Chapter 67

The Impact of Social Media Branding on Developing Brand Advocates for Start-Ups

Tamer Abbas Awad
German University in Cairo, Egypt

Shereen Mohamed Abdel Fatah
elmenus.com, Egypt

ABSTRACT

Organizations are realizing the importance of social media and social networking sites as a communication channel for their brands. Startups, which are new small ventures, face many challenges to prosper in today’s fast-paced economy. This research focuses on the challenge of building brand advocacy against the start-ups’ low brand awareness and limited financing capabilities. Brand advocacy is defined as the extent to which consumers recommend the brand to their community. It is mainly characterized by high brand loyalty and strong positive electronic word of mouth. This research aims to explore the drivers of brand advocacy on social media in case of startups. The results of the will serve as the input for the second phase which follows a quantitative approach in which a survey will be undertaken to determine first, the relationship between the variables validated in the first phase and brand advocacy mediated by brand loyalty and electronic word of mouth, and second, test for demographics differences in this relationship.

INTRODUCTION

Branding has been a topic of interest for many academics as well as practitioners as early as 1964 (Bastos and Levy, 2012). In an attempt to simplify and yet provide a conclusive view, this research regards it as the mental and emotional attributes associated with the brand (Rowley, 2009; Jones and Bonevac, 2013; Bastos and Levy, 2013; Simmons, 2007). Branding is essential to organizations and consumers as it can save the time and effort related to the information search process of the brands’ key benefits and attributes (Rowley, 2009; Luo et al., 2013).
Social media has and is still revolutionizing how organizations are reaching out to their consumers. It is now cheaper, easier, and more interactive for both organizations and consumers alike to communicate together efficiently and effectively. A specific implication of social media is that it also facilitates the diffusion of new brands. Research has found out that consumers often search their social media networks for information about brands and so information about new brands on social media helps decrease the uncertainty associated with purchasing new brands.

However, organizations now are no longer the sole shaper of the brands on social media where consumers’ feedback also plays an extremely crucial role in it. Research has found out that consumers’ feedback is one of the key influencers of consumers’ brand evaluation and purchase decision. This is due to the fact that it usually draws on consumers’ actual experience with the brand and so is perceived as non-commercial as and more credible than marketing messages disseminated by organizations.

That in turn paved away for brand advocacy. Brand advocates have been defined as consumers who are passionate about the brand and are actively recommending it to other targeted consumers. Brand advocacy is composed of two main constructs, which are high attitudinal brand loyalty and strong positive electronic word of mouth. To illustrate, consumers with high attitudinal loyalty have profound interest in the brand emotionally and cognitively, and have the intention to purchase the brand. Secondly, the action of actively recommending the brand by spreading positive word of mouth about it is the essence of brand advocacy and has been regarded as a key growth indicator of brands.

Nonetheless, startups are still challenged to diffuse their product to their target market on social media. Startups are new ventures that are usually challenged by limited financing and lack of brand. Although social media as highlighted offers an opportunity for organizations in general, including start-ups, to reach their target market, the limited financing challenge hinders startups capabilities to effectively brand their products. Thus this research aims to build on previous literature to develop a model of the drivers of brand advocacy on social media. That shall help startups to brand themselves around the drivers more efficiently. Accordingly, this research aims to answer the question: what are the drivers of brand advocacy of startups on social media?

LITERATURE REVIEW

Brands act as a shortcut for consumers about the brands’ key features and have been shown to greatly influence consumers’ brand evaluation and purchase decisions. This research focuses on brand loyalty as a main construct and five sub-components of it on social media.

Brand Loyalty

Brand loyalty is defined as consumers’ “deeply held commitment to repurchase or repatronize a preferred product consistently in the future” (Oliver, 1999, p.34). It enables organizations to create entry barriers, enhance brand commitment, and ultimately increase sales through repurchase behavior (Alam and Yassin, 2010; Chaudhuri and Holbrook, 2001). Previous literature has shown that there is a positive relationship between brand loyalty and brand advocacy, along with a positive relationship with word of mouth where consumers with positive commitment towards the brand are likely to recommend the brand to other consumers and advocate for the brand (Roy et al., 2014; Hawkins and Vel, 2013; Samson, 2010).