BRAND COMMUNITIES AS COMPLEX SYSTEMS: A SYSTEMS THINKING APPROACH TO FORMATION, EVOLUTION, AND GOVERNANCE

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ABSTRACT

Brand communities have been integral components of brand support initiatives, but they have steadily gained prominence, especially since the advent of online communities, due to the ease with which they can be set up and function. They tend to be complex and dynamic, evolving over time. However, the current literature continues to treat them as simple and static, leading to a less-than-optimal approach to conceptualizing them among academic scholars and to mismanagement by practitioners. We propose that they be conceptualized as complex adaptive systems and, accordingly, recommend a systems-thinking approach that incorporates feedback loops. This also provides the right framework for practitioners to leverage them effectively and make better decisions.

Keywords: Brand Community, Systems, Systems Thinking, Complexity, Emergent Property

INTRODUCTION

Marketers consider brand communities as the "holy grail" because they offer customer engagement, excitement, and brand loyalty (McAlexander et al., 2002). The groups tend to be cohesive, with their own practices and rituals, and members often support one another (Muniz & O'Guinn, 2001). They also offer opportunities for marketers to co-create brands with community input (Schau et al., 2009), who are often eager to contribute (Cova, Pace, & Skålén, 2015). and may even serve as brand evangelists (Bhandari et al., 2024). They tend to be more authentic because community members are vested in them. As such, they transcend transactional relationships and build deeper emotional bonds, providing a strategic edge to the brands. This has been recognized by researchers and practitioners alike (Habibi et al., 2014a; Marzocchi, Morandin & Bergami, 2013).

However, building a successful brand community is challenging. Many brands have failed to create the excitement and connection that is needed to build one. Zipcar, the innovative automobile-sharing service, struggled with it. (Bardhi &Eckhardt, 2012) argue that Zipcar's access-based consumption made it difficult to develop a sense of ownership of the vehicles and created a transactional relationship, which is antithetical to a brand community. The lack of ownership also led to behavior typical of the "tragedy of the commons," where all players focus on their individual benefit and are unable to take care of the collective good (cars, in this case).

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On the other hand, Chinò Sanpellegrino, co-owned by Nestlé, successfully created one. Initially, rather than appealing to a mass audience, the brand focused on building a community around its polarizing taste profile. It specifically engineered a brand community based on a counter-culture image, eventually leading to a cult-like community with very loyal customers. But creating a brand community is not the endgame; it's also about ensuring that they thrive and receive the right support for their brands. There have been instances of communities turning against their brands (e.g., Weijo, Bean & Rintamäki, 2019) or engaging in unethical practices (Behl et al., 2024). This underscores our argument that while we seem to understand brand communities and how to create them, we don't have a good handle on how they evolve and what causes them to succeed or fail (Ahuja, et al.,2022).

We argue that to truly understand brand communities, we need a systems thinking approach. Unlike the current approach, which tends to be simple and static, systems thinking offers a framework better suited to understanding brand communities, which are complex and dynamic. Systems thinking is a holistic approach to analyzing entities composed of interrelated elements (Meadows, 2008; Senge, 1990), which is more closely aligned with the true nature of brand communities. This includes characteristics such as interrelationships among multiple elements, feedback loops, decentralized controls, response delays, and emergent behaviors. (McAlexander et al., 2002), and are the result of inputs from brands and self-organizing, evolving consumer interactions. So a systems approach is better suited to analyzing and influencing the dynamic forces that drive communities (Chang & Hsu, 2022).

We organize the rest of the paper by first introducing key brand community concepts from the existing literature (e.g., Muniz & O'Guinn, 2001; McAlexander et al., 2002; Schau et al., 2009) and then explaining how brand community dynamics can be better understood through systems thinking. Finally, we present the theoretical and practical implications of this approach.

LITERATURE REVIEW

Brand Communities

The concept of brand communities has continued to gain prominence in consumer research and marketing strategy practice (Muniz & O'Guinn, 2001) and is defined as "a specialized, non-geographically bound community, based on a structured set of social relationships among admirers of a brand" (p. 412). Three markers distinguish such communities, in addition to their being collections of loyal consumers. They are shared consciousness, rituals and traditions, and a sense of moral responsibility among community members. This view was espoused by McAlexander and his colleagues (McAlexander et al., 2002). They postulated this view by emphasizing a broader framework that positions consumers, beyond their bond with the brand, as connected to fellow users, marketers, and products (Figure 1). Their model proposes that brand communities are a network of relationships that forms a cohesive ecosystem of brand meaning and management, extending far beyond the dyadic consumer–brand relationship.

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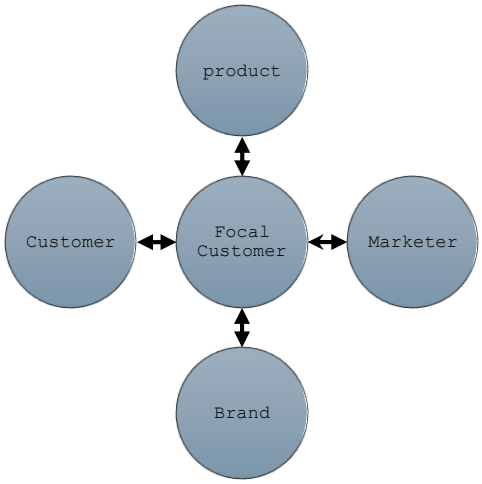


FIGURE 1: MODEL OF BRAND COMMUNITY (MCALEXANDER ET AL., 2002)

Brand Community Elements

The literature emphasizes shared consciousness. Members of a brand community share a sense of belonging and connection as part of a distinct collective. The strong connection members feel towards one another and the brand, a "we-ness" or collective identity among brand fans, forms the foundation of brand community. An example is Apple's Macintosh enthusiasts of the early 2000s. These enthusiasts viewed themselves as a very closely knit community who stand apart from mainstream PC users, placing emphasis on their identity of "Mac users" developed through shared stories, specific jargon, and an evident hierarchy in their community (Belk & Tumbat, 2005)

A brand community sustains itself through several gestures among its members, such as greeting rituals, regular fan meetups, and brand-related traditions. A good example is "Jeep Wave", a simple gesture of Jeep owners of waving as they pass another Jeep. A group's culture is sustained over time by gestures that pass on the community's history and values to new members.

Members of the brand community educate one another, clarify doubts, take steps to ensure the brand's products are used properly, and serve as defenders when the brand is under attack. (Muniz & O'Guinn, 2001). A sense of moral responsibility helps members stand as one, uphold standards, and help the brand monitor undesirable behavior. Moral obligation helps support one another and ensures the community is in good shape through self-regulation. The manifestation of the aforementioned elements of activity through online forums, physical gatherings, or symbolic gestures indicates that the brand community is active and propelled by its members (Muniz & O'Guinn, 2001; Laroche et al., 2012; Laroche et al., 2013).

Strategic Importance of Brand Communities

Marketers and consumers derive many benefits and insights from brand communities. Word-of-mouth publicity generated by brand community members is always helpful for brands. Equally important for brands is user-created content (Schau et al., 2009; Bhandari et al.,2024). In addition, the volunteer work of brand community members increases brand visibility and propagation of its benefits. Word-of-mouth publicity and user-generated content help reduce marketing costs, enhance customer loyalty, and increase brand value. Brand communities help firms gather real-time feedback and provide a strong defense against brand crises. Firms also gain a platform for product development by working with brand users. Consumers stand to benefit from

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membership in its brand communities. They find social and emotional validation and access to deeper knowledge about the brand (Habibi et al., 2014b). The benefits brand communities offer to firms and consumers have persuaded marketers to use them as a strategic platform for product development, user engagement, and long-term brand value creation.

Brand Community Dynamics and Evolution

Brand communities may be created either by brand-supported initiatives, which typically involve providing platforms, digital or physical, offering loyalty programs, and sponsored events. This is a top-down approach. On the other hand, they can also form organically without much involvement from the brands, a bottom-up approach. Brands need to be cognizant of not over-managing it, which could turn off community members, nor of being completely hands-off, which could lead the community to move in a direction not exactly aligned with the brand (e.g., Belk & Tumbat, 2005).

Brand communities evolve and may move in different directions. They will go through different stages of launch, growth, stabilization, and decline or thriving. Eventually, they will differ in whether they are geographically concentrated or dispersed, fleeting or long-lasting, active or disengaged, and close-knit or distant (McAlexander et al., 2002).

Theoretical Gaps in Understanding Brand Communities

Despite understanding the importance of brand communities, academic research has struggled to address them. Most studies have focused on explaining established communities without understanding how they came about. So, we don't know much about the mechanisms that inhibit or support their establishment, when and why shared identity and rituals emerge, or which indicators marketers can track to determine how and when to intervene to avoid brand failure or hate (Behl et al., 2024).

Existing research doesn't specify when efforts to build brand communities should be intensified (or pared back). lacks diagnostic tools to determine when a brand community effort should be revised, intensified, or even discontinued. So, not surprisingly, despite well-intentioned efforts, Zipcar's brand community fizzled; the brand narrative was misaligned with the consumer experience, and the tragedy of the commons was on full display (Bardhi & Eckhardt, 2012; Gambetti & Graffigna, 2015). Further, even when managers recognize the weakening of the brand community, it is difficult to assess the extent and type of brand intervention needed without overwhelming or upsetting the community. It's the evolving dynamic nature of the brand communities that makes this very challenging, and we will discuss these key characteristics shortly. The solution, as we suggested earlier, is the application of systems thinking, and we will expound on that soon as well (Muniz & Schau, 2005).

Systems & Systems Thinking

A system is based on its key elements, how they relate to one another, and their purpose. So, its interconnected elements form a coherent whole with a clear purpose (Meadows, 2008). In the marketing context of brand communities, these elements may include actors (consumers), structures (communication channels), and artifacts (the actual products). This leads to dynamic relationships among components through communication and feedback, while maintaining a goal of enhancing consumer identity, engagement, and loyalty. It is important to understand that systems do not exist in isolation; they may appear within supersystems and contain subsystems. So, specifying boundaries is important for properly analyzing a system (Checkland, 1981).

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Systems thinking is the opposite of reductionist thinking, which analyzes complex phenomena by breaking them down into simpler components. It is instead based on understanding interactions rather than on looking at individual parts in isolation (Senge, 1990). It focuses on how components interact over time, how patterns emerge, and how delayed effects and feedback loops shape the outcomes. It's an antidote to unintended outcomes by appreciating non-linearities, time delays, and reinforcing mechanisms that drive behavior in complex environments (Sterman, 2000). By applying systems thinking, researchers can avoid the trap of simplistic analysis, which fails to capture the complexities of the systems, and reach the correct action plan.

Complex Systems and Adaptive Dynamics

Brand communities can be considered complex adaptive systems. They exhibit nonlinearity (i.e., small changes can lead to disproportionately large effects), are typically open, and are influenced by their environment and dynamic interactions within the system (Holland, 2006). In complex adaptive systems, outcomes are emergent, such as novel behaviors that arise from interactions among system elements within the group (Goldstein, 1999). Emergent properties are behaviors or characteristics that "emerge" from interactions, yielding outcomes that are more than can be attributed to individual components (Sullivan, 2011; Martin, 2019); one cannot fully understand the whole system by examining the constituents in isolation because emergence overrides simpler cause-and-effect.

Feedback Loops and Dynamic Structure

Another characteristic of complex systems is feedback loops. This suggests circular causality. A causes B and B causes A, leading to a self-reinforcing loop. Loops can be reinforcing or balancing. Reinforcing loops move in directional alignment and can magnify the changes. For example, positive word of mouth may increase sales, which in turn may lead to more positive word of mouth. Such outcomes can be the marketers' dream outcome.

On the other hand, balancing loops counteract two forces and can put the brakes on a system's growth. For example, if there's a rapid increase in sales, manufacturing capacity constraints may reduce supply, increase customer dissatisfaction, and slow sales. Note that there was nothing negative in the customers' experience until their enthusiasm led to supply constraints, which halted the system's positive momentum.

Delays

A delay is the time gap between an action and the system's response (Sterman, 2000). Delays are an integral characteristic of complex systems; they play a crucial role in shaping the system. These delays, the gaps between the input and the output, and in feedback loops when signals are not immediately processed, can be present in different parts of a system (Meadows, 2008). If practitioners are not appreciative or knowledgeable about delays, it can lead to sub-optimal decisions.

Delays may be structural, as in the time it takes for information, people, or artifacts to move through the system (Forrester & W1961). They could also be informational, as in delays that occur when incomplete, inaccurate, or outdated data is available, leading to a delay in communicating and processing the information (Sterman, 2000). Finally, delays can occur if decisions are not implemented in a timely manner.

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Interdependence and Boundaries

As we discussed earlier, systems are aggregates of individual components, but they also consider the interactions among these components. Systems thinking acknowledges and considers this interdependence, under the assumption that no individual part can be evaluated in isolation (Gharajedaghi, 2011). In the context of brand communities, for example, it is easy to see that consumer behavior is influenced not just by interactions with brands, but also by peers and shared norms and narratives. So, these interdependencies can lead to the emergence of, e.g., resistance movements within the community, which is not exactly a desirable outcome.

Systems thinking underscores the importance of system boundaries (Checkland, 1999) because they determine which interventions can be meaningful and effective and to whom they should be directed. In the context of brand communities, these may include consumers, influencers, and even unaffiliated lurkers or critics.

Self-Organization and Non-Linear Change

Complex systems tend to evolve organically. As such, they tend to display self-organization, structuring themselves without centralized control (Kauffman, 1995). This is particularly meaningful in the context of brand communities. As we discussed earlier, brand communities also tend to form organically; excessive deliberate intervention is undesirable. The downside is that this bottom-up process can take on a shape not necessarily aligned with the brand. While this is not an optimal outcome, it is nonetheless the natural and desirable way for things to unfold.

Additionally, outcomes can be disproportionate in comparison to the input. In other words, the relationship is not linear; small interventions can have a significant impact, while larger ones may have little impact because of the organic, independent nature of its components. It is important for managers to understand this; changes to interventions can push the system towards either enthusiastic engagement or inactivity. An appreciation of systems thinking can assist managers in assessing the tipping points and executing changes accordingly. We now apply our conceptual framework to brand communities.

CONCEPTUAL FRAMEWORK: USING SYSTEMS LENS IN BRAND COMMUNITIES

Rationale for Applying Systems Thinking to Brand Communities

Brand communities are complex adaptive systems, similar to those found in biological, sociological, and economic systems (see figure 1), in which collective outcomes such as shared identities, rituals, and community norms result from natural, ongoing interactions (McAlexander et al., 2002). These outcomes arise organically and spontaneously from dynamic processes and feedback mechanisms rather than from deliberate managerial actions (Pongsakornrungsilp & Schroeder, 2011). Thus, brand communities are a natural fit for a systems-thinking approach. It gives researchers and managers a better understanding of the complex dynamics and how such systems can exhibit nonlinear outcomes in community growth, resilience, or collapse (Sterman, 2000; Meadows, 2008).

Elements, Inputs, Processes, and Outputs in Brand Communities

The key components of brand communities are the brand itself, community members, shared identity and rituals, artifacts, and communication channels (Schau et al., 2009). These elements participate in activities that support the brands. In doing so, they also create a collective identity. Harley-Davidson's iconic community, e.g., has rituals such as group rides, in-group

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clothing, and love of the outdoors, which has created a cult-like following for the brand, emphasizing brand advocacy and loyalty (McAlexander et al., 2002).

Inputs from the brand include marketing communications and activities such as brand-sponsored events and community-building initiatives. Processes include peer interactions, the development of a group identity, and knowledge sharing. As a result, outcomes include brand loyalty and advocacy, rituals and traditions, peer support, and higher purchase frequency (McAlexander et al., 2002; Habibi et al., 2014a), and shared consciousness, an important emergent output of brand communities, serves as an input in a feedback cycle that strengthens brand community processes.

Emergent Properties and Self-Organization

All the characteristics of brand community discussed by (Muniz& O'Guinn, 2001) soon manifested themselves: consciousness of kind, shared rituals and traditions, and a sense of moral responsibility. In our observation, however, these characteristics of brand community did not all and equally exist before the brandfest events." (McAlexander et al., 2002, p. 42)

Complex systems often behave differently from their elements. The example above indicates that from interactions among brand community members, a feeling of "we-ness" emerged. That is called emergent properties. This and other similar indicators are hallmarks of brand communities and indicate whether a brand community is formed. We argue that a brand community is an emergent feature of the social system, initiated by the brand and supported by its devoted fans. After a certain point, properties such as identity cohesion, normative behaviors, implicit or explicit hierarchies, and unexpected cultural rituals are evident in brand communities, as observed in Apple's Newton brand community (Muñiz & Schau, 2005). Previous research provides ample evidence of emergent properties arising from simple interactions among brand community members, sometimes without any explicit intervention by the brand itself. In the LEGO community, for instance, members initiated creative co-production and user-led moderation activities that exemplify value creation and self-organization, both of which are emergent properties (Antorini et al., 2012).

Feedback Loops in Brand Communities

Feedback loops are inevitable parts of complex systems dynamics (Sterman, 2000), including the dynamics of brand community. Brand community managers leverage reinforcing loops, for example, by facilitating learning, flow, and social interactions among members, which in turn enhance members' enthusiasm and participation, further generating engagement. Additionally, research has shown that consumer engagement reinforces brand trust, loyalty, and further participation (Habibi et al., 2014a). On the other hand, balancing loops, responsible for decelerating momentum, come into play when community dynamics reach extreme levels. For example, when a community grows rapidly, it might impact the quality of relationships or strain the community's infrastructure, leading to stricter community moderation or reduced engagement, thereby slowing the community's growth toward equilibrium (Algesheimer, Dholakia & Herrmann, 2005).

Delays and Non-linear Dynamics in Brand Communities

Like any complex system, delays occur in brand communities. However, without using the systems-thinking lens, community moderators or researchers may be misled by delays. For example, there is inevitably a temporal gap between initiating community activities and observing the development of genuine community markers. This gap may mislead brands or researchers into

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terminating the initiative prematurely or presuming the absence of a community despite efforts, as in the case of Zipcar (Gambetti & Graffigna, 2015; Bardhi & Eckhardt, 2012). Delays make the cause-and-effect relationship harder to distinguish. Therefore, adopting a systems-thinking approach will help us understand that a system may sometimes take considerable time to behave in a certain way. Also, systems may exhibit non-linear behavior at times. Small interventions can have significant effects (Sterman, 2000). Together, delays and nonlinearity should be considered and studied carefully when dealing with a brand community.

Interdependence and System Boundaries

Like other complex systems, brand communities are composed of many elements that interact with one another. This warrants two important points. First, for community health and growth, many elements such as peers, external cultural values, competitive environments, and so on should work hand in hand (Marzocchi, Morandin & Bergami, 2013). and effective community management cannot occur with focusing on isolated components. Second, community boundaries should be carefully delineated to define the elements within the domain of concern for managers and researchers. These boundaries should clarify who belongs to the community and who influences its outcomes, as these outcomes can impact the community's strategic direction (McAlexander et al., 2002; Schau et al., 2009).

THEORETICAL IMPLICATIONS

Applying systems thinking to brand community research has significantly enhanced the theoretical understanding of these communities as complex, dynamic phenomena. The standard approach to brand management has often been company-centric and linear. This involves managers working out brand identity and messages, then transmitting them to a passive consumer audience, expecting, in return, a response in sales and loyalty proportional to the effort put into transmission. This one-way, controlled view is overturned by the complex-systems perspective on brand communities. Systemic thinking fosters a process-oriented perspective that emphasizes dynamic interactions, emergent behaviors, and the non-linear evolution of brand communities. Systemic thinking allows researchers to move from static snapshots of conventional brand management to understanding how community phenomena emerge, develop, and sometimes dissolve over time (Pongsakornrungsilp & Schroeder, 2011; Schau et al., 2009). This calls for a significant shift in brand management theory in several aspects

Recognizing Systemic Patterns and Archetypes

The systems approach has made a powerful theoretical contribution by delineating systemic patterns and archetypes observed across diverse situations. An example is the Zipcar study by (Bardhi &Eckhardt, 2012). This study brought out a classic “tragedy of the commons” archetype. Users didn’t have psychological ownership of the cars and treated the shared cars shabbily, diluting value creation and weakening communal ties. A systemic approach helped academics better understand communal challenges and develop clearer, more incisive theories regarding ownership, collective identity, responsibility, and communal sustainability across various conditions.

Departing from Control to Orchestration

A brand community is a complex system with diffuse ownership, where control is distributed rather than centralized. No single actor, including the brand manager, can direct or

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control the outcome. This is even more true of online and social media-based brand communities, which have sprung up alongside the spread of the internet and the sweeping emergence of social media. This calls for a change in the top-down control approach. The control of brand management. Brand management must shift to orchestration and facilitation. Brand managers must take care of the brand community and stand with its members. The brand manager commanding the brand is a thing of the past.(Hatch & Schultz, 2010) postulated that managers should engage in two-way communication with brand communities and recognize the community as a co-author of brand meaning. Companies need to relinquish some control over brand management and take on board the contributions of the brand community. This is a paradigm shift in managing a brand community, amounting to managing the network of relationships and interactions to create and enhance the brand's meaning and value.

Embrace Emergence and Adaptation

With the company giving up some control over brand management and allowing distributed ownership of the brand within the brand community, it must accept that brand outcomes could be unpredictable. This unpredictability arises not from the company's strategy but from community interactions. On occasion, these outcomes can be negative for the brand and consumers (Behl et al., 2024). This calls for theories of brand equity to account for community- driven factors. Classic brand equity models must factor in positive or negative community engagement as an important driver of equity. The community can enlarge or change brand equity through word-of-mouth publicity, peer influence, and creation of brand associations. In fact, the brand value emerges more from the brand community than from managerial action alone. In brand management theory, there is a need for metrics and analysis to move beyond individual customer attitudes to include community-level metrics (such as community health, advocacy levels, community product knowledge, and network growth rates), which could serve as leading indicators of brand performance.

Complex adaptive systems theory can aid academics in studying and forecasting different brand community behaviors. Community amplification influences brand perception, and academics can use feedback loops to explain what drives rapid improvement or deterioration in brand perception in the market. The implication is that brand outcomes have non-linear drivers that yield a tipping point that rapidly boosts sales, and marketers can pursue the identification of such a tipping point. Studying and understanding such non-linear dynamics could be part of a strategic brand management approach.

Re-Think Brand Leadership and Authenticity

With the emergence of brand community, brand positioning moves out of the brand manager's top-down control zone. With brand community self-organization and co-creation of brand meaning, brand positioning shifts from the company's sole intellectual property, at least at the psychological level, to a co-owned zone with the brand community. The theory of brand leadership needs to involve aligning with the brand community and paying close attention to brand community communication. In recent literature, the concept of brand authenticity is often used to measure how well a brand aligns with the values and narratives of its community members (Morhart et al., 2015). The theory has shifted toward a brand perceived as listening to its community and being transparent, thereby gaining authenticity capital that could translate into brand loyalty. This is in line with systems thinking. Transparent feedback loops between the brand and its community to help build brand value and enhance brand authenticity. Principles of open dialogue, transparency, and responsiveness to community feedback can be incorporated into brand

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management theory as central pillars that align with the complexity principles of feedback loops and adaptation.

Community as a Strategic Asset

The complex systems approach posits that brand strategy does not end with the dictates of the company and the brand manager. The brand is controlled by the company and the brand community, with activities within the brand community and its conversations with the company determining loyalty and brand value. Viewing brand community as a complex system reveals that the community has a life and mind of its own, one that can outlast specific products and even influence the brand's strategic direction. For instance, a community may start using a product in a new way, positively impacting the brand. Such emergent properties within a systems approach should be anticipated by brands. This could lead the brand strategy to pivot to embrace this new opportunity. This means the community must be part of the brand strategy. This calls for a shift in how we view the formation of brand communities, from the end of brands' strategic efforts to incorporate them as fundamental to strategy and adaptation. The brand and community become elements of a system that influence each other through feedback loops and transparent communication. Brand management theory can view brand communities as open systems in continuous interaction with their environment. Their environment includes user communities, competitors, and cultural trends.

Delays

Community building is a time-consuming activity. This does not happen systematically, and there could be ebbs, highs, and plateaus. Systems thinking experts need to reckon with temporal gaps and the nonlinear nature of community building. There should not be a rush to conclude or misinterpret initial low engagement as a failure. It must be acknowledged that core community markers often emerge only after substantial delays (Sterman, 2000). The dynamics of community formation have led systems thinking to improve theoretical frameworks by introducing temporal dynamics and stressing longitudinal observations to analyze long-term community formation processes. Thus, systems thinking has prevented the premature classification of community-building efforts as failures (Gambetti & Graffigna, 2015). Longitudinal studies offer a better understanding of the dynamics and development of a given brand community, as well as the reciprocal impacts of the brand and the community on each other.

New Toolsets to Study Brand Community

The systems thinking approach has helped scholars to use methods suited to complex systems when researching brands and brand communities, leading to new insights. To elaborate, social network analysis can be used to map community interactions. System dynamics modeling can be used to simulate how changes in one part of the community affect the community as a whole. In addition to traditional surveys, the emergence of the internet has made netnographic and ethnographic studies common methods for studying brand communities (Behl et al., 2024). Systems thinking has helped supplement these methods by analyzing community content to gauge emergent sentiments, ideas, processes, and feedback loops, or by simulating community growth with computer models. The complexity approach has encouraged interdisciplinary investigations. A couple of examples are using network theory to understand how influence spreads within a brand community and employing chaos theory analogies to explain volatile swings in brand reputation.

Brand management was traditionally a top-down control effort by the company and brand manager, with the brand community as a result. By treating brand communities as complex systems

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that communicate with themselves and their environment, including the company, brand management theory shifts toward a more holistic, feedback-loop-oriented adaptive framework. It recognizes that brand value is co-created within a network involving the brand community and the company. Brand management is nurturing and guiding a living system, not executing a static plan. This holistic approach postulates that brands that thrive will be those that foster robust brand communities and draw on emergent creativity and community loyalty, moving away from traditional brand management, which attempts to impose strict control over brand narratives.

PRACTICAL IMPLICATIONS

Brand communities form a critical core of brand management. The traditional brand management approach has been top-down, with the company controlling the narrative. The systems thinking approach situates brand communities within brand management and provides important management insights into building, managing, and sustaining them. Brand communities have feedback loops within themselves and with the environment, are self-regulating, have a non-linear time frame for attaining maturity, and are emergent in terms of finding new applications for the brand. A systems-thinking approach should encourage practitioners to integrate the brand and the community into strategy design. Practitioners must interact closely with the elements of this integrated system to improve output and avoid errors. Some practical implications of adopting this approach are as follows.

Harnessing the Power of Feedback Loops

Positive feedback from the brand community to its environment goes a long way in brand value creation. Kindling and sustaining positive feedback loops would be important for marketers. The marketers need to promote active member engagement. This could be through inviting input, recognizing top contributors, and enabling sharing. These brands can create challenges to encourage content creation among members. Another method would be to run community contests. Positive feedback to active members, recognizing their contributions and offering credit, can create excitement. This could encourage further contributions and draw contributions from others, thus creating a positive circle of encouragement. The marketers must strive to contribute to building and boosting community identity and loyalty through a positive feedback cycle. Structured rituals can encourage the building of community identity and sustaining loyalty.

Brand Managers must be vigilant to diffuse and stop negative reinforcement feedback loops. This could be in the form of recurring complaints or declining participation. The brand managers must have their ears to the ground and intervene to prevent the loop from gaining momentum. Product complaints need to be acknowledged and addressed immediately, and feedback on corrective actions must be provided to the community to increase transparency. Managers can introduce fresh content to generate interest among community members. Time is of the essence in handling and eliminating the negative feedback loop. There should be no delay, as the outcomes of reinforcing loops are nonlinear and, at times, exponential, and could gain unstoppable momentum.

Non-linearity and Tipping Points Vigilance

Reinforcing feedback mechanisms in complex systems, such as brand communities, has a non-linear effect. Marketers must be vigilant of these non-linear effects. They need to watch out for early signs of feedback surges, both positive and negative. In this age of the internet and social media, a sudden increase in community chatter or the emergence of a viral post within or outside

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the community signals greater attention from members, which could lead to a positive or negative feedback loop. Community management must be agile to track such signals, with robust protocols in place. Any positive feedback that goes viral should be amplified. Any negative feedback that is likely to go viral must be contained, and the corrective action taken must be communicated widely. In the age of the internet and social media, it is critical to address viral posts in online and social-based brand communities (Laroch et al., 2012), as information spreads very quickly. After establishing a normal variance for brand community communication, brand managers need to deploy social listening tools and community analytics to detect when chatter exceeds the threshold.

For any community to become self-sustaining, it must reach a critical mass. While the community is growing and nearing critical mass, strategies could be used to push it over the threshold. One nudge could be a special short-term campaign to bring the community to accomplish this goal. Another nudge could be to bring in some active members who could have a multiplier effect with their enthusiasm. The earlier the community reaches critical mass, the more the brand stands to benefit. The marketers have to bear in mind that complex systems are non-linear in nature. So, efforts to drive the community to critical mass could move in spurts, and investment in community initiatives might not yield a non-linear return. Such investment could see little return for a while, followed by a sudden boom or inactivity. Marketers must be patient, observant, and vigilant with complex system growth.

Utilizing Organic Development

Brand communities are complex systems that self-organize and grow. Practitioners should provide ample room for this to happen. Complex systems follow a non-linear growth path to reach critical mass, and practitioners must reckon with this fact. Organic growth benefits the brand community. Practitioners can nurture organic growth by not tightly scripting interactions or imposing strict restrictions on how members participate. Practitioners might notice users forming a subgroup for some specific interest. This is not a bad thing and should be encouraged if the subgroup size is appropriate. The brand can allot resources to the subgroup and encourage it, as this could lead to the emergence of a brand extension or a new product. Companies like Nike encourage such subgroups by recognizing the independent sneakerhead communities that formed organically and by providing special content or early access to new products (Heinrich, 2025). Practitioners need to observe the community's natural evolution, map out beneficial patterns, and reinforce them. Any fan event or annual meet-up should be encouraged with support, such as a guest appearance, rather than forced into a company-scripted event. Such a strategy would help brands tap into the community's organic energy.

Monitoring and Moderating Community Health

Community is a complex system. The managers need to monitor the status and trend of health indicators of the community system. Monitoring must be conducted through a combination of quantitative and qualitative checks. Some quantitative measures include active membership, the ratio of active to total membership, posting frequency, and response times. Qualitative measures can include the diversity of new members, the tone and tenor of discussions, attitudes, and the presence of subgroups with different opinions. The checks can help measure and indicate the community’s direction, towards a healthy or unhealthy state. Practitioners must ensure that the community does not stagnate. Moderation in times of conflict is an important aspect for ensuring the community’s health. When a conflict arises, mediators, whether they be company employees or community- elected, need to resolve the issues fairly and quickly in ways that strengthen community norms.

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Community building is a time-consuming, non-linear exercise with no standard milestones until a critical mass is reached. Evaluation of community-building initiatives must be done with care by marketers. The community-building process might involve phases of a lack of community identity markers or of engagement. Marketers should be discouraged by this and prematurely discontinue community–building efforts. The managers are encouraged to measure status and trends in the flow of vital community markers and subtle indicators of community dynamics. Marketers must bear in mind that community elements such as trust, rituals, shared norms, and collective innovations often emerge after prolonged interaction (Sterman, 2000). This nuanced approach leads to informed decisions and prevents potentially successful community strategies and initiatives from being abandoned unreasonably (Von Bertalanffy, 1968).

Preparing for Unpredictable Outcomes

It is inevitable that a complex system springs surprises, some of which could be nasty. A brand community could suddenly stand up for a social cause, expecting the brand's support or endorsement, or downplay a campaign's message if it does not align with community expectations. Brands should always keep lines of communication with the community open and have strategies ready for various scenarios, avoiding knee-jerk reactions. If a misstep occurs, the corrective action can be quickly transmitted to the community on its turf, such as a community board or social media page. Such action can prevent misinformation and show respect for the community. A good example is LEGO facing backlash from environmental activists over a partnership viewed as conflicting with established environmental values. The company acted quickly and decisively, ending the partnership, in appreciation of the community's emerging ethical stance (Vaughan, 2014). That decisive response showed LEGO understood the importance of protecting its community and fans from undesirable outcomes (Von Bertalanffy, 1972).

CONCLUSION

This paper integrates the concept of complex systems with brand communities. We argue that viewing brand communities through a complex-systems lens will enable practitioners and researchers in this field to better understand and manage the dynamics of community-building (Wang, Tong & Zhou, 2016). We posited that all the elements of systems, such as feedback loops, emergence, delays, and systemic archetypes, are evident in brand communities, and leveraging those elements can be empowering for brands in their community-building initiatives. Future research can also use systems-thinking concepts to better predict brand community outcomes or to explain unpredictable and unforeseen behaviors.

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