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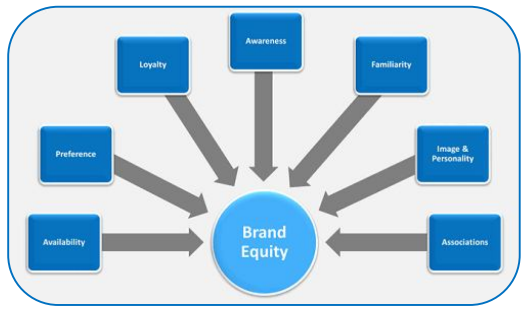
SOCIAL MEDIA AS A IMPORTANT TOOL FOR BRAND EQUITY

Acting Sub Lt. Narongsak Taocome
Research Student , Dr. Babasaheb Ambedkar Marathwada University Aurangabad, India.

ABSTRACT :

Social media is an essential piece of business marketing strategy.in the digital age, social platforms help you connect with your customers, increase awareness about your brand, and boost your leads and sales. With more than three billion people around the world using social media every month, it's no passing trend.



The Information related to any product or brand like new arrival, product quality, satisfaction or dissatisfaction, and product or brand success on internet. Social media marketing has emerged as the most popular and effective tool of marketing and communication. The result is growing interest of Brand Managers in using social media extensively and tapping the prospects from all ends. In light of such positive ground for social media this study aims to provide a theoretical analysis of the impact of social media on brand equity. We have conducted a systematic review of social media and brand equity research to understand how the dimensions of social media create word of mouth i.e. electronic word of mouth (D-WOM) on social media platforms and how this D-WOM further influence the brand equity of any brand. Building upon the literature analysis, the study has identified the key dimensions of social media which can create D-WOM. Further, we have identified the dimensions of brand equity to see how D-WOM can be related to these brand equity dimensions as well as how these dimensions contribute to the overall brand equity of any brand. The study will provide an important foundation for understanding the impact of social media on Brand Equity and can be further considered for empirical studies in this particular field.

KEYWORDS : *Social Media, Brand Equity, Social Media Communication, User Generated Content, Marketing,Management, promote and advertise Firm Created Content, Word of Mouth, Digital Word of Mouth.*

INTRODUCTION :

The decision of Consumers in Buying Process is being largely affected by the number of ways of marketing and communication done by a particular brand. An increasing number of consumers are embracing the internet and spend more time searching for information as well as shopping online. Social Media Marketing has emerged as the most popular and effective tool of marketing and communication.The companies are using social media campaigns to attract the prospects and making the existing customers brand loyal. As the usage of social media is increasing at a fast pace, in addition to existing social networkers, private business firms and government bodies are also using the platforms as communication tools (Kim and Ko, 2012).

Now, firms are not the only source of brand communication as social media allows the consumers or prospects to communicate with many other consumers from all corners of the world. More importantly, consumers are losing their interest from traditional media such as TV, radio, or magazines and are increasingly using social media platforms for searching the information (Mangold and Faulds, 2009). The viral dissemination of information among the people through social media is much stronger than the traditional media such as TV, radio, and print advertisements (Keller, 2009).Social media has helped the marketers to build up an interactive communication environment where they can enhance existing relationships with consumers. The platform can take various forms like Weblogs, Social blogs, Micro blogging, Wikis, Podcasts, Pictures, Video, Rating and social bookmarking (Kim and Ko, 2012). The product reviews by consumers on social media can produce a positive or negative brand buzz and the messages on these virtual platforms affect consumer buying decisions (Vij and Sharma, 2013). Everson (2014) suggests that Brands should have a social analytics team which can properly monitor and engage target audiences on social media platforms especially because community managers cannot fight this battle alone. The increased usage of the Social Media has changed the way people interact and communicate. It has become very easy for the Brands to promote and advertise their Products through Social media networks. The communication gets exposure to a large base of Social media users in a very short span of time. With ever-increasing prevalence, social networking sites are being used by consumers to connect with one another, and increasingly to connect consumers with brands and vice versa (Wolny and Mueller, 2013). In addition, social media activities of brands can help to reduce preconception and misunderstanding toward brands, and to increase brand value by providing an online platform to the people for exchanging ideas and information (Kim and Ko, 2012).

This study has first identified individual studies related to social media, electronic word of mouth, and brand equity. Then, it has classified the key dimensions of social media communication which can create D-WOM. Further, the study has identified the dimensions of brand equity to see how D-WOM can be related to these brand equity dimensions as well as how these dimensions contribute to the overall brand equity of any brand.

The structure of the paper is as follows-

Firstly, the paper presents the basic definitions and theories about social media, electronic word of mouth, and brand equity. Then the paper describes how the literatures have been identified to include in the study. This is followed by review of various studies. Finally, the paper proposes a conceptual framework and a set of propositions showing the impact of social media on brand equity. The study concludes with the discussion about the implications and limitations of the conceptual framework for future theoretical and empirical investigations.

1.Social Media –

Define Social media as “online applications and platforms which aim to facilitate interactions, collaborations and sharing of content". Youtube,E mail.facebook,Broadcast Channel,online Mass media,Whatsapp,line,Linkedin,My space,twitter and and others form on the Web. Social media is the medium to socialize. Neti (2011) defines social media as “any website which allows user to share their content, opinion, views and encourages interaction and community building”. Further, she explains in her study that the term ‘Social media’ can be derived from two words namely ‘social’ and ‘media’ which constitute it. Social refers to the communication or interaction of individuals within a group or community and Media generally refers to advertising where the communication of ideas or information takes place through publications or channels. Safko and Brake (2009) define Social media as “activities, practices, and behaviours among communities of people who gather online to share information, knowledge, and opinions using conversational media”. Social media refers to the communication platforms which are generated and supported by the social interaction of people through the specific medium or tool (Neti, 2011). They use internet based technology for quick sharing of knowledge and information to a large number of web users. They allow creation and exchange of user-generated content. The Social media concept involve the use of Internet based applications and services for communication,collaboration, creation and exchange of contents by individuals and groups (Mangold and Faulds, 2009; Kaplan and Haenlein, 2010). According to Robinson (2007), social media are the tools used for communication that have Web 2.0 attributes like participation, collaboration, knowledge sharing and web tools to empower the internet users. Social media has come with a new form of consumer socialization where the peer communication has significant impact on consumer decision making. The platforms i.e. social networking sites may be an important source of consumer socialization by providing people a virtual space to communicate through the internet (Vinerean, Cetina, Dumitrescu, and Tichindelean, 2013).

Although the main focus of the social media is interpersonal relationships, Gillin and Schwartzman (2011) suggest that social media can offer social capital to firms and organisations which help in collecting marketing intelligence and opportunity identification by studying and monitoring the target market as well as customer or prospect behaviours on social media platforms.

2.Word of Mouth and Digital Word of Mouth -

Westbrook (1987) defines Word of Mouth as ''all informal communications directed at other consumers about the ownership, usage, or characteristics of particular goods and services or their sellers.''. Described as WOM communication (WOM), the process allows consumers to share information and opinions that direct buyers towards and away from specific products, brands, and services (Hawkins, Best & Coney, 2004). Litvin, Goldsmith & Pan (2008) define WOM as the communication between consumers about a product, service, or a company in which the sources are considered independent of commercial influence. Based on the definition of WOM by Westbrook (1987), electronic word-of-mouth (D-WOM) can be defined as all informal communications directed at consumers through Internet-based technology related to the usage or characteristics of particular goods and services, or their sellers.This includes communication between producers and consumers as well as those between consumers themselves (Goldsmith, 2006). Duana, Gu & Whinston (2008) define online word of mouth (D-WOM) as an Internet platform to share the positive or negative reports between the existing users and future customers. In contrast to traditional WOM, D-WOM is defined as 'any positive or negative statements made by potential, actual, or former customers about a product or company, which is made available to a multitude of people and institutions via the Internet' (Henning-Thurauet al, 2004). As such, far different from physical WOM, E-WOM can create virtual relationships and communities, with influence far beyond the readers and producers of WOM; it actually creates a new type of reality by influencing readers during their online information searches (Litvin et al, 2008).

3.Brand Equity -

Brand Equity is defined as the difference in consumer choice between the focal branded product and an unbranded product given the same level of product features (Yoo and Donthu, 2001). Aaker (1991) defines Brand Equity as a "set of brand assets and liabilities linked to a brand, its name and symbol that add to or subtract from the value provided by a product or service to a firm and/or to that firm's customers".

Brand equity can be defined both from consumer and firm based perspectives (Atilgan, Akinci, Aksoy & Kaynak, 2009). The consumer based aspect is mainly about consumer mind-set which can be described using constructs like attitudes, awareness, associations, attachments and loyalties (Keller and Lehmann, 2001).

The firm based aspect talks about Product market outcomes such as price premium,market share, relative price, and financial market outcomes such as brand's purchase price and discounted cash flow of license fees and royalties (Ailawadi, Lehmann, and Neslin, 2003; Keller and Lehmann, 2001). Punj & Hillyer (2004) suggest in their study that consumer-based brand equity is said to be a set of brand-related associations held by the consumer in memory. In this context, brand equity can be taken as being largely attitudinal in nature comprising of beliefs, affect, and other subjective experiences related to the brand like brand attitude and brand image. Keller (1993) proposes the definition of customer-based brand equity as "the differential effect of brand knowledge on consumer response to the marketing of the brand". Consumer based brand equity constructs measure the awareness, attitudes, associations, attachments and loyalties of consumers related to a particular brand (Keller and Lehman, 2006). Therefore, the two main frameworks that can explain brand equity in an appropriate manner are those of Aaker (1991) and Keller (1993).

According to Aaker (1991), brand equity is a multidimensional concept with first four core dimensions as brand awareness, perceived quality, brand associations and brand loyalty. Keller's (1993) brand equity concept focuses on brand knowledge with its two components namely brand awareness and brand image.

4.Review of Studies-

Social media is an emerging trend among marketers as well as academicians due to its potential to influence the marketing elements. It is being used for branding purpose extensively. Such emerging topic has attracted the researchers and academicians from all corners of the world to debate over this. Though this field of research is in its introduction stage, researchers are opting to conduct studies in the particular field. On the other hand, electronic word of mouth is the result of the internet based communications taking place on social media platforms. It is of equal importance and very much responsible for branding like creating brand equity. Social media communication and electronic word of mouth complement each other. There are many studies showing the relationship between social media and electronic word of mouth, social media and brand equity, electronic word of mouth and brand equity.

5.Consumer Based Brand Equity Dimensions-

Band equity is one of most important assets in a business firm.The history of brand equity goes back to the era of 1980s (Hilal and Mubarak, 2016) and researches on brand management and consumer behavior has been started in 1990s. Among the vast amount of researches on brand equity, studies conducted by David Keller and Aaker are prominent. Keller (2013) defined consumer based brand equity as "the differential effect that brand knowledge has on consumer response to the marketing of that brand." He has identified brand image and awareness as the components of brand equity. However, Aaker bears slightly different idea to Keller and identified four brand equity components as brand awareness,perceived quality, brand associations, and brand loyalty. These four assets create value for both company and customers (Aaker,1991). Considering the past literature, the Aaker's compoenents can be identified as the most common dimensions to measure the brand equity.

CONCLUSION -

The widespread adoption of social media by consumers and brands has changed the brand/audience relationship drastically. A brand's online presence, particularly their social presence, can be an asset that builds brand equity, adding value to the consumer and the brand. It is very important to understand the difference between firm-created and user-generated content on social media and examine the effects of these two forms of communication on social media separately. This is highly significant as firm-created content on social media is under the control of the firm and the brand managers whereas user-generated content on social media is independent of the organization's control (Bruhn et al, 2012). Therefore, it is the need of the hour to understand the role of social media communication in brand equity creation by analyzing the effects of two dimensions (types of communications) namely firm-created content and user-generated content on social media separately. Further, it is evident from various studies that social media platforms create D-WOM and this internet based communication among the consumers has the potential to influence brand equity. The study aimed to examine the relationships between social media, D-WOM and brand equity quantitatively and to provide a conceptual model based on these relations. The propositions and conceptual model suggest that social media communications has two key dimensions namely firm created content and user generated content which significantly influence D-WOM.

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