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"Revolutionizing Beauty Industry": Co-Creation and Customer Engagement for Brand Image Development: Case study research of a crowdsource-driven cosmetics company Volition Beauty.

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ABSTRACT

Utilization of consumer participation is gaining importance in multiple sectors at a high pace. However, in the beauty industry, consumer engagement as a tool to drive innovation and support image creation is relatively new and rarely utilized. This qualitative content analysis study aimed to examine the case of Volition Beauty - the beauty brand which has built its product and communication strategies around concepts of crowdsourcing and consumer participation, to investigate its collaborative, innovation-based communication and engagement strategies in the digital media. The outcomes of thematic analysis conducted on Instagram and blog data showed direct communication strategies the company uses – *co-creation incentives, insights into the co-creative process* and *promises behind crowdsourcing*, as well as in-direct strategies – *feeling of belonging, shared values, relevant products* and *revolutionizing the industry*. The findings of the research not only contribute to the current knowledge about crowdsourcing and customer engagement but also deliver insights for the industry practitioners about applicable tools for differentiation and building engagement in the new media.

Keywords: Crowdsourcing, co-creation, customer engagement, brand image, beauty industry

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1. INTRODUCTION

The rise of the Internet, mobile technologies and new media made it nowadays particularly easy for brands to engage their audiences online and benefit from distributed knowledge, skills, and experience of the crowd (Kleemann, Voß & Rieder, 2008). Developing ideas, working on solutions or conducting micro-tasks is more and more often taken care of outside of the companies' internal environments and delivered by the so-called "crowd" of consumers and digital media users. Besides providing the companies with creative inspirations, finding solutions to problems based on specialist knowledge or working collectively on projects in form of micro-work, online users also engage in a type of crowdsourcing known as crowd-voting, which allows them to be part of the companies' decision-making process (Prpić, Shukla, Kietzmann & McCarthy, 2015). This makes crowdsourcing a source of competitive advantage, as it can deliver immediate feedback about customer preferences, and (maybe even more importantly) a tool for driving a high level of customer engagement (Bal, Weidner, Hanna & Mills, 2017; Prpić et al., 2015). Therefore, crowdsourcing becomes a proof of an important change in the customer-brand relations, where consumers are given the opportunity to actively contribute to the brands' environments (Kleemann et al., 2008), and gives brands a valuable tool for empowering, strengthening and cultivating brand communities (Bal et al., 2017).

In the beauty sector, even though the customers tend to reject traditional, one-way approaches to communication originating from offline media, they become exceptionally eager to try new product concepts and formulas, are constantly willing to explore and striving for innovation (Kestenbaum, 2018), advanced solutions for consumer engagement are rarely implemented. Companies often include audiences into their business activities in the form of occasional events, campaigns, and ad hoc activations, but it is still uncommon for crowdsourcing to become one of the key drivers for major business decisions or to be utilized on a regular basis (Shen & Bissell, 2013).

There might be several reasons for that, including the fact that businesses often do not know how to leverage the usefulness of different types of crowdsourcing or how to identify the appropriate crowd and engage it (Prpić et al., 2015).

To date, crowdsourcing research has focused mainly on theoretical and conceptual frameworks development (Bal et al., 2017; Derda, 2019; Kleemann et al., 2008; Prpić et al., 2015). This research, however, explores the case of the crowdsource-driven company - Volition Beauty - that has built its brand positioning on the concept of utilizing consumer co-creation to answer the market's needs and engage the community around the brand. The paper examines how the company utilizes strategic communication built around crowdsourcing in order to position itself on the market and create its image through customer engagement in a process of gaining customers' trust and loyalty. Therefore, the contribution of this study is threefold: (1) offers a view on how Volition Beauty utilizes consumer co-creation in new media in order to establish a brand image, build consumer engagement and initiate cooperative product development, (2) adds to the current knowledge about crowdsourcing as a tool for brand positioning, and (3) delivers insights to the industry practitioners.

The paper consists of seven sections. The background component contains a review and critical analysis of relevant theories and prior research related to the topic, such as the basics of crowdsourcing and customer engagement practices and their application in the beauty industry. In the method section, the details regarding research design, data collection, and analysis are presented and justified. Results and discussion sections present the outcomes of the data analysis, highlight key findings and discuss them in relation to the previous research. The conclusion briefly presents the main deliveries of the paper and offers a view on how the study complements previous research. The last section of the paper states possible limitations and future research directions.

2. LITERATURE REVIEW

2.1 Beauty industry today

From a geographical perspective, the beauty market is divided into two main districts – the dominating one in North America, Western Europe and Asia-Pacific, with the biggest share in the global revenues of 82% in 2018 (*Breakdown of the cosmetic market worldwide from 2011 to 2018, by geographic zone*, 2019), and another seen as marginal

one, which includes regions such as Latin America, Eastern Europe, Africa and the Middle East. The most prominent and fast-growing segment globally is at this moment the skincare sector, with the face-whitening, anti-ageing and sun protector products driving the most of the sales (Łopaciuk & Łoboda, 2013). Further, there is also a division between premium and mass production beauty brands depending on the products' price, prestige and distribution channels. Even though most of the premium brands' sales used to be concentrated on the developed countries' markets, recently a new trend emerged, making also customers from other regions perceive beauty products as investments. Therefore, the industry of luxury and personalized beauty products has been receiving more and more of the customers' attention globally (Łopaciuk & Łoboda, 2013). What is more, because of the growing demand for luxury, also cheaper, mass product lines that until now did not strive to be perceived as luxury, developed a trend called *masstige*, which is a set of characteristics supposed to make the brands be seen as prestigious. Within the masstige sector, the brands promise that their products can deliver the same quality and results as the more expensive equivalents.

The beauty industry of the XXI century is constantly growing and expanding, but also facing the challenges it didn't experience before (Stokinger & Ozuem, 2018). With the changing lifestyles and growing awareness, consumers began to demand not only better quality premium products, but also often these made of natural ingredients and in a socially, ecologically and ethically responsible production process. This trend, previously being a part of the niche brands' philosophy, entered the global mass market with the customers' growing willingness to buy responsibly (Łopaciuk & Łoboda, 2013): around 61% of Millenials state that they are eager to pay more for products that are manufactured in an eco-friendly way, followed by 58% customers in Gen Z, 55% in Gen X and 46% among the Baby Boomers (Young, 2018).

Also, the growing accessibility of the Internet and online retailing has globalized the sector and influenced the market's dynamics with growth in sales by 23,6% in 2017 among online leading beauty retailers (Crets, 2018). The development of communication technologies and wider access to the Internet pushed beauty brands not only to sell online but also take opportunities to interact with and engage customers in the digital world (Łopaciuk & Łoboda, 2013; Stokinger & Ozuem, 2018). With their integrated marketing strategies brands aim to create content that could potentially build and engage the communities rather than content solely focused on product information

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or promotion (Shen & Bissell, 2013; Stokinger & Ozuem, 2018). The companies often aim to create unique strategies in managing their online media to achieve content spreadability and online brand building is one of the most important elements of nowadays beauty brands' corporate strategies (Shen & Bissell, 2013). Cosmetics companies also utilize online engagement tools such as Q&As, beauty polls, and surveys, which shows a growing willingness to receive instant feedback from the customers and openness to a two-way communication model (Shen & Bissell, 2013).

2.2 Crowdsourcing as a tool

Crowdsourcing, as a form of digital labor, is no longer a new phenomenon and the importance of information technologies and Web 2.0 in creating crowdsourcing initiatives has been frequently emphasized by scholars (Brabham, 2010; Kleemann et al., 2008; Prpić et al., 2015). It can be defined as a form of a participative online activity, in which an individual or organization can propose to a group of various individuals with different knowledge, skills, and experience undertaking of a certain task, where the process entails mutual benefit, both for the participants and the proposer (Estellés Arolas & González Ladrón-de-Guevara, 2012). In this activity, the crowd is treated as a single notion – "a general collection of people that can be targeted by firms" (Prpić et al., 2015, p. 78), and the process itself consists of three steps – constructing the crowd, developing crowd capabilities and harnessing crowd capital, that is "organizational resources acquired through crowdsourcing" (Prpić et al., 2015, p. 80).

The literature offers typologies built around crowdsourcing applications (Brabham 2012; Prpić et al. 2015), however, none of them focuses specifically on the strategies applied by companies aiming to use it as a positioning tool and statement, nor focuses on the beauty industry. Brabham (2012) proposed a typology identifying four main types of crowdsourcing applications: (1) the knowledge discovery and management approach, (2) the broadcast search approach, (3) the peer-vetted creative production approach, and (4) the distributed human intelligence tasking. He has also identified key motivations of consumers behind participation in crowdsourcing activities initiated by the brands (2010, 2012) as: (1) monetary compensation for collaboration, (2) opportunity to develop certain skills, (3) potential to begin freelance work and gain recognition, (4) emotional connection to the community and social benefits that

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encourage collaboration, (5) message that evokes feelings of pride about one's contribution and faith in its meaning, (6) joy of co-creation and being a member of a co-creative community and (7) addictive character of taking part in co-creation and being a member of the community, which is a result of the desire to take part in crowdsourcing and receive social feedback on one's work.

A typology of crowdsourcing described by Prpić et al. (2015) proposes dividing crowdsourcing into three categories of contributions. "Objective contributions" provide unbiased and general outcomes, whereas "subjective contributions" are based on opinions, judgments, and beliefs of the participants (Prpić et al., 2015). The outcomes have to be processed collectively by an organization to provide value. "Aggregated contributions" produce value by simply being collected and they do not require any previous validation, such as votes which are supposed to support a decision. "Filtered contributions", on the other hand, require a prior selection and have to be validated before the final outcome of the crowdsourcing initiative can be presented. Furthermore, based on these dimensions, the authors present four types of crowdsourcing: (1) micro-task crowdsourcing, (2) solution crowdsourcing, (3) crowd-voting and (4) idea crowdsourcing. Each of these types is either objective or subjective and either aggregated or filtered. These types partly go in line with the typology developed by Brabham (2012), however, Prpić et al. (2015) distinguish also crowd-voting, the process of collecting responses from the crowd to make a certain decision, as a separate category and does not mention the knowledge discovery and management approach as one of the types.

A crowdsourcing application that has not been included in the abovementioned typologies is its derivative - crowdfunding - used by brands and organizations as a financial tool. It is a form of fundraising that has gained recent popularity due to the growing number of Internet websites devoted to linking founders with funders (Mollick, 2014). Crowdfunding is an attempt that might be undertaken by for-profit, artistic, cultural, and social ventures to fund their initiatives by asking for small monetary contributions from an online crowd (Mollick, 2014). The difference between crowdfunding and crowdsourcing is, therefore, the character of contributions sourced from the crowd - as crowdsourcing mainly depends on delivering solutions, ideas, or completed micro-tasks, crowdfunding has a goal of getting financial support from a group of individuals online without having to use common financial intermediaries. A

financial contribution from supporters might be either a donation or an exchange for future products, rewards, or equity (Mollick, 2014).

2.3 Customer engagement as a part of crowdsourcing

Customer engagement is an inherent part of crowdsourcing (Bal et al., 2017; Prpić et al., 2015). In its nature, consumer engagement involves "repeated interactions that strengthen the emotional, psychological or physical investment a customer has in a brand" (Sedley, 2010, p. 7) and thus focuses on creating relationships with customers by their participation in organizational activities and connection to an organization, which extends beyond purchasing behavior and search, evaluation or decision making about a choice of a brand (Brodie, Hollebeek, Jurić & Ilić, 2011; Vivek, Beatty & Morgan, 2012). Crowdsourcing, being a voluntary action that allows consumers to work closely with a brand, might it be during product development or problem-solving, can engage participants by giving them the opportunity to invest time and effort in a brand-related activity. High customer engagement promises several potential benefits for a brand - engaged customers are more likely to develop trust, loyalty and increased value perceptions for a brand, they tend to display affective commitment and involvement in the brand's community (Vivek et al., 2012). What is more, customers engaging in the brand's activities also are more likely to engage in word-of-mouth and play a dominant role in viral marketing by creating referrals and recommendations (Brodie et al., 2011; Vivek et al., 2012). Therefore, customer engagement, implicit also in crowdsourcing, became a 'holy grail' for many companies putting their effort to benefit from improved corporate performance, sales growth, better competitive advantage and profitability (Brodie et al., 2011).

2.4 Crowdsourcing in the beauty industry

Among all the engagement strategies, crowdsourcing is not very commonly used in the beauty industry. It is used by companies as an occasional engagement activity rather than a business strategy. Brands such as Glossier, Julep, Charlotte Tilbury or Kylie Cosmetics have been developing different crowdsourcing initiatives aimed at including customers into their product-development processes, packaging design or marketing, and these very often proved to be beneficial and successful, however, no brand has made it one step further to actually implement crowdsourcing into its brand identity and

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depend on it in its business activities (Shen & Bissell, 2013). Thus, even though crowdsourcing is not new in the beauty industry in general, Volition Beauty can be seen as a pioneer of the crowdsourcing-based solutions, a brand which not only occasionally engages the customers, but claims to fully rely on them in the development of its beauty products. No other beauty brand creates its cosmetics based exclusively on the crowd-sourced ideas and uses crowdsourcing as its positioning statement. Academic literature lacks relevant research about crowdsourcing in the cosmetics sector but also there is limited knowledge about beauty brands using customer engagement in their brand image development process.

3. METHOD

The exploratory case study explores Volition's Beauty communication strategies and the ways it builds customer engagement to understand how these practices shape its brand image. The problem is addressed by means of a qualitative research design. A qualitative research method was chosen because of its interpretative character and suitability to examine phenomena in their natural surroundings and occurring over time (Snape & Spencer, 2003). The study focuses on crowdsourcing, customer engagement and brand image creation, therefore, a qualitative content analysis was the best way to research these aspects as they occur, in the "natural environment" as qualitative methods are appropriate to answer the research questions that are about exploration, explanation or understanding (Snape & Spencer, 2003). They also suit the research question that guides this study, which seeks to explore and interpret Volition's Beauty online communication and engagement strategies.

The content analysis focuses on online media content - Volition's Beauty Instagram posts and blog articles. The qualitative data gathered were analyzed to find patterns of meaning across the dataset, following the guidelines of thematic analysis consisting of three steps: initial, axial and selective coding (Boeije, 2010).

3.1 Case for analysis

Volition Beauty, a crowd-sourced beauty company based in California, in the United States, is one of the first adopters of crowdsourcing used as a positioning tool in the cosmetics market. The brand was founded in September 2015 as an online crowdsourcing platform and beauty store. The company allows customers to submit their ideas for beauty products and vote for concepts invented by others. In the next steps Volition Beauty reviews products that gain the biggest amount of votes by

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checking their feasibility, brand fit, and market potential. The chosen products are created by external chemists and labs, and the idea owners, called Volition Beauty Innovators, receive a monetary reward (https://volitionbeauty.com/). By incorporating these mechanisms into their brand, Volition Beauty created an innovative business by relying on the practice of idea sourcing and crowd voting. Even though beauty brands have been already using crowdsourcing before to engage the customers (Thomas, 2018), Volition Beauty is the first one on the market that uses it as its positioning statement. No other brand in the nowadays beauty industry distinguishes itself by developing ideas for products based primarily on the customers' input. That is why Volition Beauty can be perceived as an initiator of a new, innovative way of creating a brand identity in the beauty industry. By engaging their online brand community, the company is able to initiate collaborative product innovation and build its core around it.

3.2 Sampling

The sample for the study was collected among Volition's Beauty Instagram (@volitionbeauty) posts and blog (https://www.volitioncollectivity.com/) articles including hashtags. Both channels are used by the brand to communicate and interact with customers. Instagram was chosen as the main source, as a social media platform with the highest user engagement rate on brands' profiles among all other channels (Bauerova, 2017; Pathak, 2015). Also, in comparison to other industries, beauty brands score the highest in user interactions on their Instagram profiles (Buryan, 2018). Therefore, Instagram is the most representative platform in the context of the presented research. Moreover, it was taken into consideration that limited sources of posts allowed for a more in-depth and rich analysis of the profile, instead of a fragmented and superficial study. Both channels, Instagram and blog, were examined in two separate analyses using a qualitative analysis software ATLAS.ti. With the aim to code the selected fragments of texts, the articles were read and considered several times.

A pre-analysis revealed a high level of data repeatability, therefore, the sampling was focused on identifying posts that represented the brand initiatives in online media, following the common qualitative research practice of flexible, purposive sampling meant to capture the variation in the data (Flick, 2007). It was not the researchers' intent to apply a quantitative approach in this research, therefore, a limited sample size did not

affect research validity as the saturation point was reached within the collected sample. The Instagram sample consisted of 252 posts. To ensure the credibility of the study, 63 relevant posts were collected from every year of the brand's Instagram activity, starting with 63 posts collected from the 1st of May 2015, when the company opened the Instagram account. Subsequently, 63 posts were collected from comparable periods (months of May and June) of the years 2016, 2017 and 2018, creating a time frame of four years, with the last post dating back to 22nd of June 2018. The selected sample made up 23% of all the Instagram posts posted by the brand from the launch of its Instagram page, until the last sampled day.

The blog sample consisted of 20 blog articles. In order to create the sample, 5 first relevant articles published each year of the brand's blogging activity were collected, the same way the Instagram data has been extracted. However, the collection of all sample articles published in the exact same time frame as the Instagram sample (May and June) was not possible due to irregularity and scarcity of the brand's blogging activity. The sample focused thus on the data published across all the months of the sampled years. The selected sample made up 44 % of all the blog posts published from the launch of the brand's blog, until the last sampled day.

The choice to only select posts from the given time frame was made to be able to compare the content from the multiple years based on the same frame period, in search of the possible evolution of applied strategies.

4. RESULTS

The analyzed data showed that Volition Beauty encourages online engagement and collaborative product innovation on their digital media channels by the usage of Direct Strategies (co-creation incentives, insights into the co-creative process, promises behind crowdsourcing) and Indirect Strategies (feeling of belonging, shared values, relevant products, revolutionizing the industry).

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	Strategy category	Communication strategy	Brand promise/Key message
Categories	**Direct strategies**	**Co-creation incentives**	Payment for collaboration
			Collaboration for perfect product
			Collaboration enjoyment
			Pride of collaboration
			Job opportunity
		Insights into the co-creative process	Collaborative nature of crowdsourcing
			Idea presentation
			Innovators intorduction
		Promises behind crowdsourcing	No-middleman process
			Accessible and cost-effective solution
			Better products
			Inclusive process
			Smart process
	In-direct strategies	**Feeling of belonging**	Appreciation
			Collective effort
			Common passion for beauty
			Power of community
			Body positivity
			Support and empower other community members
		Shared values	Cruelty-free
			Empowering women
			Good cause
			High quality
			Natural products
			Tolerance and diversity
			Transparency
			Vegan products
		Relevant products	Answer to problems and needs
			Filling the market gap
			Solution needed by many
		Revolutionizing the industry	Empowering the customer
			The only platform like that on the market
			Unique products
			Giving voice to people
			Brand that helps
			Brands that listens

Table 1. Crowdsourcing communication strategies of Volition Beauty brand

4.1 Direct strategies

Direct strategies refer to directional and conscious actions taken by the company that are meant to engage online users. Not only direct co-creation and engagement

incentives, in the form of calls to action, but also posts that provide inside information about the process of collaborative product innovation and promote crowdsourcing as a solution full of benefits seem to have a purpose of accustoming the users with the idea. Engagement tools include:

- 'Calls to action' - in the forms of *'call to collaborate'* and *'call to vote'* to create an explicit and relatively simple encouragement for community members to visit the company's website and take part in the co-creation process;

- Ask, share & let us know what you think - direct encouragement to engage in the conversation with the brand in an open and constructive way. This also implies an attempt to show that the company wants to act transparently and be in dialogue with its customers;

- Hashtag usage - for filtering, searching posts, but also used as an encouragement for customers to share their personal stories;

- Polls & open questions - for ensuring consumers that the company is "hearing what the customers want to say", but also as a content aiming to entertain the users;

- Giveaway & contest - used to engage the customers, with a motivational factor of winning a prize. However, the activities also contain elements of sales and product promotion strategies, as prizes include most often only the brand's products;

- Tag a friend & likes - used to engage online users and gain more potential followers. This way the brand becomes more visible and brand awareness might increase. The customers often get the chance to be featured on the brand's Instagram account, and direct requests to "like" a post also appear on the Volition's Beauty feed.

Co-creation Incentives

The company uses a strategy of direct co-creation incentives to encourage online users to submit product ideas and vote for already developed campaigns. However, interestingly, direct calls to collaborate and submit product ideas appeared both in Instagram posts and blog articles content, but direct calls to vote were present only in Instagram posts. This implies that the blog content is more focused on encouraging community members to submit ideas and take part in the co-creative process, whereas the Instagram profile focuses more on encouraging online users to vote.

By submitting ideas and voting on the platform, the community members are able to collaborate with Volition Beauty to get perfect products. Many posts and article fragments express the possibility to get a custom-made, "dream" product by taking part in the Volition's Beauty crowdsourcing initiative ("All I could think was 'finally, a company that gets it, who better to create products than the people who really know what the beauty industry needs!' " - blog post). Also, by using hashtags such as #custommade, #madebyme, and #myownvolition on Instagram, the brand frequently points out the individual character of the process, which can be considered a notion of *mass customization* and *consumer empowerment.*

The company emphasizes the possibility to develop one's job opportunities by taking part in crowdsourcing. In order to pass this message down to the community members, it makes use of the innovators' personal stories, which show the user's journey from a frustrated customer to a successful entrepreneur. The company implies that, by becoming visible on the brand's online pages, innovators are able to gain recognition and at the same time start their experience as independent creators.

Payment for collaboration is also a direct incentive present on the company's communication channels. However, it is important to notice that Volition Beauty does not reveal the rate of commission an innovator can earn by developing a product, nor does it inform about the details linked to its own revenues. The customers who contribute to the crowdsourcing process by voting on already existing campaigns are also said to be rewarded – they are offered purchase discounts for engaging in the process. In this case, even though the company reveals concrete numbers on its Instagram, the discount level changes regularly. What is more, even though the company claims that discounts are a form of compensation for taking part in crowdsourcing, they can be identified as a sales strategy as well, because the "reward" still requires a product purchase.

The company also claims that by developing cosmetics in a co-creative process, innovators help other women to receive products that are unique and have been absent on the market before. The brand refers to the value of community and implies that by creating products, community members help each other and generate benefits for the whole group of brand supporters. By the activities of voting and purchasing, in turn, the

community members are supporting and helping the innovators who collaborate with Volition Beauty. The claim made by the company that by voting community members enable entrepreneurs, who are "fellow beauty lovers", launch their products and earn a commission, refers to the value of solidarity and support among the members. This causes the feeling of obligation to help each other and can be a strong incentive to be active within the community (Wirtz et al., 2013). The support in the group of brand's customers, therefore, works both ways and creates a strong relationship of reliance – the innovators help other community members, and other community members help the innovators.

In one of the company's posts innovator Emily claims that appreciation of the community related to the product she came up with was "the COOLEST thing", which can indicate a sort of fulfilment and satisfaction related to the product development. Her testimonial shows that innovators, the way the company presents it, feel proud with their products and the collaboration with the brand causes that contributors are happy and satisfied, indicating that anyone who decides to participate will feel the same.

Insights into the Co-creative Process

Volition Beauty aims to motivate its customers to participate by posting "behind the scenes" content of the product development process. The company tries to give the impression that it makes explicit the way collaboration works and lets online users follow the process so that they can become more convinced about its benefits and encouraged to engage. The Instagram account focuses mainly on the presentation of the innovators, their ideas and inspirations behind them in the form of brief storytelling. An attempt is made to convince community members that every developed product hides a unique story of a certain need and solution that has been created in the process. The blog content also provides some technical information about crowdsourcing, however, there is a lack of content that shows any details about the selection criteria or the number of money innovators receive. The lack of transparency is prominent in the company's activity. Presenting innovators and their stories remains the main strategy to get the customers closer to the process, however, it has to be noticed that it is also very product-oriented, thus probably aims to encourage not only collaboration but also sales.

Promises Behind Crowdsourcing

In its communication, the brand focuses on presenting crowdsourcing as an inclusive, consumer-centered process, which enables it to produce cosmetics that are precisely

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tailored to the customers' needs. That lowers the possibility of product failure and therefore prevents unexpected costs, at the same time allowing for lower prices ("We're making beauty more democratic - and more fun, to be honest - by letting beauty junkies and regular people bring their ideas to store shelves." - blog post). The perceived quality of the products developed in a co-creative process can, therefore, increase, because the cosmetics are cheaper, accessible and more likely to meet the customers' preferences, which can be illustrated with a quotation from a blog post: "If a product doesn't get enough community support, we don't make it. This helps us save on failed product launch costs. Every product we make is a winner."

4.2 Indirect strategies

The indirect strategies consist of categories that refer to more implicit, subconsciously created incentives and motivations which can convince the customers that engaging with Volition Beauty, both in more regular online activities as well as product innovation, is a unique and profitable experience. To engage its customers on a more subconscious level, the company refers frequently to the importance of community, common values, and beliefs, the "down-to-earth" approach of including non-professional entrepreneurs into its business activities and the opportunity to take part in the so-called "revolution" in the beauty industry.

Feeling of Belonging

The strategy refers to the collective character of the brand and the possibility for the customers to be a part of a community. By the usage of hashtags such as #beautylover, #beautyjunkie, #beautyaddict, #skincarejunkie, #skincareaddict, and #skincareobsessed, the company points out to its customers that all the community members have something in common – a passion for cosmetics and beauty. This can build a higher sense of community and feeling that there is something that unites all the customers.

The company also uses personal stories of innovators and other community members in their feed, which can strengthen the feeling of an intimate, close community. This way, the brand convinces online users that the brand's customers are in fact a community of cosmetics enthusiasts who can share insights and intimate stories among each other and talk about their values and beliefs. This idea is presented in one of the customers' testimonials shared on the company's blog: "I discovered Volition Beauty when I saw

an article about a cancer survivor who created an eyebrow replacement product. I was immediately intrigued by the company that supported her idea. As I read more about Volition Beauty, I knew I had to be a part of it". This kind of relationship that is presented by the brand also allows the community members to identify with the company and the community. However, it has to be taken into consideration that all the stories and members' insights are posted by the brand itself, either on Instagram account or blog. Volition Beauty does not enable the community members to share anything without the acceptance of the company.

With expressions such as "Who's with us?", "We've all been there" and "If you are like us" the company makes an effort to enable its customers' further identification with the community and with the brand itself. Volition Beauty also makes an attempt to convince the audience that crowdsourcing is a solution made by and for "regular people" and "people just like you". The concept of "real women" appears on the blog frequently, referring to two aspects - focus on regular customers who want to solve their skin's "real" problems and applicability to many "real" women beauty needs ("It's the power of community. Volition gives a voice to women just like me and lets us be a part of changing how beauty brands work. We are revolutionizing beauty together. Real women to co-create and innovate better beauty products - and that's awesome!" - blog post).

Shared Values

Emphasizing Volition's Beauty values and beliefs is a big part of the brand's communication. By highlighting what the company stands for, Volition Beauty aims to support community building and encourage participants to take part in initiatives created around common goals. What can serve as an example, the company claims to be proud of all the manufactured products to be vegan, natural, non-toxic, cruelty-free and of the highest quality which can be values and qualities many community members identify with. The brand emphasizes its commitment to responsible production in one of the Instagram posts: "We've always been committed to clean beauty and non-toxic formulations. It was never an option not to be clean. Our Community asked us to define what that means and we listened. Safe Science delivered".

Moreover, the core of the brand's focus is collective creation and consumer-oriented approach, however, the company also takes a stand when it comes to the more widely known social discussions, such as body positivity, tolerance or women empowerment.

By presenting itself as a brand that cares about the community and social problems it might encounter, the company again allows for a deeper identification of the customers with the firm and convinces community members about the value of the crowdsourcing process and the company's business strategy. By supporting social movements, Volition Beauty sends a message to the community that its members can also be a part of a socially responsible brand, and not only create products, but also take a stand.

Relevant Products

The brand also promises to close the gap on the market and provide customers with solutions previously unavailable to them ("Is there a product missing from your beauty routine? Discover a cool, new ingredient while on vaca? We want to hear about it! Submit your genius beauty product ideas today, and we just might make it a reality!" - Instagram post). The company claims to be "on a mission to create truly unique products". The unique character of the developed cosmetics, in light of their capability to solve "real" women problems and being created based on ideas of "regular people", is very often emphasized by the company.

Revolutionizing the Industry

By a set of strategies and slogans, the brand emphasizes the collective character of Volition Beauty and encourages community members to take part in a unique and innovative process, which, as brand claims, is to be making a change in the beauty industry by introducing a more customer-oriented and personalized approach to the beauty business ("Join the revolution!"). One of the aspects of the said revolution is to be the control and power the customer has in relation to the brand. Volition Beauty claims to be giving "voice" to women, who never before had a chance to have a say in the product development process, and to listen carefully to their problems and needs. This customer-oriented approach is said to empower community members and to pass them the control over the brand, as it was expressed in one of the blog posts: "Volition and our community of *real* women, like *you* and *me*, are revolutionizing beauty together." However, the details of the production and development processes are not clear, therefore, it is difficult to judge whether customers have a real influence on the company's business activities.

4.3 Strategy evolution

From the beginning of the company's Instagram activity, in 2015 and 2016, the content created was mainly focused on direct engagement and co-creation incentives. The company made frequent use of engagement tools such as polls, open questions, and calls to action in order to attract and engage potential customers. The followers were also being encouraged to take part in the co-creation process by incentives such as monetary rewards and potential future job opportunities. In addition to that, by frequently emphasizing the value of collective co-creation and a common passion for beauty and cosmetics among the followers, Volition Beauty started to build a feeling of belonging among brand supporters, which might be interpreted as an attempt to create a community. However, as the business developed and the community of brand supporters began to grow, in 2017 and 2018 the company slightly shifted towards a strategy based on communicating values shared between the brand and its customers, such as cruelty-free, non-toxic production and transparency in product creation. This can be seen as an attempt to further convert the (already attracted) community members into brand advocates. From 2018, the growth in the frequency of direct product advertisements on the online pages can be noted, which, on the other hand, means that the brand adopted a more profit-focused approach after the initial period of investing in community-building strategies.

Similar, but less prominent changes have been noticed in the blog content. From focusing on attracting potential Innovators by articles about benefits of crowdsourcing and co-creation as well as informative posts about the brand's activities, the company slightly changed the strategy over time in order to include more content about products, ingredients and beauty advice. Uniting brand supporters around common values, interests, and experiences has become an important strategy in the creation of the brand's online content, but also an approach focused on promoting the products and generating profit.

5. DISCUSSION

The results identify strategies of direct and indirect nature, giving implications that both might have a significant impact on the brand image. The brand's communication strategies are built on the core concepts of *co-creation*, *shared values*, and *feeling of belonging*, and they translate into specific brand promises and key messages, which are communicated through digital media platforms.

Volition Beauty utilizes *idea crowdsourcing*, a subjective and filtered contribution described by both Brabham (2012) and Prpić et al. (2015), along with *crowd-voting*, the type of crowdsourcing defined by Prpić et al. (2015), which is based on subjective but aggregated contributions. This approach makes Volition Beauty the only company in the beauty industry, so far, to use crowdsourcing to stimulate two different kinds of consumers' contributions. The company utilizes the peer-vetted creative production approach (Brabham, 2012), as a way to find creative and fresh inspirations for new products. It also makes it a way to engage customers by involving them in a very internal process of product design and development to create relationships (Brabham, 2012).

The analyzed brand positions itself on the beauty market as a company that listens to the consumers' needs and wishes. This goes in line with the (not so recent) trend of brands shifting from one-way communication models, based on providing information (brand-to-consumer), to the two-way ones that are focused on interactions and a dialogue with the customers rather than a simple delivery of information (V. Kumar et al., 2010).

The highly customer-oriented approach is a strategy the brand promotes in order to differentiate itself on the market. Volition Beauty claims to pay attention to every community member, encouraging them to create highly personalized products, which goes in line with the claim of Łopaciuk and Łoboda (2013) that personalized products have been receiving more and more attention in the beauty industry in recent years. *Mass customization*, referring to the growing popularity of custom-made products and services, is also one of the marketing strategies identified by Rust and Oliver (1994) as a consequence of customers becoming more and more empowered.

It has been already proven before that, products developed in a co-creative process are, in general, perceived in a more positive way than those designed only by a company, and that this kind of product innovation facilitates customers' curiosity and attention towards a brand (P. Kumar, Meng & Kabijar, 2019). Therefore, it can be understood that Volition Beauty makes informed choices, positioning itself as a brand being able to give its customers "something that no other company can" – perfect products developed in the process of co-creation, which are personalized to meet the customers' specific needs. The brand claims that everyone can take part in the process, highlighting the

inclusive character of crowdsourcing, which democratizes and makes high-quality personalized premium products widely accessible. However, even though the company claims to conduct the product development process in an inclusive way, it has to be taken into consideration that not everyone might have an opportunity to take part in it. Differences of accessibility of technology between developed and undeveloped countries cause that not everyone has equal access to the online platform and is able to devote time and energy for a process that, as a form of a voting contest, can turn out to be unpaid and have an exploitative character (Andrejevic, 2009; Brabham, 2012; Caldwell, 2011).

The study identified crowdsourcing communication strategies that have been overlooked in previous research. One of them is addressing "real solutions for real people". The brand does that through the co-development of products aiming to solve the skin problems of its community members. It builds its image on the notion of "reality", and this "reality" refers to regular people. The company claims "to finally give them a voice", implying that they were unable to speak for themselves and their needs before. However, the inclusivity the brand promotes does not go in line with the fact that, even though claiming that beauty products are suitable for everybody regardless of gender, Volition Beauty addresses mainly women in its communication efforts.

The values the company stands for and presents on its new media channels are also of great influence on the image it creates. The principles such as body positivity, tolerance or cruelty-free production are aspects customers can identify with, supporting the same good cause or campaign. Volition Beauty, at the same time, claims to be socially responsible and to conduct its business in an ethical way. All these aspects are part of a brand image the company creates, to finally make a claim that its business is "revolutionizing the beauty industry". Volition Beauty encourages customers to engage, motivating them by the possibility to be part of the so-called "revolution" on the beauty market. At the same time, it positions itself as an innovative, unique company that, thanks to the community, is able to make a change in the industry. A change that is customer-oriented and benefits the "real people".

Nevertheless, Volition Beauty creates its image based on the importance of its customers and the community as a whole – the company emphasizes the control the community of brand supporters has over the firm and claims that it is willing to accept

that because the satisfaction of the customers is a core of its business. Volition Beauty, therefore, positions itself as based on the "power of community" and claims even that the brand as an organization is built collectively - the customers have an influence on the business activities of Volition Beauty. Thus, it does not only use crowdsourcing to promote the brand – it claims to build the whole business on the aspects of collectivity and engagement. The claim made by the company that crowdsourcing empowers the community members goes in line with the opinion mentioned already by Bucher and Fieseler (2017) and Fish and Srinivasan (2012) in the debate about digital labor, that works done online can empower digital workers. According to Bal et al. (2017) and P. Kumar et al. (2019) taking part in crowdsourcing causes not only the feeling of empowerment among the community members but subsequently increases overall engagement. However, even though the brand claims to be passing on the control over the company to its customers, little is known to what extent it actually happens, and what is the division of power and influence within the firm.

Not only the scope of control the community members have within the brand but also other aspects of the crowdsourcing process are not made fully clear to the customers. Volition Beauty presents itself as transparent and claims to build the brand collectively. However, even though claiming transparency and a close relationship with the community, the company does not provide any in-depth and detailed information about the co-creation aspects. New media channels lack factual, step-by-step explanations of the process, information such as the share of revenues from the products or selection criteria are also not provided. The brand thus acts not transparently enough to make it clear for all community members what the share of the income looks like. This fact can be linked to the criticism surrounding crowdsourcing and digital labor. The lack of transparency can be a source of precarity for the innovators, as mentioned already by Fish and Srinivasan (2012), and there is no guarantee made for the public that the innovators are not underpaid. Therefore, following the opinion of scholars such as Andrejevic (2009), Brabham (2012) and Caldwell (2011), there is a possibility that the whole process has an exploitative character. These all can be perceived negatively by consumers and discourage both more experienced and amateur crowdsourcing participants to take part in the initiative, as they may feel anxious to collaborate with a

company that is not fully honest about its business practices. It can also affect the company's brand image in a negative way, implying that not everything that Volition Beauty presents as ideal and full of advantages is in reality true.

Impact on the company's transparency and reputation can also have the fact that some of Volition's Beauty communication strategies, on the pretext of engaging the customers, are in fact sales encouragements. This can be seen in approaches including product promotions, such as contests or posts with innovators' stories, or implied sales strategies (such as product discounts as a form of compensation for crowd-voting or posts claiming that by purchases community members support their colleagues). In the latter case, the company, under false pretences of encouraging solidarity and support among the community members, in fact, tries to drive sales. This finding contradicts one of the main results of the research conducted by Shen and Bissel (2013), who concluded that the beauty brands' online activities are nowadays more focused on engagement than sales and product-related.

6. CONCLUSION

The study investigated the ways Volition Beauty, a crowdsourcing beauty company, encourages collaborative product innovation and online customer engagement and how these practices are utilized in the process of brand image creation. The study deepens existing knowledge on utilization of consumer co-creation as a positioning tool, provides new insights into the phenomenon of crowdsourcing and has identified the communication strategies around crowdsourcing that have not been described by the academic literature yet.

The outcomes of the analysis conducted on Instagram and blog data revealed seven communication strategies that can be classified as direct and in-direct. Direct strategies consist of: (1) *co-creation incentives*, such as job opportunities or monetary encouragements, (2) *insights into the co-creative process* based on "behind the scenes" of the product development and (3) *promises behind crowdsourcing* that promotes crowdsourcing as a solution full of benefits. The analysis resulted also in a set of in-direct strategies – building a (4) *feeling of belonging* based on the importance of community and collectivity, communicating (5) *shared values* such as transparency and diversity, offering (6) *relevant products* that close the gap on the market and provide solutions to all, and lastly, making claims about (7) *revolutionizing the industry* as a process that every customer can be a part of.

Therefore, the findings of this research offer an addition to the previous studies about crowdsourcing as a tool for driving consumer engagement and supporting positioning and propose a new categorization of crowdsource-centered communication strategies. The analyzed approach applied by the brand is unique in the beauty industry and is aimed at differentiating it on the clustered market. Therefore, the findings of the research, not only add to the current knowledge about crowdsourcing but also deliver insights for the industry practitioners about applicable tools for differentiation and building engagement.

6.1 Limitations and future research directions

Even though the method proved to be suitable for the study, it did not enable the researchers to identify certain aspects that might motivate online users to engage, which would require qualitative research focused on interactions with participants. Therefore, the research is able to deliver outcomes based on the researchers' interpretation of the content studied. Moreover, the phenomenon of crowdsourcing-based brand image development was studied in a single case study, therefore, the results may not be generalizable to all crowdsourcing companies. In order to provide a broader view, it would be interesting to examine crowdsourcing start-ups in other industries, and possibly compare the results with the current Volition's Beauty research. Additionally, a quantitative analysis of the content in possible future research could provide insights about the frequency of the brand's strategies application.

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