Does Successful Social Media Marketing Affect Brand Value? 
An Empirical Investigation

Stefan Koch, Department of Management, Bogazici University, Istanbul, Turkey
Asli Dikmen, Department of Management, Bogazici University, Istanbul, Turkey

ABSTRACT

Brand management has been moving towards making use of multiple channels in order to engage customers, especially through social media, and sustain a more intense experience around the brand instead of depending merely on advertising. This paper will investigate the effectiveness of social media marketing activities on brand value through comparison of brand value rankings with brand engagement scores, determined by social media marketing activities. Data from a list of companies was collected and evaluated, and the authors found evidence for a relationship in some cases, especially for social networks in the form of Facebook, and for Twitter on global level. They found clear differences between Global and Turkish brands, in that Facebook is relatively and absolutely more important for brands in that country. In addition, clear differences showed up between some industries in importance of different channels for brand value.

Keywords: Brand Value, Engagement, Global Brands, Marketing Management, Social Media

INTRODUCTION

Brand is no longer simply a symbol of the product and brand management has been moving towards making use of multiple channels in order to engage customers and sustain a more intense experience around the brand instead of depending merely on advertising (Arvidsson, 2006). This paper will investigate the effectiveness of social media marketing activities on brand value through comparison of brand value rankings with brand engagement scores, determined by social media marketing activities. Quite often it is assumed that these two constructs are related, but no study has so far shown or analyzed this relationship. The paper begins with brief definitions of social media, brand engagement and brand value concepts, followed by a literature review on social media marketing and measures of effectiveness. Related data from a list of chosen companies is collected and evaluated, and the paper concludes with a discussion of findings.

DOI: 10.4018/jeco.2015010102
LITERATURE REVIEW AND HYPOTHESIS

Social Media

Social media enables individuals to create, collaborate and share content among each other through Internet-based applications, including but not limited to; content sharing, video sharing, photo sharing, social networking, rating, bookmarking, and games (Kaplan & Haenlein, 2010; Safko & Brake, 2009). Different from the traditional communication channels, social media not only enables top-down communications, but also encourages and enhances communication among individuals or customers, independent of the corporations (Thackheray et al., 2012).

Social media use has been rapidly increasing, and research suggests that by 2015, the total number of individuals and corporations with at least one social networking account will reach 3 billion (Radicati, 2011). This communication channel is important in the sense that it has the power to create conversations with the target audience, which in turn results in deeper connections and longer-term relations with them (Kent & Taylor, 1998). If incorporated into social marketing strategies correctly, use of social media can increase the involvement level of customers, and enhance customer loyalty.

Microblogging

Microblogging was defined as a communication service, where its users can post short messages into an undirected stream by Riemer, Richter, and Bohringer (2010). Users of the service can later choose to subscribe to specific users’ messages, which enables them to create and follow directed streams.

A recent study by Naaman, Boase, and Lai (2010) on usage patterns of microblogging suggests that there are four main types of communication: ‘Me Now’ (e.g. personal status messages) with 41%, ‘Statements and Random Thoughts’ with 25%, ‘Opinions/Complaints’ with 24%, and true ‘Information Sharing’ with 21% of all posts.

Social Networks

Social network sites are defined as web-based services which allow its users to create a public/semi-public profile in a defined system, set up a list of other users they are connected to and view and/or alter their and other users’ connections lists inside the system (Boyd & Ellison, 2007).

Social network sites not only enable their users to meet strangers, but also to articulate and display their social networks. This system sometimes results in connections that would not be made outside social networks; however, the importance is that most of the time these connections are of “latent ties” between individuals who also share an offline connection (Haythornthwaite, 2005). Very commonly, users are not trying to meet new people or network, but rather communicating with acquaintances that are already in their extended social networks (Boyd & Ellison, 2007).

Video and Photo Sharing

As the access to computers and Internet connection gets easier continuously, the recreational media sharing has also expanded significantly to a point where there are plenty of services relying purely on end-user contributions (Skageby, 2008). It was found in 2008 by The Pew/Internet & American Life Project that while 14% of online teens have posted videos, 57% have watched videos on video sharing websites. Fredrick (2008) discusses that the experience has immediacy, serendipity, fun, the chance to search specifically for what interests you, and the chance to share your creations with your friends and the world, which make the video sharing websites as compelling to teens as they are.

Skageby (2008) claims that the digital content being in sharing communities or networks is undirected; it is aimed at a broad audience, but not to a particular group or individual.
10 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the product's webpage:

www.igi-global.com/article/does-successful-social-media-marketing-affect-brand-value/131467?camid=4v1

This title is available in InfoSci-Journals, InfoSci-Journal Disciplines Business, Administration, and Management, InfoSci-Digital Marketing, E-Business, and E-Services eJournal Collection, InfoSci-Select. Recommend this product to your librarian:

www.igi-global.com/e-resources/library-recommendation/?id=2

Related Content

E-Commerce Opportunities in the Nonprofit Sector: The Case of New York Theatre Group
www.igi-global.com/chapter/commerce-opportunities-nonprofit-sector/28587?camid=4v1a

Implementation of an E-Government Initiative at Dreamland Municipality
www.igi-global.com/article/implementation-government-initiative-dreamland-municipality/1495?camid=4v1a

Rethinking E-Commerce Security in the Digital Economy: A Pragmatic and Strategic Perspective
www.igi-global.com/chapter/rethinking-commerce-security-digital-economy/24764?camid=4v1a