give them exposure to it.

Factors for Value co-creation		Impact factors for a good Brand	
F1	Knowledge science contribution	BF1	Unique image of KS
F2	Communication skill & ability	BF2	Rate of getting job
F3	Solving problem ability		
F4	Self-motivation	BF3	Number of publications
F5	Publication works		
F6	Globalization environment & culture	BF4	Number of international students
F7	Education service quality		
F8	Multidimensional co-creation in educating and culture experiences	BF5	Strong laboratory with high quality and special “culture laboratory”
F9	Understanding international students		

Figure 5. Brand identify factors for value co-creation and impact factors for a good

D. How to co-create

The big question in co-creation is ‘How does one co-create?’ When we interview students and professors in our institute, most of them mention ‘communication’ as a key factor. However, this leads to another question: ‘What kind of communication?’ We know that establishing good communication leads to effective co-creation. Therefore, we propose a spiral process for co-creation between professors and students, which is a theoretical process for communication management to gain effective co-creation in university branding. There are four phases in this process: Sharing a vision, creating a comfortable atmosphere, co-creating value, and obtaining and upgrading the vision. (Fig. 6)

Before communication, sharing a vision will help both professors and students carefully prepare their goals in advance. Establishing a comfortable atmosphere enables professors and students to engage in discussions freely, and avoids the type of stressful communication that is particularly likely to be found which in research meetings. These two phases will also help students develop good habits and skills in presentation preparation. In the next phase, discussions between professors and students are an effective, open-minded, and active approach to achieving good co-creation on both sides in the communication. Conflicts in discussion may occur during this phase, but from the perspective of co-creation, conflicts can be solved and mutual goals can be identified, which may produce exciting results. After the co-creation phase the participants can obtain values, identify issues or problems, and upgrade the vision for the next discussion.

Through this communication experience, the participants’ mind-sets and behavior change continuously. This enables them to acquire more and more value co-creation. Because they are the people creating the real brand, it consolidates their belief in the university brand so that they can push it and expand it so that other stakeholders will be exposed to it.

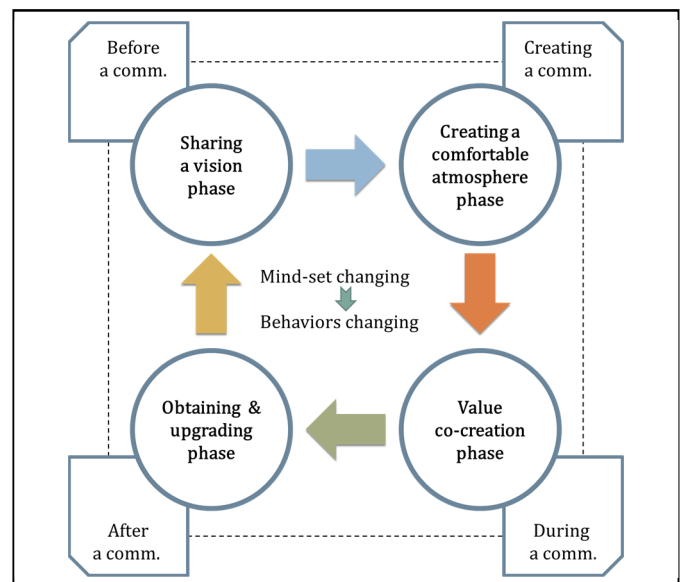


Figure 6. Process of brand creation

IV. CASE STUDIES

The laboratory is a very regular model in academic universities and institutes all over the world. As cells of the universities and institutes, laboratories contribute to the university brand. In laboratories, professors and students co-create directly and experience both research and daily life together. If a laboratory has a strong brand and operates strongly, the university will grow and develop stably and continuously. In this way, the university brand becomes more well-known and famous.

A. Case 1: Co-creation in a Multimedia Engineering & Business Information System Lab.

Osaka University has a strong university brand, with many achievements to its credit over 80 years. It has been the recipient of contributions from many strong laboratories in the science field. Case study 1 is about a 20-year-old lab in the multimedia engineering and business information system field. The lab's achievements and development can be easily measured through factors such as the number of students who have attended it, the number of journal papers it has contributed, and the number of conferences its personnel have been invited to attend (Fig. 7). The lab's operation based on co-creation among stakeholders has given it these impact factors for a good brand.

1) *Sharing a vision phase*: Before students begin studying in the lab, professors and other lab members try to share a vision with them in terms of the targets, such as participating in and making presentations to as many conferences as possible in the multimedia engineering and business information system field.

2) *Creating a comfortable atmosphere phase*: A characteristic of the lab is its maintenance of a 'family atmosphere' as a means of promoting effective communication. They have an excellent "creating a comfortable atmosphere" phase to sustain the relationship between professors and students. For example, each year they hold many events and parties to enable all members to co-create, from welcome parties to flower-viewing gatherings to birthday parties. There is truly a 'family feeling' in the lab, which is not only helpful for new members but also meaningful for international members who must live their life and conduct their research far away from their family and culture.

3) *Value co-creation phase*: Support is given to for all members sharing a common vision and the lab's targets. The members help each other in research meetings, in the writing of research papers, and in other activities. Both agreement and conflict are seen in the value co-creation phase, and both of them are useful for the co-creation process.

4) *Obtaining and upgrading phase*: Both sides obtain value co-creation on the basis of mutual viewpoints and upgrade their vision on the basis of conflict. Conflict nurtures problem-solving ability and gives rise to new ideas and good solutions. The ideas and solutions are then further upgraded and developed in the co-creation process under a cooperative, family-like atmosphere. The great number of publications pro-

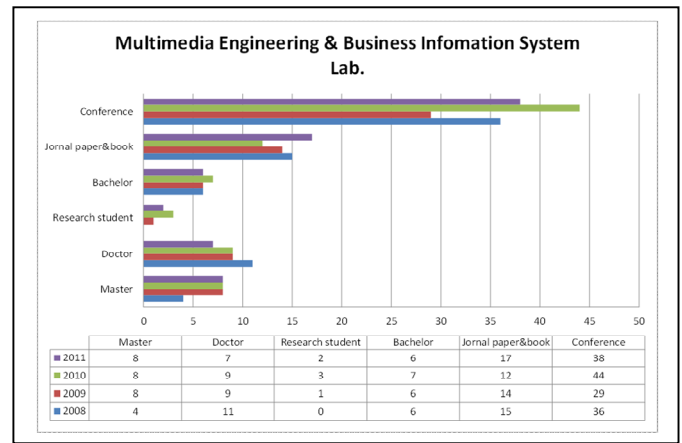


Figure 7. Multi engineering & business information system Lab.

duced by the lab clearly illustrates their ability to obtain and upgrade their vision.

5) *Mind-set and behavior changing*: Day by day, a good relationship between professors and students is established and developed through the co-creation process. They believe in their research, in their lab quality, and in their own abilities. They are willing to share their lab and their university brand through activities such as adding the university logo to their conference presentations, telling others about the university, and introducing friends and family who enter the lab. Time after time, direct and indirect promotion on the part of stakeholders increases recognition of the Osaka University brand in general, and the lab in particular.

B. Case 2: A service science Lab.

Unlike Osaka University, JAIST is a young institute with only 20 years of history. However, its characteristics are very unique in that it offers only graduate education and does not require entering undergraduates to have the same background, which is the normal rule in Japan. In the JAIST School of Knowledge Science, service science is a new field and one that has significant potential. Case study 2 is about a service science lab in JAIST being built up on the basis of co-creation among stakeholders.

1) *Sharing a vision phase*: Before 2011, because of the lab's having no specific vision, the number of doctoral students attending it, the number of journal papers it produced, and the number of conferences its members were invited to attend were very low. Since 2011, however, the lab's vision has been to become the number one service science laboratory in Asia (Fig. 8). This is the common target of both professors and students. All members are asked to share this vision before entering the lab. Laboratory members hail from not only Japan but also Vietnam, Korea, Taiwan, China, and Bangladesh, so the comfortable atmosphere of an international family is the goal that the lab strives to achieve.

2) *Creating a comfortable atmosphere*: All members respect the professor as they would a father and other members as they would brothers and sisters. They often gather at parties to drink beverages and to discuss their daily life, their respect-

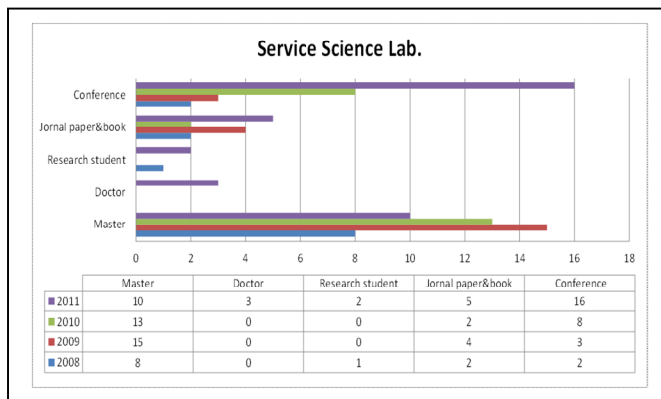


Figure 8. Service science Lab.

ive cultures, and their research vision. Such gatherings include welcome parties, ‘Momiji’ parties, and parties to congratulate persons who have received awards.

3) *Value co-creation phase*: Students freely share the vision with the professor and the assistant professor to obtain value co-creation. For example, the professor may set up interview meetings with corporate recruiting officers for students who are looking to find a job after graduation, and the communication skills the students gain in the co-creation process make them feel easier in the interviews. From 2008 to 2010, there were no doctoral students in the lab because it had just been established in JAIST, but in 2011 two master students were continuing their academic study in the lab because of their satisfaction with the lab’s quality nurtured in the co-creation process.

4) *Obtaining & upgrading phase*: The increase in the number of publications produced by the lab shows that they are able to make use of the value co-creation process to obtain value and upgrade their vision.

5) *Mind-set and behavior chaging*: The loyalty that the master students demonstrated in continuing their academic study in the lab is a good example of the effect of the co-creation process. The increasing of all the factors in Fig. 8 clearly shows the output of value co-creation, i.e., the students change their mind-set from their sharing of the vision and their behavior in research to obtain more and better achievements. By so doing they create a good brand for their lab and their institute as the institute continues to grow and develop.

V. CONCLUSION

In this paper, we describe the concept of university branding from the lens of stakeholders’ value co-creation by their real experience. In the flow of service brand researches, the trend is to consider service brand as experience. However, with a special service as education, there are lack of concepts and researches about university brand.

Since our proposed model for and concepts of university branding are based on the perspective of Service Dominant Logic (SDL), the university brand is the result of value co-creation through actual experience. Professors and students

become ‘customers’ who experience and co-create the core value and quality of the university brand. Thus, they become the channel through which the university brand is exposed to and shared with other stakeholders. Normally, the things people see in and know about a university are its reputation and its position in certain ranking categories, based on factors such as the number of international students attending it, the number of publications it produces, or the rate at which its graduating students are able to procure jobs. However, this is only the tip of the branding iceberg; in our concept we call it the ‘pull effect’, meaning factors that ‘pull’ persons toward the university. Most of the branding iceberg comprises the ways of creating the university’s reputation and the ways of sustaining the real university brand. We call this the ‘push effect’ because obtaining value co-creation of universities’ stakeholders ‘pushes’ the university brand so that it will arise and become famous. Thus, university brands are ‘pushed’ and ‘pulled’ in a harmonious co-creation process.

Finally, we emphasized that through experience and co-creation, changes occur in the mind-set and behavior of stakeholders. This means that they acquire value co-creation, thus enabling them to believe and have trust in their university and making them willing to use all channels to share knowledge of the university brand with others. Only experience and co-creation among universities’ stakeholders can make the real value for them, the true brand value, and that is the sustainable university brand.

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