

Fundamental theoretical concepts related to brand building and online brand management

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Abstract: *Social media is an integral part of people's lives, particularly among the young generation. When social media expands, it creates a "miniature society", allowing businesses to develop their brands. Aside from the benefits of social media (e.g. increased brand awareness, lower communication costs, easier interaction between customers and firms), brand management on social media is an urgent issue that attracts many modern media strategic managers' attention. Basic theoretical issues such as concepts, brand equity, and online corporate brand management activities will be discussed in this article.*

Keywords: *brand; brand building; online brand management.*

1. Theoretical issues about brand and brand value

The terms "brand" and "brand value" have gained popularity in recent years. However, despite their frequent mention in Vietnam, many individuals still lack a truly accurate and comprehensive understanding of these two concepts.

The American Marketing Association defines a brand as "a name, term, sign, symbol, design, or combination of these, intended to identify and differentiate the products or services of one seller (or group of sellers) from those of competitors." This definition is similar to Philip Kotler's perspective, which states that a brand is "a name, term, sign, symbol, or design, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors"⁽¹⁾.

Hence, the term "brand" has extensive meanings. Primarily, it serves as a representation of products or enterprises to set them apart from other products in the market. The brand name and logo should reflect the quality of the products and services, the business's interactions with customers and the community, and the real benefits that consumers derive from the goods and services it offers. These elements work together to establish a lasting impression of the brand in the customer's mind.

The term “brand value” is known by various names, such as “Value of the brand” (Feldwick, 1996), “brand value” (Feldwick, 1996), “brand equity oriented for accounting” (Morgan, 2000). Brand value refers to the monetary worth of a brand, which can be valued and measured. As a result, this term is not solely viewed from the perspective of marketing practitioners, but also as a category related to accounting and finance professionals.

Seth Godin states that “The value of a brand is determined by the sum of the payments customers make for the brand, taking into account the frequency of brand choices, expectations, stories, and relationships between customers and the brand”. From a financial standpoint, a brand is a type of asset that can be bought and sold for a specific amount. Brand value is the net present value of the company’s future cash flows compared to similar products without the brand. Simply put, it is the value that corporate executives and shareholders would receive if the brand were sold on the market. Martins (2010) suggests that brand value can be calculated based on the sources of profit in previous years of the business.

The concept of brand is essential in business practice and has been highlighted by both researchers and practitioners to help businesses gain a competitive edge in the market. Various researchers such as Aaker (1991, 1996), Keller (1993), Yoo et al. (2000, 2001), and Atilgan et al. (2005, 2009) have proposed branding as a means to increase competitive advantage and secure the longevity of a business. The brand is often compared to the tip of an iceberg, where the main brand value is hidden beneath the surface, like the bottom of the iceberg. It is these underlying factors that ultimately determine the success or failure of a business.

2. Online business branding and management activities

The process of brand building and management, according to Makki Makki (a brand consulting company in Indonesia) and Le Bros Media Company, consists of four stages: brand research (also known as brand transformation), brand strategy building (also known as foundation building), brand expression, and brand development.

Stage 1: Brand research

The purpose of this phase is to assist businesses in assessing the current state of their brand and establishing future objectives. This stage also aids businesses in comprehending the brand’s vision and mission, identifying its competitive edge over rivals, as well as pinpointing its core qualities, values, and ideas.

Additionally, by analyzing the discrepancy in brand perception among internal and external stakeholders, between management and employees, and between the intended and received image, businesses will be able to gain a comprehensive understanding of the current state of their brand.

Stage 2: Brand strategy building

At this stage, the brand builder will have to perform 3 main tasks.

The initial task is to determine the brand's objectives and translate them into business goals, which serve as both the impetus and essence of the campaigns, as well as a means of aligning plans to achieve the ultimate objectives. To achieve this, several tasks must be undertaken, including developing brand direction, establishing brand architecture, devising a brand name, defining core values, identifying the brand's unique selling proposition (USP), personality, and brand positioning.

The second task is to create a brand description that is tailored to the market situation and aligns with the perception of customers, with a focus on building brand value and brand description.

The third task involves managing the brand portfolio and selecting "the most efficient and practical approach to expand and grow" while ensuring the benefits from the value chain. This stage focuses on building the brand's structure and identity.

The fourth task involves defining the cultural elements and the code of conduct for the brand, which includes the way employees dress, speak, and behave. Additionally, this stage involves promoting the brand's code of ethics.

Stage 3: Brand expression

In this phase, starting from the brand launch pad identified in phase 2, the focus is on defining the features of brand identity that ensure distinctiveness, prominence, and linguistic relevance, both in speech and in writing. This is achieved through the creation of a brand identity kit, also known as the CI suite, for the business.

Moreover, at this stage, it is crucial to establish a comprehensive and captivating brand identity by creating strategic touchpoints between the brand and customers. Additionally, products for the application of brand identity such as articles, advertising media, and productions will be proposed. To achieve this, a brand experience center should be established that provides detailed guidelines on the implementation of brand identity on various products, media publications, advertising, and production.

Stage 4: Brand activation and evaluation, training

The purpose of brand activation activities is to showcase the most effective approach to organizing such events. This involves identifying the brand messages that will be used at each stage of the brand development roadmap, as well as suggesting the most effective communication channels to achieve customer loyalty measured through awareness, emotions, and behavior.

Following the brand activation, it is crucial to manage and operate the brand in alignment with the outlined strategy, hence, training and brand monitoring become paramount. This phase entails tasks such as preparing and overseeing the appointment of internal or external teams to execute brand activation activities based on predetermined strategies; managing the rebranding process to ensure the implementation steps align with the plan; providing support to the designated trademark guardians with training or guidance throughout the rebranding process.

A robust brand is characterized by its ability to establish a unique market position by understanding both itself and its customers. Developing a successful and impactful brand strategy requires a comprehensive information system that encompasses the benefits offered by the brand, customers' perceptions of the brand, and the brand's future direction. These elements can be broadly divided into two categories: the visible and invisible components. The visible components include the brand name, logo, tagline, packaging, and other tangible elements. These elements are the first touch point by the customers, create images related to the product and leave a lasting impression through language, symbols, and memorable phrases. On the other hand, the invisible elements, also known as "brand association," is the value of the brand. This includes positive characteristics and properties that customers immediately associate with the logo or brand name, such as trust and loyalty. Protecting brand equity is crucial for brand growth, and regularly evaluating market health can help identify necessary policy revisions and updates. As a brand administrator, enhancing the brand is an important task.

To put it specifically, online brand reputation management (or monitoring) involves monitoring the online reputation of an individual, brand, or business, with the aim of eradicating negative information or reducing its visibility on search pages.

The process of online brand reputation management includes two main tasks, namely monitoring the brand and reacting appropriately.

Although monitoring a brand may not always be an enjoyable task, it helps companies and brands prevent potential disasters such as negative comments or misrepresentations of the brand.

Apart from the defensive aspect, brand monitoring also facilitates active participation in discussions related to the company, thereby helping brand managers to enhance the brand image and better promote it.

Online reputation management has been a crucial part of corporate branding campaigns since 2011. The primary objective of a brand management strategy is to actively engage in online conversations, transforming negative sentiments into positive ones. According to author Ron Jones, activities that a brand manager should undertake to ensure the success of their online reputation management campaign are:

ORM Process:

Step 1: Monitoring and tracking.

The initial task for online brand managers is to keep track of everything being said about their brand, and assess whether the message is positive, negative or neutral. Numerous tools are available to aid social listening, allowing brand managers to monitor online discussions on various platforms such as Twitter, Facebook, YouTube, and blogs. Social listening involves using tools to enable companies to understand what customers are saying about them, including their views on brand-related topics, industry trends, and feedback, as well as direct and indirect brand mentions.

In addition to tracking brand image in the eyes of customers, social listening can also accurately measure the effectiveness of brand communication campaigns. Social listening tools can also track competitors through related keywords. Examples of social listening tools include:

Social Mention - socialmention.com

Google Alerts - google.com/alerts

TweetBeep - tweetbeep.com

TagBulb - tagbulb.com

Online brand managers can derive many benefits from Social Listening, especially when it comes to customer care. This tool allows them to gain insights into customer psychology from various perspectives.

Social Listening enables businesses to analyze competitors, products, industry markets, and track keywords across all social media sites to gain insights into what customers are searching for. This tool helps businesses

to promptly capture consumer feedback and reviews about their brands, including how customers feel about the brand, what motivates them to choose or abandon the brand. It is also a tool that can efficiently collect and categorize various types of content, as well as analyze the nuanced labeling in order to optimize costs and save time for businesses. By searching for specific keyword phrases, online brand managers can obtain a comprehensive list of all documents and articles related to the said phrase on Social Mention. Not only does it provide information on interaction rates, brand mentions, competitor's brand mentions, and industry trends, but social listening also delves deeper into the desires of real customers. This helps brand managers come up with appropriate and effective strategies based on the actual situation.

Step 2: Evaluating and interpreting.

The data collected in Step 1 needs to be thoroughly analyzed and interpreted by brand administrators. This is where social listening becomes important. Based on the content gathered from social media, brand managers need to categorize and evaluate the significance of the information. The data can be classified into various groups such as customer consumption habits, competition with competitors, and the needs of the current market.

When evaluating customer satisfaction levels after experiencing a product or service, their opinions should be separated into three categories: praise, criticism, and neutrality. The positive and negative feedback should then be compared to see the difference. The ability to address customer complaints and handle areas of dissatisfaction can contribute to customer retention.

Knowing how to listen and solve customer emotional issues is a prerequisite to help businesses come up with a way to handle long-term development strategies for businesses.

Step 3: Involving and taking action

Once the data has been collected and analyzed through social listening, brand managers should create a concrete action plan to address the findings.

At a fundamental level, brand managers must address and resolve customer issues and remain engaged, prepared to promptly respond to any raised conversations (whether positive or negative). In this regard, there should be a clear internal agreement on what to say and what not to say when responding to comments and feedback. Moreover, the severity of the problem should be determined in a timely manner to escalate it to a higher level and obtain the

appropriate response direction. As such problems can rapidly escalate, brand managers must be ready to act at all times.

Brand managers can use Social Listening to monitor a vast amount of news articles on credible news sources and social media platforms that can affect customers and the business's reputation. Some Social Listening tools can also alert businesses promptly about the spread of negative information, enabling them to handle and prevent it from becoming a crisis. With the help of these tools, managers can be more proactive and take control of the brand image in consumers' eyes and their purchasing behavior systematically.

Furthermore, managers can monitor their competitors and devise strategies accordingly.

Brand managers need to continually monitor their competition and gather information to make informed decisions about the brand's development strategy. Proactivity is a critical aspect of any brand management strategy, demonstrated through activities like strategic planning, message planning, press relations, influencer collaborations, and more, to ensure that the brand is continually evolving as intended.

In today's society, the interaction between the public and customers through social media is increasing daily, making it possible for any brand to receive negative reviews or defamatory information. When a brand receives a few negative reviews, the business can proactively deal with it. However, a brand that only receives positive reviews can create skepticism among customers. Therefore, it is essential for brand managers to analyze both negative and positive information to be proactive in strategic planning and developing the brand to satisfy the majority of customers./.

(1) Trần Thị Thập, "Management theory", <http://quantri.vn/dict/details/8734-quan-niem-ve-thuong-hieu>, retrieved on 20.02.2022 at 23h.