Computer–Mediated Marketing Strategies: Social Media and Online Brand Communities

Gordon Bowen
Regent’s University, UK

Wilson Ozuem
University of Gloucestershire, UK
Chapter 1
Social Media and Online Brand Communities

Madina Ansarin  
*University of Gloucestershire, UK*

Wilson Ozuem  
*University of Gloucestershire, UK*

**ABSTRACT**

It is widely recognised that a better understanding of social media and its implications is essential for formulating effective branding strategies in evolving Computer-Mediated Marketing Environments (CMMES). However, few studies have examined how social media influences brand image in the luxury sector. The current study intends to examine whether increased exposure through social media influences brand image in technologically infused marketing environments. Drawing on extant literature from various perspectives (in areas such as marketing, information management, and communications studies), this chapter examines exposure to social media and how this influences consumer perceptions of luxury fashion brands. The current analysis develops a critical examination of social media and the perceived prevalence on brand image by elucidating overwhelming perspectives in the evolving technological marketing environments.

**INTRODUCTION**

Consumers have embraced the Internet and the social community it has supported in the recent past. Market research has been going through changes and developments in social communications. Social media has changed traditional brand manager–consumer relationships by empowering consumers to communicate with each other instantly (Christodoulides & Jevons, 2011). The rise of Web 2.0 has transformed the way content is generated on the Web. Previous studies have addressed social media by examining its role and influence on customer equity (Kumar & George, 2007; Dann & Dann, 2011; Kim & Ko, 2011) and purchase intention (Kim & Lee, 2009; Park, Ko, & Kim, 2010). What these studies have in common is that they consider social media sites as online applications—platforms and media that facilitate interactions amongst customers, enabling deeper relationships between them. Kim and Ko (2012), for example, presented a statistical analysis of...
social media on customer equity. Others presented illustrative statistical evidence of the influence of social media on brand relationships (McAlexander, Schoultens, & Koenig, 2002; Dou, Lim, Su, Zhou, & Cui, 2010; Cova & White, 2010; Sukoco & Wu, 2010). Despite these preliminary studies in the evolving technological tapestry, much is still unknown about how social media influences brand relationships and brand images in the luxury fashion sector. Drawing from a social constructivist perspective and breaking with the trend towards quantitative research, the current chapter aims to examine consumer brand perceptions of the evolving interactive market space. Thus, the purpose of this study is to examine how social media facilitates interactions and brand relations in emerging technological environments.

Kim and Ko’s (2011) work on social media and customer equity is helpful in considering the importance of social media on customer equity and brand perceptions. Kim and Ko note that “the brand’s social media platforms offer venues for customers to engage in sincere and friendly communications with the brand and other users, so the brand’s intended actions on the social communication scene were positively affecting relationship equity and brand equity as well” (p. 1484). Kim and Ko suggest that social media leverages and facilitates informal relationships within customer social network activities, but they offer few suggestions on how social media creates effective online brand communities. The current chapter develops this in seeking to examine how consumer participation and experiences in social media influence brand perceptions and relationships.

**THE LUXURY INDUSTRY AND SOCIAL MEDIA**

The luxury industry has changed significantly in the last decade; the consumption of luxury fashion goods has become more popular since “luxury” is no longer considered to be a niche for a higher level of society. Historically, the concept of luxury played a significant role in societies as a benchmark of knowledge and social class (Okonkwo, 2007). Now luxury brands as a social marker play a crucial role in our creation of identity; more people are enjoying luxury goods as a means of material comfort and personal fulfillment by associating themselves with exclusivity, craftsmanship, and uniqueness through their experience rather than monetary value (Kapferer & Bastein, 2009; Okonkwo, 2007; Yeoman & McMahon-Beattie, 2010). Today, “luxury goods” are associated with experience and indulgence, which connect with consumers.

With growing interest in using social media as a means to attract more customers through effective communications, luxury brands have started to incorporate e-business into their strategies. Viral marketing, buzz marketing, and social media marketing have become more influential marketing tools on Web 2.0 using social media platforms such Facebook, Twitter, and many others to create buzz or word-of-mouth promotion. This targets social media users, who, by being present in online communities, benefit not only from sharing news and information but also from receiving advice and recommendations from other users. Therefore, marketers focus on online brand communities, which are the Web-based communities of traditional brand communities defined by Muniz and O’Guinn (2011) as a distinct group of users without territorial limits bounded by mutual interest in a particular brand. Brand communities are seen by many academics and practitioners as great business opportunities to effectively influence customers’ purchasing behaviours and to more deeply understand customers by monitoring their views and opinions (Adjei, Noble, & Noble, 2010; Kozinets, 2007; Cothrel & Williams, 2010). With global populations having an online presence nearing two billion (Okonkwo, 2010), this makes the Internet a place where luxury brands must build a presence. Geerts and Veg-Sala (2001),
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in their research, revealed that selling online is a real opportunity for luxury brands. As they stated, the Internet should be considered one of the communication tools that gives brands the ability to express their identity and values and maintain the brand story. Social media offers all the means to strengthen brand values and sustain brand image.

With the appearance of e-business, luxury brands face many challenges and, at the same time, many opportunities. One of the challenges in adopting Internet strategies is that of “corporate orientation” (Okonkwo, 2010, p. 20). The emergence of the Internet requires new strategies for communicating and operating online. A predominant part of luxury companies is still struggling to understand opportunities provided by social media platforms and sees the Internet as a threat. They believe that an online presence is for advertising and selling rather than “a multi-channel for communications, branding, client services, retailing, consumer analysis, client congregation, marketing, customization and product development” (Okonkwo, 2010, p. 21).

Another significant task that needs to be taken into consideration is how to represent and effectively transform brands’ personality, identity, and image. Therefore, it will be useful to investigate to what extent online brand communities influence luxury fashion brand perception on social media platforms and how brand communities on these social media platforms can be valuable in terms of improving brand perception and image in the luxury fashion sector.

SOCIAL MEDIA: CONCEPT AND DEFINITION

Prior to defining social media, it is important to underline its relationship to Web 2.0. In 1991, Tim Berners-Lee achieved the formation of a new type of network communication by connecting hypertext technology to the Internet. Shortly after that, the term “Web 1.0” was transformed into “Web 2.0,” where online services shifted from “offering channels for networked communication to becoming interactive, the two way vehicles for networked sociality” (Castells, 2007; Manovich, 2009, as cited in Van Dijck, 2013, p. 5). These changes allow users to interact and create user-generated content in the virtual community (O’Reilly, 2005). Web 2.0 is not only increasing usage of the Internet but changing the way users reach each other to share comments, thoughts, or information about a particular subject. Therefore, the new user behaviour prevalent in this Web 2.0 setting is what gives the social Web an acknowledged accreditation of existence (Berthon et al., 2012).

Social media was defined by Kaplan and Haenlein (2010, p. 60) as “a group of Internet-based applications that build on ideological and technological foundations of Web 2.0, and that allow the creation and exchange of user-generated content.” Social media became a new online brand that influences and organises people’s lives by facilitating online interactions on individual or community levels (Van Dijck, 2013). Kaplan and Haenlein (2009, p. 60) stated that “a formal definition of social media requires drawing a line between two related concepts that are frequently named in conjunction: Web 2.0 and user-generated content.” The term “Web 2.0” is used to describe a new approach to using the World Wide Web as a coexisting platform for software developers and end users involved in modifying content and applications at the same time. Kaplan and Haenlein (2010) also describe three elements that identify social media: concept, which consists of art, information, image, or video that is passed electronically from one Internet user to another; media, which can take a physical, electronic, or verbal form; and social interface, which is community engagement, viral, or other physical media.

Table 1 shows the different types of social media. The focus of this chapter is on SNS and UGC sites as they represent the basis for which online sociality and creativity have developed (Dijck,
The concept of social media is generating increased interest in marketing and information management (Zarella, 2010; Johnston, 2011; Dann & Dann, 2011; Kaplan & Haenlein, 2009). For marketing, Dann and Dann (2011) note that “the principle underpinning the rise of social media as a current modus operandi for the Internet is an inherent belief in the value of connecting with other people” (p. 344). Implicitly, one of the driving forces of social media is the increased number of users in social media environments. Dann and Dann (2011) described social media as an interconnection between content, users, and communications technologies, which includes Facebook, Twitter, or Google+. The theory justifying social media as a growing tool for Internet technology is deeply rooted in the importance of connecting with other people. Dann and Dann (2011) portrayed social media as having three components that link with and complement one another. One element of social media is communications. This virtual infrastructure provides a coexistence between social interaction and content in real time and in the same virtual space. Examples include Facebook, YouTube, and Flickr. The second component of social media is content, which attracts individuals to the site, like photos on www.flickr.com or videos on www.youtube.com. Another component is social interaction, which connects one user with another through the site—for instance, on Facebook or Twitter. Zarella (2010) describes social media in contrast with traditional media, where, with the involvement of new technologies, anyone can create or circulate comments. Social media comes in many forms, such as blogs, social networks, and media-sharing sites. This definition of social media is supported by Uzelac (2011), who considers social media as “a give-to-get environment,” the opposite of traditional media sites. From another point of view, social media is a two-way platform, where people communicate and share information (Johnston, 2011). Blackshaw-Nazzaro (2006) suggests social media has emerged alongside sources of online information that are created, circulated, shared, and used to inform other consumers about products, brands, services, and issues.

Stokes (2008) portrays social media as media designed to be shared. Sharing means that it is easy to comment on content and to exchange information. It is also possible to view media at a lower cost. Stokes compares social media and traditional media in Table 2.

Blackshaw and Nazzaro (2004) describe social media as a variety of online information that is created and used by users in order to educate other users about brands, services or products, and other issues. The messages transmitted through social media have a great impact on consumer behaviour and influence decision making. However, business

<table>
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<th>Table 1. Social media</th>
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<td><strong>Social Media</strong></td>
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<tr>
<td><strong>SNS</strong> Social network sites</td>
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<td><strong>UGC</strong> User-generated content</td>
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<td><strong>TMS</strong> Trading and marketing sites</td>
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<td><strong>PGS</strong> Play and games sites</td>
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Source: Dijck (2013)
press and academic literature have stopped short of advising marketers about how to integrate social media into marketing strategies (Mangold & Faulds, 2009). Chung and Austria (2010) suggest that social media consists of different methods of communication online, such as blogs, social networking, podcasts, company-sponsored websites, and multimedia sites. According to these authors, social media refers to the range of proceedings that involves individuals in online communications. Many authors understand social media as social network sites (Zarella, 2010; Boy & Ellison, 2007; Fraser & Dutta, 2008). For example, Boy and Ellison (2007) define social network sites as Web-based services that enable users to create a public or semipublic profile within a constrained system. They enable users to share information with other users with whom they have a connection and extend across their list of connections within the same system. Fraser and Dutta (2008) categorised social networking sites into five groups: “egocentric / identity construction social networking sites,” like Facebook or Myspace; “opportunistic,” which is based on business connections, like LinkedIn; “community-based” social networking sites, which bond users by cultural or neighbourhood backgrounds; “media-sharing” social networking sites like YouTube or Flickr, which are mostly defined not by their members, who are interested in sharing videos or photographs; and “passion-centric” social networking sites, which are based on sharing common interests and hobbies and also called “communities of interest,” the members of which are defined according to “passions” (for example, dogs, cats, cars, or movies). Marketers attempt to employ social media in marketing strategies to increase sales and profits. Regardless of the interest in social media, there is a lack of academic research to develop an understanding of social media as a new phenomenon (Kaplan & Haenlein, 2010).

**SOCIAL MEDIA AND ONLINE BRAND COMMUNITIES**

With the advancement of technology, social media has become available for social behaviour. In the past, social interactions enabled people to meet in person, then communicate with mail and letters. E-mail followed and now “social media” or social media platforms (Feenberg & Barney, 2003). Early online devotees believed that group interaction would improve quality of life. The very first online communities were based on independent computer conferencing systems, such as EIES (Electronic Information Exchange System) and the Well. The success of these online communities had a great

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**Table 2. Traditional and social media**

<table>
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<tr>
<th>Traditional Media</th>
<th>Social Media</th>
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<tr>
<td>Fixed, unchangeable</td>
<td>Instantly updateable</td>
</tr>
<tr>
<td>Commentary limited and not in real time</td>
<td>Unlimited real-time commentary</td>
</tr>
<tr>
<td>Limited, time-delayed best-seller lists</td>
<td>Instant popularity gauge</td>
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<tr>
<td>Archives poorly accessible</td>
<td>Archives accessible</td>
</tr>
<tr>
<td>Limited media mix</td>
<td>All media can be mixed</td>
</tr>
<tr>
<td>Committee publishers</td>
<td>Individual publishers</td>
</tr>
<tr>
<td>Infinite</td>
<td>Infinite</td>
</tr>
<tr>
<td>Sharing not encouraged</td>
<td>Sharing and participation encouraged</td>
</tr>
<tr>
<td>Control</td>
<td>Freedom</td>
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Source: Stokes (2008)
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impact on developing the image of the computer. Early designers Turoff and Vallee developed software that transformed face-to-face environments into network. The main features of this software included bonding (forming online groups), tracking (listing participants’ discussions), archiving (maintaining records of discussions), and warranting (ensuring participants’ identities) (Hiltz & Turoff, 1993).

Some academics have debated the prospects of online communities (Barney, 2004; Borgmann, 2004; Dreyfus, 2004), developing arguments against online communities. They agree that the “spacious” form of online community is an inadequate replacement for a difficult reality. However, postmodern theorists who see in the Internet a paradigm of desirable social transformations positively evaluate online communities (Turkle, 1995). Moreover, Bakardjieva (2004, p. 12) “discusses the general question of the possibility of online community on the grounds that our evaluation of the Internet should be guided not by the distinction between the real and the virtual but by that between human interaction and commerce.” Her study of the communicative and communal use of the Internet shows many forms in which individuals meet other people and obtain knowledge of them through online communities. She believes that promoting and discovering online communities will contribute to humanistic study and shaping the Internet.

The fast growth of social media and the motivation of brand companies to get involved in social media provide a basis for online brand communities to be present in computer-mediated environments. A brand community is a community of individuals created through mutual feelings towards a product or brand (Muniz & O’Guinn, 2001). Their ethnographic study reveals three main indicators of community within brand communities: shared consciousness, shared rituals and traditions, and obligations to society. Schau, Muniz, and Arnold (2009) conducted a meta-analysis that determined four groups of practices through which value is cocreated in brand communities. Community is a main construct in social thought. Theorists and academics have focussed on the subject of community ever since the last century (Dewey, 1927; Freud, 1928; Kant, 1781/1996; Fisher, 1975; Merrit, 1966; Hummon, 1990). Apart from comprehensive studies in this area, especially in the context of consumption, community in the context of consumer behaviour has occasionally been mentioned (Muniz & O’Guinn, 2001). Muniz and O’Guinn (2001) introduced the idea of brand community as “a specialised, non-geographically bound community, based on a structured set of social relationships among admirers of a brand. It is specialised because at its center is a branded good or service.” Most communities share similar features such as consciousness, rituals, traditions, and moral responsibility. In addition, as brand communities, they play an important role in the brand’s social construction and heritage.

The concept of community has been examined by different scholars (Gusfield, 1978; Weber, 1978; Feenberg, 2002). For example, Gusfield (1978) proposed that it was a consciousness of kind, which means a mutual bond between the members and the collective sense of difference from others outside the community. Similarly, Weber (1978) described community as shared history, culture, and traditions, where rituals and traditions maintain the community’s shared history, culture, and consciousness and instil behavioural customs and values. Another just-as-important characteristic of community is a sense of moral responsibility. It is a sense of responsibility to the community, which occurs as a collective action against intimidation. Community becomes a common understanding of a shared identity, and over time, due to emerging communication technologies, communities unite individuals with a commonality of purpose and identity without any geographical restrictions (Muniz & O’Guinn, 2001). The rapid development of social media platforms has enhanced the emergence of brand communities. “Computers construct a virtual
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The virtual world nowadays connects not only companies but also consumers by providing access to content and communication through the Internet (De Valck et al., 2009). Examples of virtual interaction and communication tools include blogs, personal webpages, and social media networks (for example, Facebook and Twitter). These tools facilitate new forms of consumer interaction experiences, which take part in the growth and establishment of consumer-brand relationships (De Valck et al., 2009). The Internet has enabled people around the world to communicate with each other instantly despite geographical distances and different time zones. Within social media sites, users unite and create their own communities. The modern concept of community embraces the idea of a group of people bonded by culture who do not necessarily live in similar neighbourhoods (Rheingold, 1996). For a community to progress, members have to have shared feelings or belongings (Weber, 1978). Preece (2001) argued that an online community can be understood as a group of people who interact socially to satisfy their own needs or play a special role within the community. The notion of organising such a community rests on the basis of similar interests, needs, information, or even services. As the popularity of online communities grows, marketers and consumers create and encourage relationships between consumers and brands. While marketers can promote and build brands by advertising their products and services, consumers can build online brand communities and actively attract other consumers to engage in community activities. Preece (2001) suggested two concepts of understanding the development of online communities: sociability and usability. “Moderators, managers, practitioners and participants benefit from becoming familiar with these concepts. Sociability and usability form a bridge linking about human behaviour to appropriate social planning, policies and software design for successful online communities” (p. 7). There are different reasons why people engage in an online community. Some want information or support or interaction with other people, and some want to communicate their ideas or opinions. Hennig-Thurau et al. (2004) reveal eight particular factors that motivate consumers to participate in and contribute to online communities: expressing negative feelings, showing affection to other online community participants, self-enhancement, seeking advice, social benefits, economic benefits, platform assistance, and helping the company.

Feenberg and Barney (2004) described online communities as “stable, long-term online group associations mediated by the Internet or a similar network.” From a theoretical perspective, brand communities improve the customer-brand dyad. The interaction within the community influences members’ perception of a brand and their opinion and attitude towards the brand. Bagozzi and Dhokalia (2006) state that, according to their research, brand communities influence brand involvement, brand loyalty, and positive word of mouth. For marketers, brand communities contribute to market research or involve their members in new product development (Kozinets, 2002; Fuller, Matzler, & Hoppe, 2008). Algesheimer et al. (2005) support this notion by stating that maintaining brand communities is cost-effective and powerful.

In the past, luxury fashion companies were mostly endorsed by brand valuables and loyal customers. However, globalisation and lower entry barriers for new brands have led to stronger competition and changes in the marketplace. Certainly, globalisation and the development of ICT have made luxury brands more accessible (Kim & Ko, 2012). Now consumers can shop online, access any fashion brands, and instantly exchange brand experiences with other consumers. As a result, consumers have become more knowledgeable, more rigorous, and more resistant to influence. Consequently, many fashion brand companies have experienced technological transformation at the same time as their customers, provoking the...
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introduction of new e-marketing tools and strategies. Web 2.0 technologies have had an especially great impact on the fashion, beauty, and retail industries (Okonkwo, 2007). Web 2.0 technologies have boosted the appearance and increased the number of online brand communities on social media (Muniz & O’Guinn, 2001; Muniz & Shau, 2005), allowing members of these communities to communicate their ideas and opinions online, as well as share their experiences with each other. Certainly, online brand communities have become an effective tool for luxury fashion brands to establish stronger relationships with their consumers. There are two main categories of online brand communities: official and spontaneous (Brogi et al., 2013). Official online brand communities are created by fashion brand companies with the main aim of introducing their consumers to their offerings in the luxury sector and, at the same time, allowing their consumers to exchange their fashion experiences. Spontaneous online brand communities are created by their fans on a volunteer basis. With this in mind, many luxury fashion companies have created their Facebook and Twitter accounts. Simultaneously, many fashion brand fans have made their own online brand communities. Both benefit from being able to communicate with each other without any restrictions of time, place, or content by transforming old one-way communication into interactive socialising (Okonkwo, 2007; Okonkwo, 2010; Okonkwo & Assouline, 2011). Furthermore, online brand communities have a significant influence on brand reputation. As Kim and Ko (2010) state, companies that avoid using social media as part of their online marketing strategy are missing the opportunity of gaining a competitive advantage.

There is ongoing discussion around whether brands should be present on social media (Cova & White, 2010; Brasel, 2012; Bruhn, Schoenmueller, & Schafer, 2012). For example, Laroche, Habibi, and Richard (2012) support this idea as they consider social media to be a medium between brands and customers. Companies develop this relationship between brands and customers, who may then become more loyal to the brand. Today, companies and their brands should consider social media as one of their main marketing activities. Social media opens up new channels for interactions and can entirely reposition brands by facilitating interactions between customers and the organisations they interact with (Divol, Edelman, & Sarrazin, 2012). Mangold and Faulds (2009) crisply argued that social media is a new fusion of the promotion mix, while in traditional marketing communications, promotion is controlled by advertising, selling, direct marketing, and harnessing customer service tools. In social media marketing, control over the promotional mix is minimised. Now companies with a social media presence have less power to affect consumer choices. Social media platforms are independent and allow consumers to communicate with each other. Even though marketers cannot control the dissemination of information, they can still monitor and provide input to debates. The authors argued that few companies regard social media as a significant part of their promotional mix. Despite the fact that social media has an influence on the marketplace, the modus operandi in shaping relevant activities is not as effective as it can be. It is important to acknowledge that consumers perceive social media as a trustworthy source of information, more so than other aspects of the marketing mix (Foux, 2006). For example, social media sites like Facebook or Twitter enable people to “befriend” or “follow” their favourite brands and to identify germane brand communities. They can also build network relationships and exchange brand information. In 2009, Ferrero’s Nutella Facebook page was the third most popular corporate page, tallying some 4.9 million fans. Effective communication with customers made Nutella one of most successful brands on Facebook (Wasserman, 2009; Cova & Pace, 2006). There are other successful companies like Jeep or Harley-Davidson (Shau, Muniz, & Arnold, 2009) that have built their brand communities on social
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Media platforms such as Facebook and Myspace (Kaplan & Haenlein, 2010). Brand communities support their members by sharing essential information, and they draw attention to different values. One of the functions of social media is to facilitate discussions amongst customers. Social media is an extended form of traditional word-of-mouth communications. Customer loyalty, positive word of mouth, and the ability of a company to recover quickly from negative company feedback all depend on customers’ perception of a brand’s socially responsible behaviour (Costa & Menichini, 2013; Calabrese et al., 2013). From this viewpoint, online brand communities have a great influence on increasing public awareness of a company’s social faithfulness.

Currently, increased usage of social media amongst consumers helps them to make purchase decisions and assess brands on the evolving Internet platform. As a result, companies can reach their customers and influence their decision-making and buying behaviour (Swain, 2009). Social media has marginalised the obstacles to the flow of information amongst people, and it is now easier for marketers to communicate with their customers and target the audiences who are not familiar with the brand. Shaver (2007) noted that companies need to build a strong social media presence in order to attract customers as they are influenced by social media. To build the relationship and gain trust and loyalty, the presence of social media requires companies to set strategies for social media presences. However, some researchers argued that brand communities based on social media could produce positive effects for brands. Kim and Ko (2010) stated in their research that social media has had a great influence on brand reputation. Others, like Fournier and Avery (2011), contradict these statements by saying that social media is not always an ideal environment for brands. Companies might be at risk (Fournier & Avery, 2011) as customers have more power than before, and companies increasingly struggle to manage information about their brand. Customers can get involved in discussions or online complaints when they are not satisfied.

Figure 1. Social media/brand
Source: authors
with the brand (Kaplain & Haenlei, 2010; Ward & Ostrom, 2006). Furthermore, consumers may also produce their own interpretation of meanings and strategies associated with the brands they prefer (Wipperfurth, 2005). Hence, these consumers produce a linking value that is not always exactly what the brand strategist had in mind (O’Guinn & Munis, 2005).

COMMUNITIES IN THE NEW MARKET SPACE

Community activity is portrayed as the biggest change in business in the 20th and 21st centuries (Ahonen & Moore, 2005). From the mid-’90s, communities have been reborn and expanded in quantity and relevance; from consumers’ perspectives, worldwide access to the Internet encourages online participation. On the other hand, many companies that understand the importance of these communities invest in establishing and maintaining these communities, especially in the online market space. Today, online communities represent a reaction to the lack of traditional forms of collectivisation (Schouten & McAlexander, 1995), and this form of online organisation is greatly influencing businesses (Ganley & Lampe, 2009). Current studies indicate that online brand communities influence customer relationships between brands and customers and their attitudes towards them (McAlexander, Schouten, & Koenig, 2002), as well as serving as an instrument to establish strong and enduring relationships with customers (Algesheimer, Dholakia, & Herrmann, 2005; Brown, Kozinets, & Sherry, 2003). The number of social media platforms is impressive. Facebook, for example, as of December 31, 2013, reached 945 million monthly active users who used Facebook mobile products, with 757 million daily active users on average in December 2013 and 1.23 billion monthly active users as of December 31, 2013 (http://newsroom.fb.com/Key-Facts). Twitter counts 500 million users (http://www.telegraph.co.uk/technology/twitter/9945505/Twitter-in-numbers.html). LinkedIn shows 211.3 million users (https://www.quantcast.com/linkedin.com). The power of such online social media platforms lies in the fact that they are organised around their users (Mislove et al., 2007), with the benefit to brands to be able to utilise users’ interconnectedness to reach larger audiences at a reasonably low cost. Social media platforms like Facebook, Twitter, LinkedIn, and YouTube are becoming a ground for developing strong online brand communities. A total of 76% of the companies are planning to reinforce their presence on Facebook and invest in the development and execution of social media marketing strategies (Social Media Examiner, 2011).

Facebook

As Zuckerberg (2010) stated, Facebook’s mission was to build the Web where “the default is social” to make “the world more open and connected” (as cited in Dijck, 2013). In Facebook, individuals choose to become fans of a certain page. The company’s aim of a Facebook fan page is to “broadcast great information in an official, public manner to people who choose to connect with them” (Facebook.com, 2011d). With millions of users worldwide, Facebook is the largest social media platform in the United States and Europe. Despite the great potential for brands, many practitioners struggle to understand what motivates consumers to interact with brands on social media platforms. Facebook, for example, proposes organisation and brand tools with which to create community-like environments within the site. Also, it offers more flexibility in terms of using different applications, and users can interact with pages on the Facebook by “liking” them. Individuals have a certain motivation behind “liking” a Facebook fan page. As suggested by Willimzig (2011), individuals become online brand members based on their feelings towards the brand. Additionally, Facebook fans join the
brand community because they are loyal to the brand and also because of economic benefits, such as members’ discounts and exclusive deals, or competitions organised by brands.

**Twitter**

Twitter’s potential was forecast by executive and cofounder Jack Dorsey in New York in 2009, when he highlighted that “the company wants users and developers to shape the platform into a generic infrastructure for online communication and social interaction.” Twitter appeared in 2006, when individuals were not very familiar with microblogging. However, six years later, Twitter has become the leading microblogging platform, with 500 million registered users and 88 million users per month (Dijck, 2013, p. 68). “Tweeting” has various meanings: it can be instant messaging or live discussions. If Facebook associates online activity with “sharing,” “liking,” and “friending,” in the case of Twitter terms, “following” and “trending” take place in regard to social activity. Given Twitter’s distinct characteristics (these social communication services and microblogging), the platform has the potential to greatly influence word-of-mouth branding and company-customer relationships, including brand image and brand awareness (Jansen, Zhang, Sobel, & Chowdury, 2009). The new form of electronic word of mouth (e-WOM) marketing is microblogging through social communication services like Twitter, where users describe their interests and/or share their opinions in short posts or so-called microblogs. These posts are distributed by instant messages, mobile phones, e-mails, or the Web. Google and Facebook have also integrated Twitter in their services as Twitter’s brand name quickly attracts lots of traffic (Jansen et al., 2009; Dijck, 2013). Davis and Khazanchi (2008) examined the influence of e-WOM characteristics and factors on e-commerce sales using live data from a retail firm. Their work revealed that interactions amongst e-WOM postings, volume of postings, and product category were statistically significant in explaining changes in sales. Goldsmith and Horowitz (2006) evaluated consumer motivations for online opinion seeking. Their research showed influential effects resulting from enabling website visitors to share their thoughts and opinions. It is clear that e-WOM is an important aspect of a consumer expression of brand satisfaction and may have a crucial effect on brand image.

Esch et al. (2006) evaluated a branding model (in the figure above) in online branding environment. They outlined that brand image and brand awareness were affecting purchases and were initial areas where e-WOM microblogging would have a direct influence. It was proposed by Esch et al. (2006) that consumers engage with brands in a manner similar to the personal relationships they formed with people. These relationships may be the result of participation in brand communities (Muniz & O’Guinn, 2001).

**YouTube**

YouTube, as a content community, was established in 2005. It allows users to create their own profiles and post, view, comment, and link to videos on the site, as well as show visitors recent activity, whom they subscribe to, their friends, and comments. While the most viewed videos are produced by professionals (Kruitbosch & Nack, 2008), the most commented-on videos are user-generated (Burgess & Green, 2009). In early 2012, YouTube had 800 million unique monthly visitors compared with only one million visitors in 2005 (Dijck, 2013). Many researchers have studied the YouTube community, structure, norms, and cultures (Benevenuto et al., 2008; Burgess & Green, 2009; Snickars & Vonderau, 2009). With regard to brand-related user-generated content, videos often feature reviews, demonstrations, creative consumption, new product releases, advertisements, brand community storytelling, and coverage of brand-related events (Pace, 2008). A great number of companies use Facebook,
Twitter, and YouTube as marketing tools but still struggle to understand how to create value through these media. Practitioners often discuss the return on investment (ROI) of social media platforms, underlining the complications with presenting the impact of social media marketing on sales (Social Media Examiner, 2011). Brand communities on Facebook are distinguished by particular aspects in contrast to other online communities. Kaplan and Haenlein (2010) revealed three main characteristics of brand communities on social media: First, there is social presence in the form of acoustic, visual, and physical contact, which appears between communication partners. Second, as the theory of media richness proposes, the goal of any communication is to evade the unknown and minimise the uncertainty. Brand communities in social media platforms are very well suited for settling these concerns due to a great amount of information being circulated within these communities. Third, brand communities in social media are connected to the concept of self-presentation, which means individuals wish to control the image that other people have about them in all types of social interaction. The term “sharing” reflects the values of openness.
Social Media and Online Brand Communities

and connectedness; it relates not only to distributing personal information between users but also to spreading personal information to third parties, which has become one of the benefits to the companies or brands. Social commerce was predicted to be a great phenomenon in business with regard to customer-company relationships. Organisations are using social shopping tools like “recommend” or “feedback” in their online stores and are increasingly using social media–related activities or are planning to do so in the very near future (Wesson, 2010). From the sales perspective, social media platforms offer companies a way to be in direct contact with their customers. Along with the word “social,” concepts like “participation” and “collaboration” have been given new meanings in the context of social media. “Users of content are supposedly ‘collaborators’ who ‘co-develop’ creative products and thus enrich communities” (Dijck, 2013, p. 12). In order to understand users’ motivations in participating and interacting on social media platforms, it is important to understand how individuals identify themselves as members of a group (Bagozzi & Dholakia, 2002). When individuals identify themselves as a part of the online community, they are most likely to join and interact within the community (Dholakia et al., 2004). There are several categories of online community members, based on levels of observations and community interactions. Table 3 presents the categories of community participants.

Understanding online participation by various users and their involvement in a community helps practitioners to segment them into subgroups, based on their level of participation (Preece et al., 2004). Members’ participation in online communities is one key element to ensure the growth and sustainability of these communities. Understanding participation benefits may help practitioners and brands to establish the most favourable approaches to attract new members and encourage existing members to build long-term relationships with brands.

BRAND COMMUNITIES AND BRAND PERCEPTION

The impact of new online brand communities is maintaining notable power over brand perceptions and companies, mostly driven by the increased

<table>
<thead>
<tr>
<th>Authors</th>
<th>Categories</th>
<th>Description</th>
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<tbody>
<tr>
<td>Kozinets (1999), Wang and Fesenmaier (2004a)</td>
<td>Tourist</td>
<td>Weak social ties with other members.</td>
</tr>
<tr>
<td></td>
<td>Mingler</td>
<td>Strong social bonds with their group and contribution to community.</td>
</tr>
<tr>
<td></td>
<td>Devotee</td>
<td>Strong ties with other members and enthusiastic participation in community activities.</td>
</tr>
<tr>
<td></td>
<td>Insider</td>
<td>Strong bonds with other members and active contribution to the community.</td>
</tr>
<tr>
<td>Burnett (2000), Preece et al. (2004), Ridings et al. (2006)</td>
<td>Lurker</td>
<td>Takes advantage of the communities but does not contribute to the community.</td>
</tr>
<tr>
<td></td>
<td>Poster</td>
<td>Posts information and messages and is willing to provide information and exchange social support.</td>
</tr>
<tr>
<td>Akkineu and Tuunainen (2005)</td>
<td>Lead user</td>
<td>Provides the necessary information to develop new products for their community.</td>
</tr>
<tr>
<td></td>
<td>Active user</td>
<td>Provides valuable information for the new members.</td>
</tr>
</tbody>
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Source: Kang (2011)
growth of social media platforms through which communication is held. Brands strive to understand how social media has an impact on their brands. Internet-mediated technologies bring people together and allow them to share their common interests and make them influence the market.

How can companies control the reputation of their brand in an environment that is out of their control? “The truth is that corporate marketing never had control of the brand. The ownership of the brand and its reputation has always belonged to the consumer” (Booth & Matic, 2011, p. 185).

As proposed by Booth and Matic (2011), marketers should concentrate on developing Internet-based marketing products such as search engine optimisation, podcasting, or widgets apart from the most significant aspect of social media: the quality of the relationship between the brand and the consumer.

Individuals satisfy their psychological needs through their possessions, which create their self-concept, supporting and expressing self-identity and allowing individuals to differentiate themselves by their own uniqueness (Belk, 1988). According to Muniz and O’Guinn (2001), possessions function as social objects that bond individuals within a cultural group, community, or brand community. Fournier (1998) stated that consumers construct their self-identity and introduce themselves to others through their brand choices. Levy (1959) stated that people do not buy products just for what they do, but also for what the product represents; thereby, brands can represent symbols that construct the consumer’s self-concept. The first introduction to the concept of brand image can be traced to 1955 (Gardner & Levy, 1955). According to these authors, the understanding of brand image was based on the social, physical, and psychological nature of the product. How customers feel and think about the brand and associate themselves with the image of brands was recognised as important. Aaker (1991) described brand image as a series of associations grouped in a meaningful way. Brand image suggests the perception of a particular brand and also the image of a company that offers a product or service. The positive experiences of consumers with a brand build a stronger relationship between them. Consumers value the brand through brand associations, even though they have no direct experience with the product or service (Aaker, 1991). Similarly, Keller (1998) suggested that brand image is a reflection of brand associations with consumer memories. He categorised brand association into four types:

1. Types of brand association: attributes, benefits, and attitude
2. Favourability of brand associations
3. Strength of brand associations
4. Uniqueness of brand associations

In addition, Kapferer (2008) stated that brands are intangible assets that create value. This is consistent with the view of Herzog and Britt (1966), who defined brand image as the sum of influences over customer experiences, packaging, name, product make, people using the brand, advertising, form and tone of advertising, and other brand associations. According to Keller (1993), many scholars have proposed different definitions of brand image, and there has been little consensus regarding the most appropriate definitions of symbolism, message, personification, cognition, and psychological dimensions (Dobni & Zinkhan, 1990). Gronroos (2010) stated that traditional definitions of “brand” exclude the customer and presume that the company creates the brand, which then influences how customers perceive brands. He believed that it is the customer who is involved in forming the brand and the brand image. Due to the increased usage of social media websites by consumers, brands, products, and companies are increasingly judged by more than one-third of social media users (Burshtein & Turco, 2010), and many brands are linked to user-generated content through search engine results (Rein, 2011). This is favourable for brand marketers to promote their
brands and encourages customers to engage others by sharing experiences (Parise et al., 2008). Many authors state that the appearance of Web 2.0 allows brands to collaborate with loyal customers and, at the same time, produce a linking value for the brand (Cova & Cova, 2002). Social media allows brand owners to advertise (using viral marketing), develop products (via consumers’ involvement in design process), and create market intelligence (by analysing user-generated content) (Richter et al., 2011).

Social media and brands have been studied from different perspectives. For example, Cova and White (2010) addressed the key concepts of brand community and cocreation of value as well as new trends in online community behaviour. Researchers adopted a case study strategy that was based on a dual ethnographic and netnographic method. It was revealed that these communities may initiate a risk for companies by developing oppositions and competitive offerings. Findings indicate two reasons that drive consumers to commit to nonconventional brands: first, consumers are not getting value for their money, and second, they want to develop a project beyond the scope of traditional brands. But it seems there is much that is still unknown about how brands influence brand-consumer relationships.

Other researchers like McAlexander, Shoulten, and Koenig (2002) found consumers and marketers jointly building communities. Companies and their brands benefit from cultivating the brand community as community-integrated customers contribute by acting as brand missionaries and endorsing marketing communications in other communities. Customers emotionally attached to a community invest in the welfare of the company and are determined to further develop the company’s success. Also, Laroche, Habibi, and Richard (2012) summarised debates over the activities of brands in social media. The aim of their study was to show how brand communities influence the elements of the customer-centric model. The empirical study highlighted some positive effects on customer-brand, customer-customer, and customer-product relationships. Moreover, it was found that brand trust positively affects brand loyalty. However, these studies concentrate more on customer-centric relationships and less on how brands facilitate interaction between brands and customers.

Sukoco and Wu (2010) argued that there are no studies that have discussed customers’ motivation to identify and integrate into brand communities. This study proposes two main consumer motivations: self-related (which consists of enjoyment and knowledge) and social-related (which refers to affiliation and social status). The findings of this research are based on the assumption that members of brand communities support one another and become involved in community activities to update product knowledge. The study underlines the fact that marketers need to consider those motivations to facilitate and organise brand community activities. There seems to be a need to explore other motivations by using different motivation theories.

Brasel (2012) suggested that many traditional forms of brand communications are no longer relevant in the current media environment. His research showed that incidental exposure to a brand alters consumer behaviour in ways consistent with brand identity. Findings suggested that strong brand identities can retain effectiveness in the social media environment. Therefore, it would be useful to explore the multidimensional effects of brand identities on consumers’ brand perceptions. Bruhn, Schoenmueller, and Schafer (2012) investigated the impact of brand communications on brand equity through social media as compared with traditional media. This empirical study showed that traditional and social media communications have had a valuable impact on brand equity and have underlined that social media communications have a great impact on hedonic brand image.

This research was based on identifying factors affecting online consumers’ behaviours. The findings of this study have revealed three components of Web experience: functionality through usability and interactivity, trust and credibility, and attractive content of online presentations that influence online consumer behaviour. This study is very useful in understanding how Web experience components contribute in the online customer decision-making process and may help to develop attractive Internet presence for brands. To support this study, Erdogmus and Cicek (2012) researched the impact of social media marketing on brand loyalty and revealed that customers are positively influenced when brands offer advantageous campaigns, interesting content, and interactive applications on social media. However, there is a need for further exploration of the ways technologies deliver new forms of communication, interaction, and perceptions and of consumers’ online behaviour.

Dou, Lim, Su, Zhou, and Cui (2010) studied brand positioning strategies using search engine marketing. The study showed that search engine results can be used as tools for creating brand positioning. The research sheds more light on the importance of SEO efforts by lesser-known brands. The study also provides guidelines for organisations willing to optimise their display rankings. The employment of search engines as free promotional tools can help companies build their brands and gain competitive advantage in the marketplace. Research by Naylo, Lamberton, and West (2012) focussed on one practice of the social media domain. The results from four studies reflect that the presence of online supporters is passively experienced and virtual and that their demographic attributes can influence consumers’ brand evaluations and purchase intentions.

Kim and Ko (2011) identified attributes of social media marketing activities and examined the relationships amongst these activities. The following are five constructs of the SSM activities of luxury fashion brands: entertainment, interaction, trendiness, customisation, and word of mouth. Many luxury brands create their own accounts or communities with the purpose of communicating with customers and being able to do without any restriction in terms of time or place. Moreover, social media marketing activities provide the opportunity of minimising misunderstandings and preconceptions towards brands as well as increasing brand value and creating the platform for brands and consumers to exchange ideas and information amongst other people online. With the increased usage of social media platforms by luxury brands, Kim and Ko have chosen to quantitatively analyse the effects of social media. The results indicate that brands using social media entertain customers by offering different contents as well as social network activities, and this enables customised information searching. It also offers interactions amongst users that lead to word-of-mouth effects, including fashion and trend attributes.

**SOCIAL MEDIA AND LUXURY BRAND FASHION**

Luxury fashion brands have been always at the forefront of the fashion industry. With commercialisation of the Internet and the popularity of social media, which are the two-way communication platforms that allow users to interact with one another online to share information and opinions (Kim & Ko, 2010), luxury brands have started to feel the competition from lower sectors. In order to survive in a competitive environment, luxury brands have started to use social media platforms for their marketing activities. One of the earliest adopters of social media platforms was the luxury brand Burberry. Burberry is a British heritage luxury brand, founded by Thomas Burberry in 1865. It is the best known for its trench coats, which have been worn throughout British history since World War 1. Since the fashion landscape started to change, Burberry became outdated. In
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2006, Burberry started to adopt digital and social media marketing. First investments were made towards digital communications—in particular, social media. Fashion shows in London with live broadcasting and in 3-D and a catwalk show in Beijing with live models mixed with holograms were turned into a social experience on the YouTube. Burberry was the first luxury fashion brand that opened its elite runway to the public and positioned the brand amongst young people and tech-savvy consumers (Phan, Thomas, & Heine, 2011). Furthermore, Burberry started to broadcast live London Fashion Week on Facebook and Twitter and positioned itself as a top influencer in luxury brand social media marketing. Burberry is a typical example of the most successful brands, promoting its brand via social media platforms like Facebook, Twitter, YouTube, Instagram, and Google+. Recent statistics attribute 15 million fans to Burberry. The brand continues to impress its consumers with its new tactics, such as recently creating a new social website Artofthetrench.com in partnership with Facebook to promote its brand. Users or members of this site are able to post their pictures wearing Burberry and share their brand-related stories with other members (Phan et al., 2011).

CONCLUSION AND FUTURE RESEARCH DIRECTIONS

With the rapid growth of social media platforms, brands have been trying to work out how online brand communities can be employed to help brands grow and perform even better. As with anything new, practitioners concentrate on mechanisms rather than purpose, which has created more confusion rather than a clear picture of what their business role can be and how they work.

As discussed earlier, there is debate on the subject of social media and branding activities. For example, some believe that social media is an ideal environment for companies to promote their brands, while others believe that social media is an environment for people and their friends (Fournier & Avery, 2011; Kaplan & Haenlein, 2010). This chapter offers several potential contributions on the aspects of social media platforms. Marketers may have to leverage the potential strengths of social media in the development of marketing programmes. In particular, luxury fashion brands should focus on identifying and sustaining relevant online communities.

Despite the fact that a good deal of research has been done on the influence of brand communities on brand equity and identity, the present research has indicated that social media platforms give the ability for companies and their brands to facilitate real-time interactions and provide valuable consumer feedback on products or services, as well as positioning the brands on social media platforms and receiving significant support from online communities. Furthermore, online or brand communities give new opportunities for managers to position their brands and improve their strategies for acquiring new customers.

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**ADDITIONAL READING**


**KEY TERMS AND DEFINITIONS**

**Brand Communities**: A community formed on the basis of attachment to a product or marque. Recent developments in marketing and in research on consumer behaviour result in stressing the connection between the brand, individual identity, and culture of the luxury brand.

**Brand Image**: The general impression of a product held by real or potential consumers.

**Online Communities**: A virtual community that exists online and whose members enable its existence through taking part in membership rituals.
Social Media: Websites and applications that enable users to create and share content or to participate in social networking.

Web 2.0: The second stage of development of the Internet, characterised especially by the change from static webpages to dynamic or user-generated content and the growth of social media.