

Setback Disclosure as a Driver of Consumer Co-Creation

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Abstract

Brands increasingly seek to transform passive consumers into active value co-creators, yet little is known about how brand-initiated communication can elicit such consumer behaviour. Across four experiments, we show that setback disclosure, a strategy where brand narratives reveal past challenges, significantly increases consumer co-creation by enhancing perceived brand passion. This effect emerges across behavioral (idea contributions, financial investment) and attitudinal measures and is moderated by brand market performance and positioning: setback (vs. achievement) disclosure increases consumers' value co-creation behaviour for high-performing and functionally positioned brands, but backfires for low-performing or aspirational brands. A large-scale archival analysis of 32,906 Kickstarter campaigns will test these effects in the field. Together, this research identifies a reputationally vulnerable yet powerful communication strategy that activates consumer collaboration

Track: Consumer Behaviour