The components of digital branding and their effects on brand equity

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Various market orientation and branding models are already familiar to a lot of academics and practitioners. However, the digital landscape, in particular social media, has given marketers a new set of concerns. Can these elements be brought together in a single model with positive consequences for brand equity? The author theorizes.

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MANY WORDS have been written about branding in the offline world, and how, for instance, a corporate vision can impact on image and business performance,[2] how social responsibility is an important factor in modern branding,[3] and a growing awareness of consumer rights and empowerment in the 2000s.[4] When it comes to online branding, the pace of change means that academic articles can come out later than needed, although fundamentally, their principles are sound. Social media, especially the rivalry between competing websites and audiences becoming accustomed to shorter product life cycles,[5] have seen even speedier changes. The advent of social media may have once been seen as marketers losing control of their brands, but in reality it is a case of adjusting to the new tools and using them effectively for the same aims. This paper attempts to bring together some of the unchanging ideas in digital branding, while raising topics for future discussion, especially as the digital landscape continues to change.

Market orientation

The market orientation studies of Narver and Slater,[6] and Jaworski and Kohli,[7] endure in branding. From an organizational level, companies that are closer to the customer and understand their wants and needs, are likely to perform better. Those that have structures that enable them to respond to customers more rapidly and effectively also have better business performance. What the internet has provided is the opportunity for more internally transparent and efficient systems, as long as the organization is willing to embrace them. Even as early as 2001, the market orientation could be seen with small companies' leaders using feedback forms to listen to their customers, rather than have them go through a separate department, and responding accordingly.[8]

When it comes to brands, the models proposed by Narver and Slater and Jaworski and Kohli need little modification. It can be said that a successful market orientation can lead to stronger brand equity,[9] and consequently stronger business performance. One additional element, on top of management commitment, facilitative management and

2. J. Yan: 'The business of identity', *CAP*, volume 4, no. 3, spring 2000.
3. N. Ind (ed.): *Beyond Branding: How the New Values of Transparency and Integrity Are Changing the World of Brands*. London: Kogan Page 2003; T. Kitchin: 'Corporate social responsibility: a brand explanation', *The Journal of Brand Management*, vol. 10, no. 4, May 2003, pp. 312–26.
4. C. Lawer and S. Knox: 'Customer advocacy and brand development', *Journal of Product and Brand Management*, vol. 15, no. 2, 2006, pp. 121–9.
5. A. Hermens: 'Knowledge exchange in strategic alliances: learning in tension', *Creativity and Innovation Management*, vol. 10, no. 3, 2000, pp. 189–200.
6. J. C. Narver , and S. F. Slater: 'The effect of a market orientation on business profi tability', *Journal of Marketing*, vol. 54, October 1990, pp. 20–35 .
7. B. J. Jaworski and A. K. Kohli: Market orientation: antecedents and consequences', *Journal of Marketing*, vol, 57, July 1993, pp. 53–70.
8. J. Yan: 'Online branding: an antipodean experience', in: W. Kim, T. W. Ling, Y.-J. Lee, and S. S. Park,(eds.): *Human Society and the Internet* . Berlin: Springer 2001, pp. 185–202 .
9. J. Yan, 'The business of identity', op. cit.

interdepartmental connectedness, is the existing image of the organization, which impacts on how audiences perceive it, and the process of vision-setting.

While these are inherently backward-looking models—customers can come into contact with a firm only when there is a complaint—there is potential for using the feedback as inspiration for innovation. Audience engagement can, at least, be a sounding board for future developments, and social media themselves can provide inspiration if an organization is careful selecting which thought-leaders to follow. With the rise of outsourcing, virtual businesses and collaboration in the 21st century, market orientation principles apply even more strongly. Just as with customers, organizations need to adopt a similar approach to external contractors, for instance, requiring top management commitment and the sort of integration of those contractors to the organization once expected of an in-house department. There needs to be a different type of inter-departmental connectedness—more an inter-organizational connectedness—to enable forward-looking approaches, environmental scanning, research and development, identifying latent needs and creating demand.[10] Similarly, treating customers and audience members as sources of knowledge and value creation benefits organizations;[11] the interaction, whether real or virtual, can strengthen the organization's brand.[12]

With the rise of consumer power, Engeseth recommends that organizations abandon the "them and us" approach and work in unison with their audiences.[13] The disappearance of the division means that the more savvy organizations are using their audiences as marketers or brand ambassadors, letting them communicate, re-Tweet, or share positive news. Searls predicts greater consumer-centric changes brought upon by the internet, one which consumers themselves dictate the terms on which products are services are delivered,[14] especially with an increasing concern over user privacy on social networks.

The digital world, therefore, has given organizations and audiences more tools through which a brand can be communicated, and a democratization of technology as well as power. However, the market orientation principles remain in place.

The existing image and ensuring fidelity

While market orientation is concerned with antecedents and consequences, branding adds one additional loop: the impact of an existing image. The audiences' prior contact

10. J. I. Jenssen, E. Nybakk: 'Inter-organizational innovation promoters in small and knowledge-intensive firms', *International Journal of Innovation Management*, vol. 13, no. 3, 2009, pp. 441–66; G. Ahuja, 'Collaboration networks, structural holes, and innovation: a longitudinal study', *Administrative Science Quarterly*, vol. 45, no. 3, 2000, pp. 425–52.

11. D. A. Levinthal and W. M. Cohen: 'Absorptive capacity: a new perspective on learning and innovation', *Administrative Science Quarterly*, vol. 35, 1990, pp. 128–52.

12. J. H. Alexander, J. W. Schouten, H. F. Koenig: 'Building brand community', *Journal of Marketing*, vol. 66, January 2002, pp. 38–54.

13. S. Engeseth: *One: a Consumer Revolution in Business*. London: Cyan–Marshall Cavendish 2005.

14. D. Searls: *The Intention Economy: When Customers Take Charge*. Boston: Harvard Business Review Press 2012.

with the brand or even the industry at large will influence them. On the one hand, the online world has provided practitioners with tools to ensure greater fidelity, especially in the area of typography, thanks to new technologies and the popularity of tablet-targeted magazines, while social media have, in some ways, reversed these very developments, as will be explained.

There have been studies of how brand associations—one of the ingredients of brand equity[15]—influence consumer preference and behaviour, so its connection to business performance has been established.[16] But when the organization itself is planning its brand, or a rebrand, those existing perceptions will come in to play, too: those associations will impact on what vision the organization will set. It needs to know where the organization is at in the minds of consumers so it gets an idea of how much or what effort is needed to change mindsets; for a new organization, it needs to know how the industry is perceived so it can create a brand that is sufficiently differentiated, which can communicate unique selling propositions to the audience. The now-defunct GM brand Saturn was one example, which told consumers they could expect better service and haggle-free deals on cars; Orange was a successful exercise in differentiation when it came to the mobile telephone market by adopting a friendlier, non-technical name—something unheard of at the time. In a pre-social media era, both were backed up by sufficiently large campaigns that allowed them to buck the trend—without them, few would have realized just how different the brands were.

Walvis notes that 'brand preferences, retrieved from long-term memory at the moment of choice, [can influence] the final decision in favour of one brand at the cost of another,'[17] which explains why less established brands wanting to look established often adopt the æsthetic of their industry. Law firms will often use black or blue as their brand colours, with a serif typeface;[18] fashion magazines will often have a modern[19] typeface in their masthead (*Vogue*, *Harper's Bazaar* and *Elle* all share this characteristic). The choice, then, is to either go against the establishment to distinguish yourself markedly to get among those preferences; or to be part of it, and align yourself with a market leader in the hope that industry associations along with more subtle differentiating factors make you the more likely choice. There is a third way: bringing in conventions from another industry into your own one, in the belief that the associations from there give positive associations to your brand.

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15. D. Aaker: *Managing Brand Equity.* San Francisco: Free Press 1991.
16. A. G. Woodside and R. J. Trappey: 'Finding out why customers shop your store and buy your brand: automatic cognitive processing models of primary choice', *Journal of Advertising Research*, vol. 32, no. 6, 1992, pp. 59–78; B. S. Castleberry and A. S. C. Ehrenberg: 'Brand usage: a factor in consumer beliefs', *Market Research*, vol. 27, no. 4, 1990, pp. 477–84.
17. T. H. Walvis: 'Three laws of branding: neuroscientifi c foundations of effective brand building', *Brand Management*, vol. 16, no. 3, 2008, pp. 176–94 at p. 180.
18. J. Yan: 'Between the Gibson Sheats: a law firm rebrands', *All about Branding*, March 2003, http://allaboutbranding.com/index.lasso?article=300.
19. Defined as a typeface related to Bodoni or Didot, a serif style with a geometric base and characterized by strongly contrasting vertical and horizontal strokes.

The theory is that the visual cues, among others, help guide the consumer toward the brand. When the brand is chosen, it has to be recalled from memory (unconsciously in the majority of cases) before it is evaluated.[20] Brands which have the greatest saliency have the greatest chance of being selected, says Walvis:[21]

The finding that saliency—in the sense of becoming top-of-mind at the moment of choice—is such a dominant factor in brand choice and is supported by recent findings in neuroscience. In an overview article, Duncan[22] has shown that there is a very general principle at work in our brain under which stimuli compete for 'cortical representation'. Visual and auditory signals, for example, vie for our attention. There is a constant battle going on in our brain, whereby cues compete for entry into our awareness.

This principle of competition for awareness not only applies to external cues (eg visual or auditory stimuli coming from the environment) but also to thoughts, actions, goals, meanings and especially memories as well (eg cues emanating from inside the brain).

Among the techniques to get the brand chosen is repetition, with empirical studies showing that the stimuli need to be identical for activating and retrieving the memory. Others than Walvis outlines are how a brand is associated with elements that are personally important to the consumer; and how many links it has to cues, forming a rich synaptic network in the mind. In the last situation, experience with the brand—Walvis uses the example of Lego play areas in toy stores—forms a greater number of cues. He expresses these as three corollaries:[23]

Law 1: The higher the distinctive relevance of branding efforts, the more likely the brand will be chosen.

Law 2: The higher the coherence of branding efforts across time and space, the more likely the brand will be chosen.

Law 3: The more engaging the branding environment that is created, the more likely the brand will be chosen.

Similar lessons can be applied in semiotics, especially how the brand is communicated to audience members *after* the branding exercise is complete, during the

20. Walvis, op. cit., at p. 181.
21. Ibid., at p. 182.
22. J. Duncan: 'Brain mechanisms of attention', *The Quarterly Journal of Experimental Psychology*, vol. 59, no. 1, 2006, pp. 2–27, cited by ibid.
23. Walvis, op. cit., pp. 186–8.

exposition stage. Brand equity is strengthened through the above laws, too, which leads to the brand's performance in the market-place.

Historically, the three laws have not had complete relevance in the digital world. Early websites, for instance, were hampered by download speeds, colour choices, and poor graphics, and were accessed by small audiences. Typographically, sites were even more limited, usually to the fonts installed on the audience member's computer, and even they were not always displayed well on some systems. Any attempts to create greater fidelity between the organization's offline and online presences—for example, putting text into a graphical form so that the typefaces matched—would invariably mean greater download times, to the point where users would be frustrated with websites and leave. Displays in the 1990s meant that serif typefaces were not recommended for online viewing—the serifs were considered too intrusive, and that sans serif was preferred, flying in the face of the convention and legibility studies in print media.[24]

Organizations might invest greatly in a corporate identity programme, only to find that the expense was frustrated once the web was involved—especially if the programme specified serif typefaces. Some organizations found that their only solution was to have an exception for online reading, for legibility's sake. Others rebranded to include the web as a medium, with the most famous example being the BBC, which straightened its earlier slanted logo to one that was upright, for the basic reason that slanted graphics did not reproduce as well as upright ones online.

The lack of organization on the web, and even an absence of websites for some companies, meant that the medium was not that relevant to many people in the 1990s. The author recalls entering random addresses into browsers to see if such sites existed; in many cases, some major brands had no online presence in 1994–5. Of Walvis's first two laws, brands were not doing too well online in the early days.

Yet, the web still helped those who employed it well. A 2002 study by Stanford University[25] showed that credibility was still largely judged on appearance as the first criterion. Those sites provided users with an experience that was visually pleasing, and the uptake of newer sites such as Tumblr and Pinterest, for instance, which launched 2007 and 2010 respectively, suggests that visuals remain a strong part of the web

24. M. A. Tinker: *Legibility of Print*, 3rd ed. Iowa: Iowa State University Press 1963. However, Poole argues that Tinker's conclusions could have come from the familiarity of serif typefaces at the time of the original study in 1932, and that the more commonplace nature of sans serif today could yield a different result. The debate, then, is not settled, and Poole believes that there is no discernible difference in modern practice. This author agrees with his belief as far as print is concerned, and that the legibility of any one style of typeface will be influenced by context and familiarity. Online, however, serifs, especially those without antialiasing or subpixel rendering, can appear too heavy because of pixel sizes—though no empirical studies have been made. A. Poole: 'Which are more legible: serif or sans serif typefaces?'. *Alex Poole*, February 17, 2008, http://alexpoole.info/blog/which-are-more-legible-serif-or-sans-serif-typefaces. J. Yan: 'New dawn', *Eye*, no. 79, spring 2011, http://www.eyemagazine.com/opinion/article/new-dawn.

25. B. J. Fogg, J. Marshall, O. Laraki, A. Osipovich, C. Varma, N. Fang, J. Paul, A. Rangnekar, J. Shon, P. Swani, M. Treinen: 'What makes a web site credible? A report on a large quantitative study', *Proceedings of ACM CHI 2001 Conference on Human Factors in Computing Systems*, vol. 1, New York: ACM Press 2001, pp. 61–8.

experience for some users.[26] The third law was fulfilled by many sites, especially those that were pushing the envelope with animations by the turn of the century. But meeting one out of three laws did not make the World Wide Web that enticing a medium for brands. It remained a medium that was, in the *fin de siècle* vernacular, 'the weakest link.'

The World Wide Web, however, steadily improved. Just as the low-resolution home computers of the early 1980s gave way to the Apple Macintosh, and then more powerful machines in ensuing decades, it was always inevitable that computer developers would find ways to get technology matching human habits. Higher resolutions helped with the display of type, so that things that were once difficult to read—serif italic type, for instance—became easier through antialiasing at first, then sub-pixel rendering.[27] Despite the new medium, it was understood that reading habits were difficult to change thanks to familiarity, and the rules learned in traditional graphic design and typography found their way on to the web.

What was still limiting, however, was the typographic aspect. Typeface designers and publishers, rightly, guarded their intellectual property, and the idea that a font could be sent along with a web page was not well regarded by most. Therefore, regardless of the improvement in screen displays, the body type on the web would usually be displayed in whatever fonts the user had installed. In an internal communications' setting, this would not be a major issue, if the entire company had licensed copies of the corporate typefaces for workstations. However, an organization could not expect typographic fidelity for external audiences, making the corporate identity look inconsistent with all its other materials when viewed online.

The solutions proposed in the early 2000s were less than practical: to make graphics of the body type (which search engines could not pick up, though this would be used for headings on early web pages); to turn the type in to Flash vectors (again with search-engine issues); or to embed, or link, the fonts into the page (which would run in to the issues of piracy). Despite Microsoft and others investing in font fidelity technologies in the late 1990s, there was no consistency. The author spoke with type software veteran Thomas Phinney:[28]

The sudden rise in Web fonts came after 28 August 2007, says Phinney, 'when Håkon Wium Lie (Opera CTO and co-creator of CSS) wrote an article called "CSS at 10". Despite the generic title, the entire article was a call to action on Web fonts. He basically challenged everybody to get off their butts and support font-face linking directly to regular TrueType fonts on Web servers.'

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26. See, e.g. A. Williams: 'The Gospel according to Pinterest', *The New York Times,* October 3, 2012, http://www.nytimes.com/2012/10/04/fashion/the-gospel-according-to-pinterest.html.
27. In lay terms, antialiasing is the technology that uses pixels in shades lighter than the main colour to give the impression of curves; subpixel rendering is the use of the colour components of the pixel to sharpen type on screen. See J. Yan: 'New dawn', op. cit.
28. Ibid.

Safari 3·1 in 2008 supported font-face linking to fonts on Web servers, and Firefox and Chrome followed suit. WOFF (Web Open Font Format), the brainchild of Erik van Blokland, Tal Leming and Jonathan Kew, was the next step. According to Phinney, it suits both 'the browser vendors not wanting anything that even smelled faintly like DRM [digital rights' management protections]' and 'font vendors wanting to add metadata for Web fonts, and wanting a Web font format to be almost anything that wasn't synonymous with existing desktop fonts'. At the time of writing, WOFF will become the new standard.

In simple terms, van Blokland, Leming and Kew's proposal would see a new font format that would overcome the piracy concerns of typeface designers—their work would be properly compensated through online sales—as well as the web browser developers, who did not want to be bogged down in digital rights' issues.

Therefore, it has taken till the 2010s, the third decade of the World Wide Web, when online typography began resembling offline typography, and when brands could expect that their investment in an identity programme would not be frustrated by the internet. Add to this the rise of tablets, where magazines could be downloaded and their print layout styles preserved to some degree, and the digital landscape began looking not unlike the old-media one when it came to communicating brands. It is conceivable that these rules can be taken further, for instance, to email, especially with more of it resting on the cloud—though these ideas are all tempered by the rise of social media platforms, all of which serve to frustrate the "traditional model" of the existing image and of semiotics.

Differentiation in the age of social media

All the popular social media sites—Facebook, Twitter, the 2012 incarnation of Myspace, Pinterest, Google Plus—have their own interfaces, where the body type is whatever their designers, not the organizations' brand consultants, have chosen. Tumblr—if it can be called a social media platform—allows for greater customization of skins, but generally not when it comes to the news feed, where users will often get their information about a brand they follow. All the advances highlighted above, to get websites behaving as offline media, no longer come into play within these networks; nor do they work particularly well with mobile devices.[29]

It is no surprise that digital branding, then, can become more about the photography—we come back to why Pinterest and Tumblr are so popular and, to a similar extent, Instagram—and personalities, and building the relationship between

29. The author's investigations show that Firefox for Mobile is perhaps the best device to handle linked fonts, but it is not widely available, nor is it particularly stable. Most mobile devices, then, will soldier on with a limited range of default fonts—more limited than that of the World Wide Web at its inception, where designers could rely on a palette of around 35 common fonts.

organization and audience member. Differentiation,[30] in this realm, is still done through visuals, but a different type: these visuals highlight the culture of the organization, of people there expressing behaviours consistent with the vision statement or strategy, and of the way content is phrased. It may be done through audio cues—important for musicians, especially with the new Myspace—or even videos and Podcasts. It may be done through the style of engagement, which expresses the attitude of the organization's brand itself. Or, it may even be done through the form of the product itself, such as Microsoft extending its reach from software to the Surface Tablet for Windows, or the way a tablet's or smartphone's interface works.[31]

With the rise of mobile devices—something forecast in the 1990s but only taking hold today—brands will need to make themselves work in very different environments, those in which they have little control over the interface's brand exposition in any respect. People populate social networks as they never did before: Facebook crossed its 1,000 million users' mark in 2012. In some ways, brands are back to where they were at the dawn of the web, where browsers were limited by resolution, colour and graphics—and from where we can learn some lessons. In summary, brands have shifted to a content-, experience- or context-based decade when it comes to the digital sphere, one that is ideally collaborative with the audiences.

Differentiation is also done through the level of transparency that a brand provides, in line with the thinking in *Beyond Branding*, identified as early as 2002.[32] This might be extended to the ideas of user engagement—that by lifting the veil on the organization, audiences will become more involved and form a greater connection to it. Not only have the internal and external messages of brands become more similar,[33] in the social media sphere, showing "behind the scenes" activities[34] may have a positive effect on audience engagement and, therefore, may be considered one of the cues in how one might associate with the brand.[35] While it would elicit honest feedback—sometimes negative—one marketing director said at a 2008 Marketing Society forum:[36]

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30. One of the important aspects of branding, according to the author, alongside communication and symbolization of the organization. See, e.g. J. Yan: 'Between the Gibson Sheats: a law firm rebrands', *All about Branding*, 2001, http://allaboutbranding.net/articleimages/a300/gibsonsheat.pdf.
31. M. Burton: 'When pixels dominate design, your hardware is the brand', *Fast Company Design*, December 4, 2012, http://www.fastcodesign.com/1671362/when-pixels-dominate-design-your-hardware-is-the-brand.
32. N. Ind (ed.): *Beyond Branding: How the New Values of Transparency and Integrity Are Changing the World of Brands*. London: Kogan Page 2003.
33. S. Engeseth, op. cit.
34. For an example of the increasing technologies in this sphere, see E. H. Chi: 'The social web: research and opportunities', *Computer*, September 2008, pp. 88–91.
35. J, Schriener: 'Study finds branding top use of social networking tools', *Engineering News-Record*, vol. 263, no. 4, August 3, 2009, p. 15.
36. Nick Blunden of Profero, quoted in 'Opinion: the Marketing Society Forum—can established brands work on social networking sites?', *Marketing*, November 18, 2008, http://www.brandrepublic.com/opinion/863230/.

The opportunity to create genuine, lasting dialogue is priceless, and brands can gain more valuable opinion and information on a social network than from any focus group or questionnaire.

The key to success is open-mindedness, a willingness to engage in debate, and the persistence to maintain conversation with users for as long as they feel it is necessary. People will embrace brands if they take the time to interact, and placing such an emphasis on consumer respect will be rewarded with invaluable levels of loyalty and trust.

Two New Zealand fashion labels, examined by the author, Tamsin Cooper[37] and Mister Clothing, have employed transparent techniques to maintain the dialogue and build their brands. Cooper began with a once-weekly update on Facebook but soon moved to showing behind-the-scenes imagery as well as soliciting her growing fan base for ideas on which items are their favourites. At the time of writing, Cooper was asking her supporters which dress to wear to the launch of one of her collections—a clever way of personalizing while promoting a message. Mister, meanwhile, commonly shows workroom and personal photographs alongside promotional ones, to similar effect. Both have managed to grow their Facebook fan base to healthy numbers, while staying within the confines of its user interface. Both can also report good business performance despite a recession that has driven many of their competitors out of business in New Zealand.

Engagement[38] is part of the task, and in both cases, this is aided by the companies being relatively small and run by their founders. The first generation's personality is still very much part of the communications' mix. Existing branding knowledge already informs us how having the right tone for communicating with audiences is important, and this equally applies in social media.

But if the same aim is to enhance business performance, then do social media really help? There is evidence from the likes of Cooper, now reporting sales from non-traditional markets such as the UK and Australia as a result of her web efforts, but is the aim of these online efforts more about brand-building? Novak's findings, albeit with a small but influential sample, indicate that social media are geared toward existing audiences only,[39] building loyalty, while Bonchek believes that social media's currency is not financial, but relational, contributing not to a market economy but what he calls a 'gift economy':[40]

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37. J. Yan: 'Social media in branding: fulfilling a need?', *Journal of Brand Management*, vol. 18, no. 9, pp. 688–96, at p. 689.
38. See, e.g. T. Henning-Thurau, E. C. Malthouse, C. Friege, S. Gensler, L. Lobschat, A. Rangaswamy, B. Skiera: 'The impact of new media on customer relationships', *Journal of Service Research*, vol. 13, no. 3, pp. 311–30.
39. M. C. Novak: 'Consumer perception of the efficacy of social media branding by non-profit and for-profit organizations', MA thesis submitted to Department of Public Relations & Advertising, College of Communication, Rowan University, 2012.
40. M. Bonchek: 'How to thrive in social media's gift economy', *Harvard Business Review*, 'HBR Blog Network', August 8, 2012, http://blogs.hbr.org/cs/2012/08/understanding_social_medias_gi.html.

> Social media are fundamentally gift economies. People are there to cultivate relationships, not conduct transactions. They exchange social currencies, not financial currencies. And status is earned not bought.
>
> This illuminates why many brands are struggling with social media. They have confused market and gift economies. They focus entirely on transactions, buying status, and pushing products and promotions.
>
> Brands that succeed in social media follow the principles of a gift economy. They build relationships, earn status, and create social currencies.

In such an economy, Bonchek advises that organizations should not only forge relationships, but create relationships between people; that they should enable people to celebrate each other's success; and create social currencies related to the brand. In some respects, these are an extension of Engeseth's thoughts,[41] where organization and audience are at the same level, working jointly. He believes, too, that the gift and market economies should exist side by side. In defending his piece, he adds:

> Even in the indigenous cultures that created gift economies (Northwest Coast, Trobriand, etc.), there was still a need for a market economy. In fact, in the Kula ring, it was the gift economy that helped the market economy grow by encouraging trade between islands, and also that helped create the social bonds that enabled peaceful relations. I believe the solution is not to eradicate the market economy, but to have a healthy interplay of both market and gift economies. It like the balance between work and play in one's own life. All work and no play is unhealthy. But so is all play and no work. The ills we see are not a result of too much market exchange, but instead a result of not enough gift exchange.

So if the two economies can exist side by side, then what does effective online branding look like?

The two limbs

The above shows that branding in the digital arena can be considered with opposing forces. On the one hand, traditional websites have integrated themselves into the traditional marketing mix properly. Technology for desktop and laptop computers, through which many tasks are done, has got to the point where a brand's audiovisual elements can be very faithful to its offline existence, whether it's typography or the skin for a YouTube channel. The idea of repeated branding stimuli helping to trigger a brand in the audience's mind is no longer hampered or restrained by the web—everything is where marketing communications would like it to be. In other words, we would expect

41. S. Engeseth, op. cit.

that the traditional model[42] (see Figure 1) largely holds here: brands are communicated via websites, on high-resolution devices, through much the same processes to the audiences, with similar results in brand equity and business performance.

However, this must be balanced by the rise of social networks over which organizations have no control over the overall look and feel, and have to resort to other methods to make their presences distinct. Bonchek's ideas make sense, too: if we have entered in to an era where social responsibility and transparency are valued, then it would seem right that organizations build up their gift economies, too. It is perhaps a misnomer to use this term—a *relationship economy* might be more accurate—but the notion of fostering relationships between organization and audience still feeds straight into brand equity, through the exposure of the brand to the audience. It is the trust that the organization builds through the relationship that allows its brand retrieved from an audience member's memory.

But where does social networking fit in to the branding model? It is unlikely to be the first point in branding: people might not be aware of the brand's social network presence (nor would they wish to follow it) until they encounter it elsewhere first, fitting in with Novak[43] as well as student research by Pereira de Almeida.[44] While in some cases, a strong social network can be useful for previewing an upcoming venture, there is still a prior relationship somewhere that led a user to it, such as a friend's recommendation. If the user is introduced to the venture for the first time, then there is no brand per se: the brand could not yet have differentiated, communicated or symbolized itself. At best, there is knowledge of only a brand name, a single proprietary brand asset. Branding via social networks only takes place *after* some contact with the user, when it has had the chance to perform the basic functions, and the relationship is formed.

The relationships created through social networks may have a different form to those created via call centre contact, a branch visit, or an email exchange, but it is a relationship between an organization and a person, not one between friends. Traditionally, those touch-points are thought of as part of how the brand is exposed to audiences; an organization's social network could be thought of as part of how the brand is expressed to audiences, with various parts feeding in to brand equity. This would make the model very simple, but it runs counter not only to Bonchek, who believes in an entirely parallel model, but some of the authors who have pointed to the increasing democratization of branding.

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42. See, e.g. J. Yan: 'Online branding: an antipodean experience', in W. Kim, T.-W. Ling, Y.-J. Lee and S.-S. Park (eds.): *Human Society and the Internet.* Berlin: Springer 2001, pp. 185–202.
43. Op. cit.
44. I. Pereira de Almeida: 'Social brand equity', thesis for Faculdade de Economica, September 30, 2011, following B. Yoo, N. Donthu and S. Lee: 'An examination of selected marketing mix elements and brand equity', *Journal of the Academy of Marketing Science*, no. 28, spring 2000, pp. 195–211.

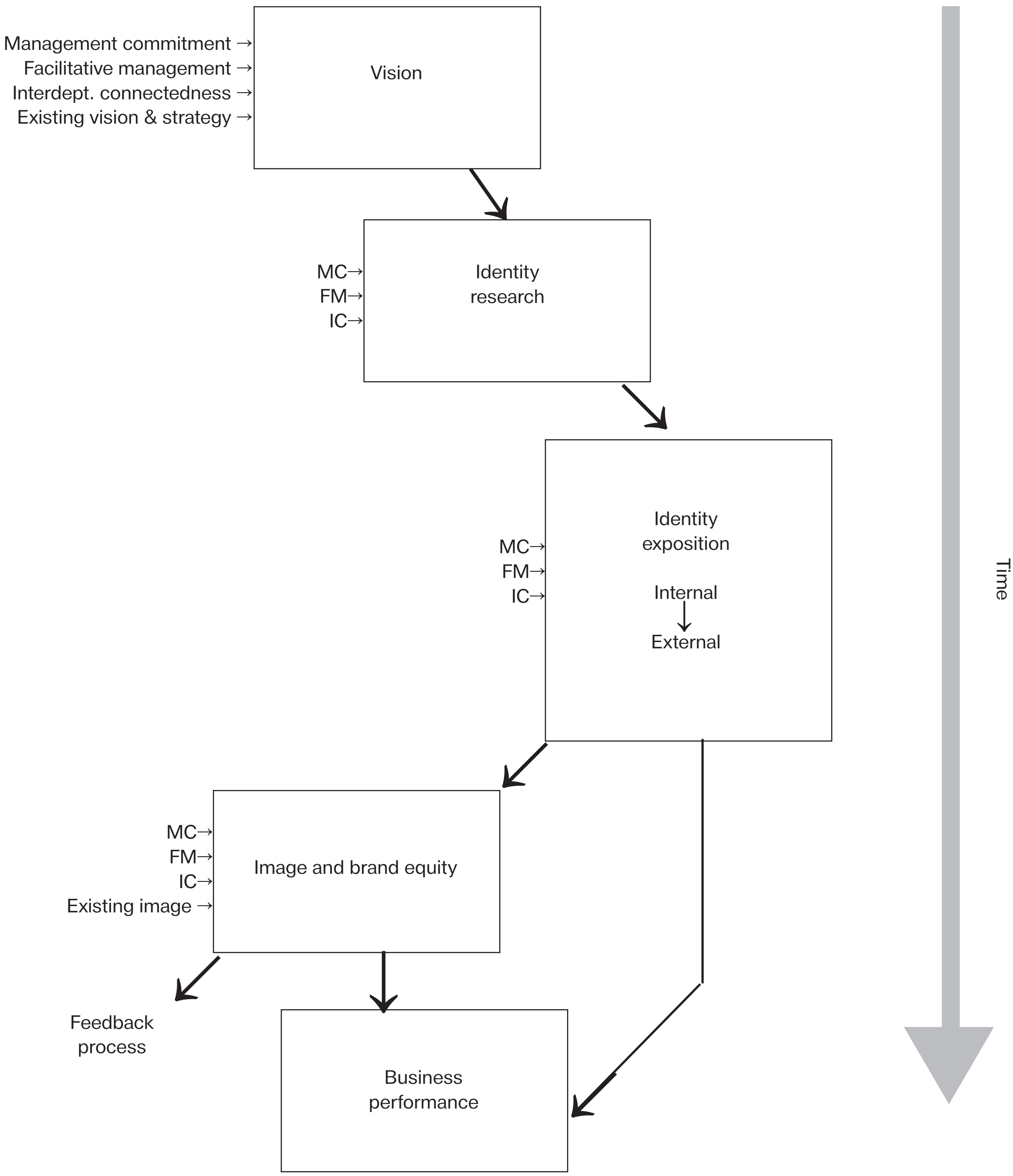

Figure 1
A basic model of branding

If Ind,[45] Engeseth[46] and others are also right, then the demand for transparency by modern consumers should mean that social networking should also impact on vision-setting and research, two earlier stages in the branding model. The overall brand attitude of the organization should take in to account what audiences think of it. Brands are no longer created in a top–down model since the factors affecting the brand are so diverse and uncontrollable, a trend that began with email as well as subvertising.[47] Media are too diverse and there are too many communications' channels. Anyone who connects with the brand is a potential communicator of it, through re-Tweets, Facebook shares and Tumblr reblogs. Organizations can best be thought of as stewards for a brand, but not their controllers.

This author wrote:[48]

> The aims for brands in any social media strategy must, then, serve the organization both internally and externally. If the lines between 'them' and 'us' are indeed blurred, then the organization must, at the outset, (a) build a sense of membership or citizenship with the organization, (b) encourage the acceptance and communication of brand values, and (c) encourage the audience to engage in dialogue and promote the brand. Strategically, that dialogue can (d) help the organization find and maintain a competitive advantage; (e) inform the vision behind the brand and build differentiation for it; and (f) act as a check on whether the brand is being properly communicated and understood by the audiences. The consequences are to (g) build positive brand associations, (h) build the perceived quality of the brand, and (i) build greater awareness of the brand to audiences that it has not yet reached.

The notion of a parallel model, then, may be more complex. Bringing together some of the research to date, the relationship economy model might be overlaid on the traditional branding one (Figure 2). The outcomes are still the same: a positive image and positive brand equity, which is where the models join (Figure 3).

In this author's view, it would be dangerous, however, to think of the consequences of image and brand equity as having offline and online components. The audience's experience of any brand will come from a variety of sources, not discretely separated. One's impression of Brand X is unlikely to change regardless of whether one is thinking of it in the real world or on Facebook. That is not to say that one's impression of Brand X cannot be altered through either offline or online means.

Pereira de Almeida's research indicates that social media are more likely to impact different aspects of brand equity. Looking at Facebook, he makes these three points:

45. Op. cit.
46. Op. cit.
47. J. Yan: 'Getting serious with subvertising', *Desktop*, June 2009.
48. J. Yan: 'Social media in branding', op. cit., at pp. 691–2.

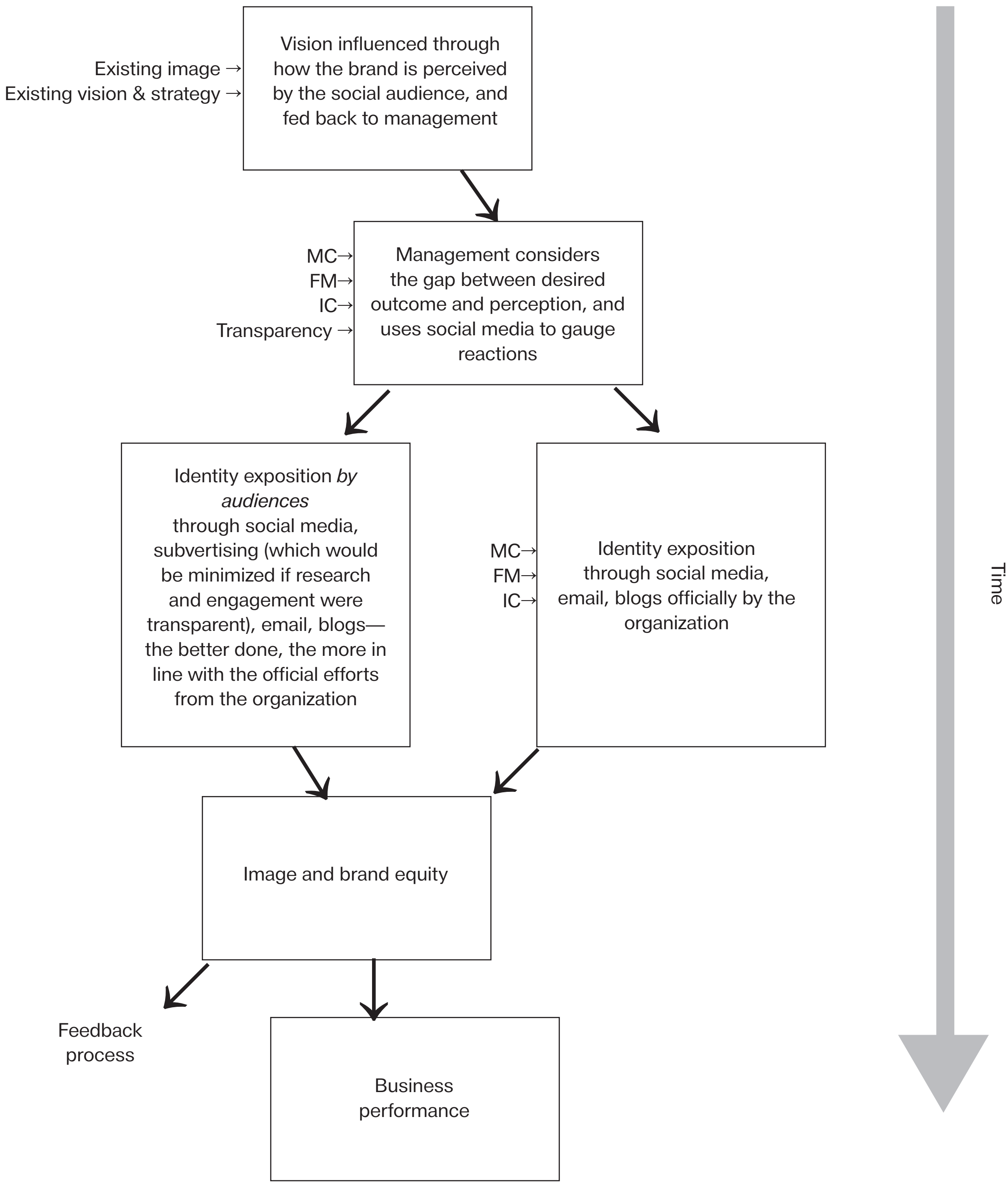

Figure 2
Social media's role in the branding model

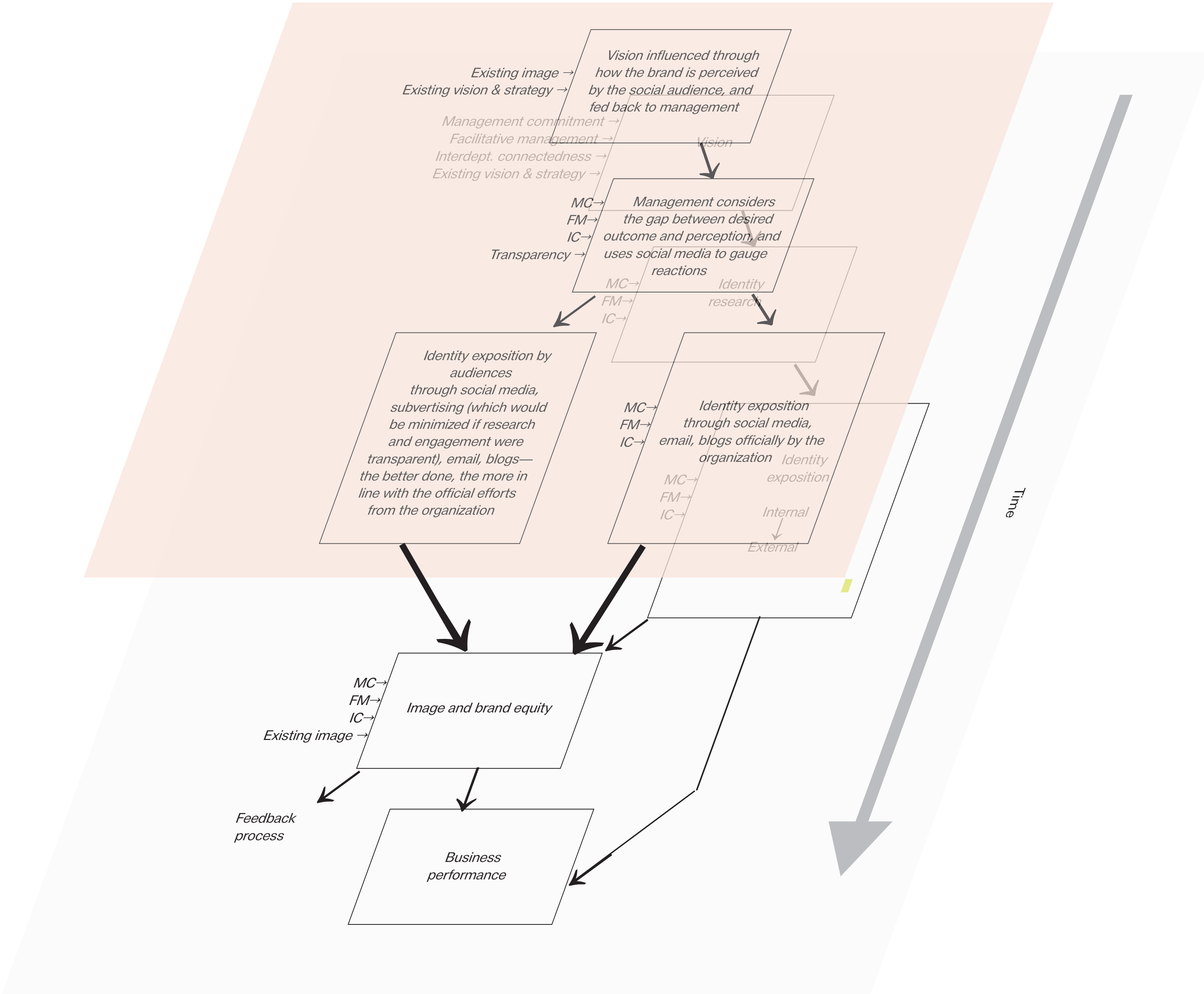

Figure 3
A combined model of branding, incorporating social media influences

- the existence of social media will more likely generate positive brand associations and drive brand awareness;
- brand loyalty is more related to post-purchase affect, so social media impacts less here;

and we can reframe his conclusion to state:

- perceived quality is dependent on the content of the social media rather than the existence of it.

Consequently, the total model impacts all parts of brand equity, but it must be considered in its entirety.

Conclusions

With each new technology, it is tempting to either overstate or understate their importance. Some might see social media as a totally separate field of inquiry without direct impact on branding; others might see it as merely a part of the communications' stage in a branding programme. Beginning with the market orientation research of Narver and Slater and Kaworski and Johli, this paper has attempted to contextualize the changes in the digital world. Each development has altered how brands are communicated slightly, but websites have now developed, thanks to advances in resolution and typography, to a point where they can be considered much like "old media". Similarly, tablets offer similar environments, depending on the app.

However, there is a tension from another part of the digital world: mobile devices and social networks, both of which can frustrate the fidelity expected in a branding programme. In some respects, mobile takes us back to the early 1990s with basic web browsers. Social networks, with their fixed formats, encourage brands to differentiate using different techniques.

The author proposes that social networks create an additional layer of concerns for marketers, but they can be incorporated into any branding programme without affecting the existing model drastically. The consequences of working well in social media are still image and brand equity, which other researchers have shown. The reality of the digital world is that it falls somewhere in between being a complete game-changer and a mere addition to one part of the model: it should impact on *how* we practise branding, but not *what* we practise.