**BRANDING IN THE DIGITAL ERA**

*Maria Vernuccio[[1]](#footnote-1)\*, Tiziano Vescovi[[2]](#footnote-2)\*\**

**1. Background**

The digital revolution is bringing about profound change in terms of consumers, markets, business models, marketing, communication and brands. The trajectories of change are hyper-connectivity (Vernuccio e Ceccotti, 2015) and openness (Tapscott, 2012). Hyper-connectivity is based on the reticularity (Gummenson, 2009; Vernuccio, 2013) and interactivity (Liu, 2003) inherent to digital contexts (as opposed to linearity, hierarchy and unidirectional systems). Here, all market players (including brands) become digital (Negroponte, 1996), interacting in a global network that is always on. Each of them possess a digital identity, which can be defined as their “networked self” (Papacharissi, 2011) o “digital extended self” (Belk, 2013).

Openness – defined by Tapscott (2012) as transparency, breaking down traditional “boundaries” and sharing/collaboration – now underpins more and more business models, strategies and identity values. A key role is played by consumer empowerment versus businesses and brands (es. Denegri-Knott et al., 2006; Kerr et al., 2012). By mean of social media, customers become involved in the company’s definition of social and marketing policies in a direct manner through communities. At this point customers come into possession of company assets, in particular brand, reputation, etc. (Vescovi, 2009). This is due to the higher levels of access to information and content control, as well as the ability to collaborate towards building the brand discussion and co-creating its value with varying levels of participation (Prahalad & Ramaswamy, 2004).

The traditional perspective towards branding (e.g. Keller, 1993) is grounded in information theories of consumer behavior and “understands the brand as a firm-owned and controlled asset that can be built in the consumer minds through carefully coordinated marketing activities” (Gensler et al., 2013, p. 243).

This conventional view is still dominant in brand management practices and studies, although research in Consumer culture theory has contributed to the diffusion of a different understanding of what brand is. The latter is not based on the firm’s identity control, but on the cultural meanings that consumers and other stakeholders develop as co-creators in their own lives and in a collective process (Cayla and Arnould, 2008).

Digitization and in particular the social media revolution with the rise of User-generated content are exerting a huge impact on brands stimulating a deep evolution of branding from a tightly controlled/linear/push process to an interactive/networking/participative/“multi-vocal” one. To reflect this new approach, Fournier and Avery (2011) use the metaphor of “open source branding”, while Singh and Sonnenburg (2012) describe today’s ideal brand management as an improvised theater.

With the advent of so-called “open source branding”, the interpretive and prescriptive limits of traditional managerial tools and concepts have come to light. “Orthodox” branding paradigms, which have been outlined and explored in academic literature for over fifty years (Louro & Vieira Cunha, 2001; Quinton, 2003), need to be updated given that “brands now co-evolve with co-creation experiences” (Ramaswamy & Ozcan, 2016). This occurs not only within brand communities (McAlexander et al., 2012), but also in the context of constantly expanding and evolving “multi-sided brand ecosystems”, involving both consumers and other stakeholders with different levels of intensity.

Paraphrasing Fournier and Avery (2011): while the challenges are becoming clearer and clearer in the eyes of experts and managers, the same is still not true for the solutions.

Aaker (2015) highlighted that: “It is difficult [for firms] to create a programme that fully leverages and applies the power, the scope and the potential synergies of the richness of the digital world. A central problem is that firms fixate on ‘digital’ silo entity, when there are many dozen of forms that digital can take” (p. 37). Firms not only have to look for synergies among different forms of digital brand communication programmes (e.g. brand reputation monitoring, paid search, social media advertising, content management), but they also need to face the new challenge of integrating online and offline brand communications, as well as User-generated and Firm-generated content.

In light of these considerations, we believe that these are some of the main lines of research that may inspire future efforts by branding experts:

• Dynamics of brand evolution in an interactive and participative marketing environment;

• Brand identity, brand image, brand trust, brand loyalty, brand equity and brand reputation in the digital era;

• Collaborative and socially-linked behaviours in creating and disseminating branded meanings;

• Innovative managerial approaches to get consumers and other stakeholders engaged with brand-building and brand-leveraging activities;

• User-generated and Firm-generated content integration in the brand-building process;

• Online consumer-brand engagement;

• Digital brand storytelling;

• Firms responses to negative consumer-generated brand stories;

• Online and offline integration in brand management;

• Big data and emerging brand response measurement systems;

• New branding skills and capabilities.

The challenge is how to manage all these social, technical, and marketing components of brand. Branding became a very complex, critical and strategic issue of the company, melting digital and traditional worlds.

**2. The special issue**

What does it mean to be or become a digital brand? What will change if the brand goes digital? What are the new strategic perspectives for branding in a “digitally empowered world” (Erdem et al., 2016)?

There are very significant and intriguing research questions to be addressed in order to update the widespread and deeply-embedded management practices and concepts, which have now become ineffective.

Focusing on the latest thinking and research in branding, this special issue of *Mercati e Competitività* aims to capture the new challenges that digital revolution poses to marketers both in a theoretical and a managerial way.

As the academic literature in this field is still fragmented and in its infancy, these fundamental questions require rigorous answers by marketing scholars. We recognise the need for renewed research efforts for conceptualising innovative theoretical frameworks. As building and testing theories is fundamental, these studies should be grounded in - and contribute to - the new practice of branding.

To this end, the Special Issue includes four research contributions: a conceptual paper and three exploratory studies, which provide interesting insights into some aspects of branding in the digital era. Below is a brief summary of the papers and their contribution.

*2.1 Brand negotiation and brand management. An Actor-Network Theory perspective*

The well-known inadequacy of traditional brand management paradigms in the current digitally-empowering world is an area that is lacking in academic literature, especially from a theoretical perspective. The conceptual paper by Vollero, Siano and Dalli addresses this need for further theoretical research. The Authors abandon the traditional firm-centric or customer-centric perspectives to put forward a new perspective of the brand management process based on the constructivist epistemology of the Actor-Network Theory (ANT). According to Vollero and colleagues, this theory – rooted in the sociology of science and technology since the eighties – is an effective way to explore the “negotiation of brands”, i.e. the complex dynamics of interactions between multiple actors, through which the brand structure is built and revised over time by integrating different stakeholder positions. Based on this approach, the brand is said to be an “obligatory passage point” (OPP), which is capable of setting up a place for mediation between the various actors involved in consumption and management. To provide an empirical clarification of the “negotiated brand” construct and focus on the managerial implications, two case vignettes, World Nutella Day e Plasmon (palm oil case), have been analysed. Through the World Nutella Day case, it has been seen that this approach can adequately address the risk of disintegration of a brand’s identity. With the Plasmon case, it has been brought to light that the negotiation of the brand can also be a result of negative consumer feedback to brand behaviour. Moreover, this case makes it possible to analyse the four distinct moments in the negotiation process - problematization, interessement, enrollment, mobilization – through which conflict situations can be overcome and the brand can be successfully renewed.

The paper of Vollero, Siano and Dalli provides an interesting conceptual contribution towards overcoming the classic branding paradigms, while at the same time urging managers to constructively deal with conflict situations and focus their efforts on managing the negotiation processes. In this way, the fragmentation of the brand identity can be avoided and the brand positioning can be strengthened.

*2.2 Exploring the Palm Oil Crisis through the Lens of Social Media: An Empirical Analysis of User-Generated Contents*

By and large, co-creation of brands takes place through multi-way interactions on social media platforms. These, however, play very different roles in the dynamics of building and conveying meanings. In order to better understand the dynamics of co-creation of brand meanings and make an in-depth analysis of the various roles played by different social media, Corciolani, Pace and Gistri examine the creation and distribution of negative user-generated meanings about brands in three major platforms: Facebook, Youtube and Twitter. Indeed, according to the Authors, it is in times of crisis especially that brands are subject to multiple (and conflicting) interpretations and, in turn, negotiations of their meanings by the various stakeholders. To study negative user-generated meanings, the real-life context chosen for analysis is the case of palm oil. The exploration is based on a content analysis of user-generated content posted on Facebook, Youtube and Twitter about this critical topic. The contents collected on these three media were analysed to reveal both the main themes (e.g. health, environment, brands) and language styles (e.g. self-reference, cognitive complexity, emotional references). The analysis reveals interesting results. For example, while Facebook and Youtube are preferred by users to discuss individual issues, playing the role of ego-related platforms, Twitter is mainly used to convey content of public interest. Moreover, while Twitter is the platform that most emphasises brand names (mentioned in the form of hashtags), YouTube has the most emotional content.

The research by Corciolani and colleagues shows great implications in terms of management, since, from the managers’ perspective, it is crucial to understand the differences between the UGC produced and distributed through the various social media, given that they have to use them to face brand crises. Different meanings and language styles are required depending on the platform for an effective communication strategy.

*2.3 Social Media Strategies to Protect Brand Image and Corporate Reputation in the Digital Era: A Digital Investigation of the Eni vs. Report Case on Twitter*

Managing brand image and brand reputation is a major critical issue of the digital era. The paper by Rialti, Zollo, Caliandro and Ciappei ties in with the line of research that studies communication strategies used by companies to preserve their corporate reputation. In this regard, the Authors analyse how timely counterattack strategies on social media – based on constant monitoring – can safeguard customer-based reputation and reduce short-term negative brand perception during an event that may damage reputation. Using an exploratory approach, Rialti and colleagues have developed a digital investigation of the ENI vs. Report case, based on a network analysis and content analysis of tweets generated during the crisis event. Based on the results of the empirical research, the Authors stress the importance of a management structure with the necessary capabilities to ensure absolute responsiveness in the counterattack. If this is well managed, it can dilute negative criticism from customers and other stakeholders, and ultimately allow a positive image to prevail.

*2.4 Brand Consistent Behavior of Employees on Social Media: The Role of Social Media Governance and Policies*

In the social media ecosystem, employees play an even greater role in brand-building. In fact, they can use both personal and anonymous social media accounts to send brand-related messages that are not always positive or in line with the brand identity. The paper by Mazzei and Butera examines Social Media Policies (SMP), as a tool to govern employees’ brand-related behaviour. The study looks at two key types of SMPs: Enabling and Prescriptive. The first type aims to encourage employees to convey genuine messages in line with the brand’ values and, above all, to seize opportunities. Whereas, the second type tends to control risks by directing or limiting employees’ online behaviour. The Authors performed a qualitative content analysis of a sample of 25 SMPs relating to companies listed in the 500 Fortune. The results contribute to the knowledge of corporate governance practices through SMPs, highlighting the fact that the companies in question still have a long way to go to make full use of SMPs’ potential in order to “empower employees to become authentic brand-builders”. For instance, this means trusting more in employees’ discretion, giving greater importance to authenticity, and engaging further to support brand-building behaviour geared towards corporate values.

**3. Conclusion**

The contributions received in this Special Issue help to reveal not only the central role of consumers, but also that of other stakeholders in building and constantly renewing brand meanings. Consumer empowerment in terms of brand-related behaviour is contextualised in a broader scope, where stakeholder empowerment plays an increasingly important role. Brand management in this multi-vocal ecosystem requires new cultural and strategic approaches, as well as new skills and capabilities (e.g. listening, responsiveness, negotiation, balanced governance) for which there is still great scope for analysis. As a whole, the papers presented here help to open up new lines of research, with the belief that the theory of branding is merely at the start of its renewal process. The ultimate goal is to effectively lay the cultural foundations and strategic guidelines for a role, that of the brand manager, which will soon be a far cry from the profession described by David Aaker two decades ago.

In conclusion, we would like to thank the Authors of this Special Issue for their valuable contributions and ideas, as well as the Reviewers for their proficiency and willingness in contributing to the ongoing debate and refining the research.

**References**

Aaker D. (2015). Four ways digital works to build brands and relationships. *Journal of Brand Strategy*, 4(1): 37-48.

Belk R.W. (2013). Extended Self in a Digital World. *Journal of Consumer Research*, 40(3): 477-500.

Bresciani L., Ewing M. (2014). Practice papers Brand building in the digital age: The ongoing battle for customer influence. *Journal of Brand Strategy*, 3(4): 322-331.

Burmann C. (2010). A call for ‘user-generated branding’. *Journal of Brand Management*, 18(1): 1-4.

Cayla J., Arnould E. J. (2008). A cultural approach to branding in the global marketplace. *Journal of International Marketing*, 16(4): 86-112.

Christodoulides G., Jevons C., Bonhomme J. (2012). Memo to marketers: quantitative evidence for change: how user-generated content really affects brands? *Journal of Advertising Research*, 52(1): 53-64.

Denegri-Knott J., Zwick D., Schroeder J.E. (2006). Mapping Consumer Power: An Integrative Framework for Marketing and Consumer Research. *European Journal of Marketing*, 40(9-10): 950-971.

Edelman D. C. (2010). Branding in the digital age. *Harvard Business Review*, 88(12): 62-69.

Erdem T., Keller K. L., Kuksov D., Pieters R. (2016). Understanding Branding in a digitally empowered world. *International Journal of Research in Marketing*, 33(1): 3-10.

Fournier S. (1998). Consumers and their brands: Developing relationship theory in consumer research. *Journal of Consumer Research*, 24(4): 343-353.

Fournier S., Avery J. (2011). The uninvited brand. *Business Horizons*, 54(3): 193-207.

Gensler S., Völckner F., Liu-Thompkins Y., Wiertz C. (2013), Managing brands in the social media environment. *Journal of Interactive Marketing*, 27(4): 242-256.

Gummesson E. (2009). Many-to-many marketing: toward a grand theory of marketing based on networks. *Sinergie Quaderni*, 16: 19-36.

Keller K.L. (1993). Conceptualizing, measuring, and managing customer-based brand equity. *Journal of Marketing*, 57(1): 1-22.

Keller K.L. (1993). Conceptualizing, Measuring, and Managing Customer-Based Brand Equity, *Journal of Marketing*, 57(1): 1–22.

Kerr G., Mortimer K., Dickinson S., Waller D.S. (2012). Buy, boycott or blog: Exploring online consumer power to share, discuss and distribute controversial ad-vertising messages. *European Journal of Marketing*, 46(3): 387-405.

Louro M., Vieira Cunha P. (2001). Brand Management Paradigms. *Journal of Marketing Management*, 17(7-8): 849-875.

Liu Y. (2003). Developing a scale to measure the interactivity of websites. *Journal of Advertising Research*, 43(2): 207-216.

McAlexander J. H., Schouten J. W., Koenig H. F. (2002). Building brand community. *Journal of Marketing*, 66(1): 38-54.

Merz M.A., He Y., Vargo S.L. (2009). The evolving brand logic: a service-dominant logic perspective. *Journal of the Academy of Marketing Science*, 37(3): 328-344.

Negroponte N. (1996), *Being digital*, Vintage, USA.

Papacharissi Z. (2011), *A networked self: identity, community and culture on social network sites*, Routledge, New York, NY.

Pitt L.F., Watson R.T., Berthon P., Wynn D., Zinkhan G. (2006). The penguin’s window: Corporate brands from an open-source perspective. *Journal of the Academy of Marketing Science*, 34(2): 115-127.

Prahalad C.K., Ramaswamy V. (2004), Co-creation Experiences: The Next Practice in Value Creation, *Journal of Interactive Marketing*, 18(3): 5-14.

Quinton S. (2013). The community brand paradigm: A response to brand management’s dilemma in the digital era. *Journal of Marketing Management*, 29(7/8): 912‑932. Ramaswamy V., Ozcan K. (2016). Brand value co-creation in a digitalized world: An integrative framework and research implications. *International Journal of Research In Marketing*, 33(1): 93-106.

Singh S., Sonnenburg S. (2012). Brand performances in social media. *Journal of Interactive Marketing*, 26(4): 189-197.

Tapscott D. (2012), Succeeding through radical openness, *Rotman Magazine*, Winter: 17-21.

Vernuccio M. (2013). “La rivoluzione digitale”, in Mattiacci A., Pastore A., *Marketing. Il Management orientato al mercato*, Hoepli, pp. 55-72.

Vernuccio M., Ceccotti F. (2015). Strategic and organisational challenges in the integrated marketing communication paradigm shift: A holistic vision. *European Management Journal*, 33(6): 438-449.

Vescovi T. (2009). Invading customers and business governance: new market relations, *Quaderni di Sinergie,* 80, sett/dic 2009.

1. \* Maria Vernuccio, Sapienza Università di Roma, Dipartimento di Management [↑](#footnote-ref-1)
2. \*\* Tiziano Vescovi, Università Ca’ Foscari Venezia, Dipartimento di Management [↑](#footnote-ref-2)