

IMPACT OF DIGITIZATION ON BRANDING

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Abstract

The advances in communication created virtual environment where the business and customer stand close facing front to front each other due to digitization. This behaviour supported by in spite of companies having their own websites for communicating with customers, customers use social media to address less their positive and high negative experiences in social media. Negative marketing gains rapid popularity than positive experience sharing. The expressions on social media against a brand negatively make impression on consumers and their judgment on brands deserves managerial attention. The digital form of brand crisis is stated and studied and proposes a conceptual framework to identify the generalized suggestion for long-term changes on brand perception and the way a customer to keep a brand in memory.

Key words: Branding, digital environment, social media, digitalization, etc.

1. Introduction

A brand is a product, service, or concept that is publicly distinguished from other products, services, or concepts so that it can be easily communicated and usually marketed. A brand name is the name of the distinctive product, service, or concept. Branding is the process of creating and disseminating the brand name. Branding can be applied to the entire corporate identity as well as to individual product and service names. The digitization of world impacted brands to high extent in the current prevailing global digital environment. The customer experience about a product is shared right from the moment of purchase order is made, delivery, unpacking the product, along usage, experiencing the key features differs from competitive products, disposal of the same in the virtual environment. Every stage of customer experience is shared with delight or anger through social media. Sharing the value of brand becomes the style of customer behaviour. The window for weighting the brand requires additional attributes to be taken for contribution and analysis to study the brand performance. This study will analyse the impact of branding with the help of digital environment.

2. Review of literature

Weinberg (2009) defined social media marketing is a new marketing strategy which almost every business is adopting to reach its consumers on the virtual networks.

Weinberg (2009) defined social media marketing as the process that empowers individuals to promote their websites, products, or services through online social channels and tap into a much larger community that may not have been available via traditional channels.

Gordhamer (2009) has related social media marketing to the relationship marketing where firms need to shift from “trying to sell” to “making connections” with the consumers. This explanation of social media marketing takes us to the other side of marketing, where building relations with the potential consumers is the key to repeated purchases and enhanced brand loyalty.

Chaffey, et al. (2003) describe internet marketing as the application of the internet and related digital technologies to achieve marketing objectives. The marketing objectives can be realized by use of social media networks which is a subset of internet application.

Qualman (2010) stated that Facebook, twitter, etc. are means of accomplishing marketing strategies through the internet. It is therefore imperative for marketers to find suitable platforms to suite their marketing objectives.

Kaplan and Haenlein (2010) define social media as “a group of internet based applications that build on the ideological and technological foundations of Web 2.0, and allow the creation and exchange of user generated content.”

Mersey, Malthouse and Calder (2010) state that social media websites provide an opportunity for companies to engage and interact with potential and current consumers, to encourage an increased sense of intimacy of the customer relationship, and build all important meaningful relationships with consumers especially in today’s business environment when consumer loyalty can vanish at the smallest mistake, which can additionally have online propagation of their unfortunate encounter with a particular product, service, brand or company.

3. Conceptual study

The study of impact on brand caused by digitization has been gaining relevance on increase in the marketing research and marketing investments. When a company decides to settle on a brand to be its public image, it must first determine its brand identity, or how it wants to be viewed. For example, a company logo often incorporates the message, slogan or product that the company offers. The goal is to make the brand memorable and appealing to the consumer. The company usually consults a design firm or design team to come up with ideas for the visual aspects of a brand, such as the logo or symbol. A successful brand accurately portrays the message or feeling the company is trying to get across and results in brand awareness, or the recognition of the brand's existence and what it offers. On the other hand, an ineffective brand often results from miscommunication. The positive image of brand once established among its target audience results in brand equity. Microsoft, Coca-Cola, Ferrari, Apple, and WhatsApp are highly recognizable

brands of products and services. Digital marketing became the highly identifiable media for branding in the global market. The publishing of consumer reports or various online sites, magazines are the only available source for people to understand the performance of products or services. Products reviews and ratings have changed due to the advent of social media.

4. Conclusion

As the marketing is becoming more consumer-driven, marketers try to communicate with customers in the way they prefer. Social media marketing made a note for the marketers where the brands directly can communicate with their customers to bring out new products that can increase in sales. The customers become co-creators as most of the content in online is generated by users come from customers peers. Customers increasingly receive information about brands from social networking. The answer to the question, how does a marketer can change or prepared for the negative hits from social media marketing in this digitized environment can have these possible answers. The company can be flexible and can communicate directly with customers to maintain authentication for posting the information regarding their brand. Blogs and forums enabled the companies to hear about their customers experience and address the challenges. It creates the customers to come to company first when they understand marketers value their customers. The business strength lies when the competitors do not know your weakness. Finding communication channel to communicate with peer customers created a new opening to establish uniqueness about brand by sharing values and creating trust among customers. The negative information sharing about a brand will create a barrier line between the customers and companies for branding in this digitized environment.

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