INTRODUCTION

The change of consumer interest from traditional mass media channels to online and especially social media channels is evident. Hence, companies have shifted their advertising budgets accordingly. As a direct consequence of this growing interest, companies have been experimenting with various strategies in order to engage meaningfully with consumers within this type of media. For managing their brands, companies are increasingly interested in establishing a social presence in social media to engage with their consumers and fans. However, firms are still unsure about how to manage brands within this type of media. One primary reason is that companies have not fully realized how to influence consumer engagement for brand management on social media and as a result of this, drive marketing performance, e.g. brand awareness or brand loyalty.

DEFINITION OF SOCIAL MEDIA AND SOCIAL NETWORKING SITES

Social media comprises of two perspectives, a communication perspective and a network perspective. First, social media can be defined as a communication medium for storing or retrieving information or data. Second, from the perspective of social network theory, a social network is a social structure made up of a set of individuals with a complex set of dyadic ties among them (Wasserman & Faust, 1994). Put together, social media are communications systems that allow their social actors to communicate along dyadic ties (Peters, Chen, Kaplan, Ognibeni, & Pauwels, 2013, p. 282). As a consequence, all nodes in a social network can be regarded as equal. Hence, individuals, i.e. consumers and brands are just actors on the same hierarchy level.

Social media can have different degrees of interactivity (Stewart & Pavlou, 2002). In the context of social networking sites, e.g. Facebook or Twitter, Kaplan and Haenlein (2010) define social media as a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0 (p. 61). Social media can facilitate interactive brand communication between companies and members of brand communities, i.e. brand fan pages, and between members itself. It offers the possibility of collaboration, creation and exchange of content by members. Today, social media users have become active content creators by expressing and sharing their opinions, thoughts, and perceptions toward brands, products, and firms through different social media channels, i.e. online reviews, blogs, Tweets, and Facebook posts, collectively referred to as user-generated content (Nam & Kannan, 2014, p. 21) or in terms of brand-related content referred to as brand stories (Gensler, Völckner, Liu-Thompkins, & Wiertz, 2013, p. 242).

Social networking sites such as Facebook or Twitter have become popular social media channels. Social networking sites can be defined as networks of members for social or professional interactions (Trusov, Bucklin, & Pauwels, 2009). Members of social networking sites can become friends with other
members, and they can become fans of brands on brand fan pages. Brand fans can share their passion about the brand on these pages (Kozinets, de Valck, Wojnicki, & Wilner, 1999).

Brand pages of companies are a widely used tool for facilitating brand management in social media. Originally, brand pages evolved from online brand communities. Brand communities have been acknowledged as a distinct concept in Marketing from the early 1990s (Armstrong & Hagel, 1996). Muniz and O’Guinn (2001) define a brand community as a specialized, non-geographically bound community, based on a structured set of social relationships among admirers of a brand (p. 412). Thus, brand communities consist of people who share their interest in a particular brand (Algesheimer, Dholakia, & Herrmann, 2005). Brand communities can be found everywhere, offline and online, and are today the most popular tool of brand management in social media, such as Facebook. Indeed, empirical studies have shown, that engagement on brand fan pages has a positive influence on the consumer-brand relationship (e.g. Algesheimer, Borle, Dholakia, & Singh, 2010; Greve, 2014; Jahn & Kunz, 2012; Laroche, Habibi, Richard, & Sankaranarayanan, 2012). Algesheimer et al. (2005) analyzed that members develop a social identification with the community, resulting in changed word-of-mouth behavior towards the brand, purchase intentions and brand loyalty. In addition, members use such communities as important sources of product information (Muniz & O’Guinn, 2001).

Social media brand pages are believed to influence adoption behavior of customers: As customers must become members of a brand fan page to actively engage with a brand in social media, loyalty among members can be expected.

BUILDING BRANDS IN SOCIAL MEDIA

Conventional brand management is based on information processing theories of consumer behavior. Brands are firm-owned assets and their image can be built respectively in the mind of the consumer through carefully designed marketing activities. Based on Keller’s (1993) conceptualization of customer-based brand equity, brands are customers’ knowledge structures of brand-relevant information such as attributes, benefits, and attitudes set up by companies’ marketing campaigns. Thus, the brand is to a large extent under the control of the firm’s brand managers and customers are passive recipients of brand value. Also, it can be concluded, that by communicating a certain brand identity, all consumers perceive the brand in the same way, resulting in a homogeneous brand identity. This conceptualization offers clear guidance to the brand manager how to drive a brand, but it also offers an illusion of control over the consumer’s mindset. Obviously, in a today’s interconnected world of online consumers this view is questioned.

Today, brands are no more regarded as controllable knowledge structures, and consumers as passive absorbers of brand knowledge. Brands are regarded as repositories of meanings for consumers to use in living their own lives (Allen, Fournier, & Miller, 2008, p. 782) and brands are co-created by all stakeholders of those brands. Thus, brands are directly connected to individual brand meanings instead of single brand identities. Brand meanings can be described as shared cultural denotations that are transferred to a brand through brand stories of different stakeholders (Holt, 2003). And brand meanings are the result of consensus and dissensus between the collective sharing of what brands mean to all its stakeholders (Cayla & Arnould, 2008, p. 100).

Hence, brand management is not a process in control of the firm itself anymore, it can be interpreted as a collective, co-creational process involving several brand authors who all contribute their stories (Gensler et al. 2013, p. 244). For brand managers this clearly means that they are only one of the brand
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