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Branding in the post-internet era

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Abstract. *The internet and its related e-technologies have to a large extent upset the asymmetry of information that for so many years worked in favour of brand managers. Consumers are now empowered to interact with brands and other consumers but also to create their own content on user generated content sites leading to a more participative approach to branding. Internet brands adopt a more relaxed stance on brand management, which involves the consumer in fundamental stages of the brand building process. In this context, the brand manager is no longer a 'guardian' of the brand but becomes more of a brand 'host'. The question is to what extent can traditional companies follow suit? Are they comfortable to cede control to consumers? Do we need a new theory of branding in an e-space?* **Key Words** ● *consumer empowerment* ● *internet brands* ● *social networks* ● *Web 2.0*

> I've never been good at letting go
>
> Never walked away from anything that I thought I could hold. (Lorrie Morgan, country singer)

There is no doubt that the brandsphere (de Chernatony, 2006) has changed dramatically in the last few years as a result of the internet and its related interactive technologies. It would have been inconceivable, just a decade ago, that a virtual brand (Google) with no physical presence would top the FT/Millward Brown Optimor Global Brands Rankings 2008 with an estimated brand value of $86.1 b, outperforming brands with generations of heritage and success such as Coca Cola (http://www.ft.com/reports/globalbrands2008).

In the early days of the internet, it was not unusual for brand managers to replicate offline marketing efforts on the internet (Meyers and Gerstman, 2001). This resulted in static, 'brochureware' websites (de Chernatony, 2001), which clearly failed to capture the potential benefit offered by the new medium, particularly in terms of interactivity. Brand managers soon realized that the hierarchical, one-sided communication model applied to mass media was unsuitable for the dynamic nature of computer mediated environments. The monologue that many

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firms were used to had to then be replaced by a many-to-many communication where consumers were empowered not only to interact with the firm but also with other consumers (Hoffman and Novak, 1996).

The information asymmetry between consumers and firms that for several years worked in favour of brands (Erdem and Swait, 1998) was suddenly reversed. What 'was once a DC marketing circuit has become an AC circuit, alternating between the marketer and the customer' (Wind and Rangaswamy, 2001: 19). Prior to the internet, traditional branding was by and large the exercise of a narcissist, the brand manager, who was preoccupied with creating a specific image for the brand, primarily through corporate communications shouting how wonderful the brand is, then passing on the desired image to consumers. Any voices diverging from this image had to be suppressed. As Mitchell (2001) contends, 'The traditional brand manager is an inveterate control freak. Instinctively, he wants to control everything about his brand' (Mitchell, 2001: 260). This 'mind cuckoo' approach to branding that regards consumers as passive recipients of brand value has no place in Web 2.0. In line with Vargo and Lusch (2004), branding on the internet exemplifies participation and co-creation of meaning. Command and control branding simply cannot be tolerated online (Christodoulides et al., 2006).

Brand strategies have been undergoing significant transformation due to the internet (Hoffman, 2000). Indeed, successful brand strategies in computer-mediated environments involve inter alia building relationships, enabling inter-activity, and better tailored offerings (de Chernatony and Christodoulides, 2004). One specific strategy that has attracted much attention lately is to facilitate the creation and sharing of user generated content. This is expected to lead to stronger and deeper relationships between brands and consumers and more effective brand communities (Van den Bulte and Wuyts, 2007). User generated content sites such as Youtube and Wikipedia have built significant brand equity in a short time due to their ability to interactively create content and value (Sanderson, 2007).

Post-internet branding is about facilitating conversations around the brand. Consumers are now wired and capitalize on social networks to derive power from one another. They develop their own perspective on companies and brands, a view that is often in conflict with the image a brand wishes to convey. What happens if the reviews of a Hilton hotel that you read on Tripadvisor are not in tune with the image of the brand and your experiences of other hotels that belong to the brand? Would you trust independent travellers or will you trust the brand and book the hotel? Such a community of consumers who use Web 2.0 applications to get the things they need from one another, rather than from companies, is further shifting the balance of power from firm to consumer (Bernoff and Li, 2008). As thesis 12 of the Clutrain Manifesto states, 'There are no secrets. The networked market knows more than companies do about their own products. And whether the news is good or bad, they tell everyone' (Levine et al., 2001).

The internet is a great medium for brands as it allows them to address consumers both individually and communally (Simmons, 2008). While the internet enables consumers to express their identity and reinforce their individuality through personalization and customization, it also allows them to satisfy their
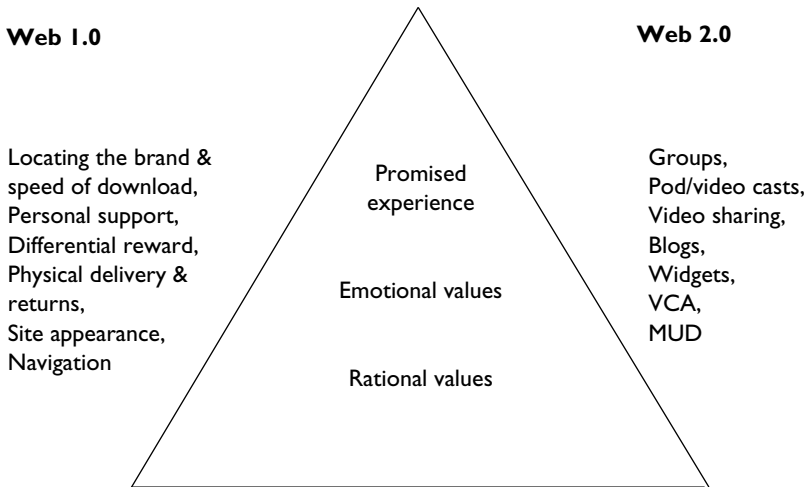
Figure 1

Web 2.0 Branding (adapted from de Chernatony and Christodoulides, 2004)

social needs through sharing of consumption related experiences. What was once an expensive luxury has now been made an affordable reality. Technology means that the internet can be used in a cost-effective manner for personalization and customization of market offerings, such as in the case of NikeID.com, where consumers get to design a pair of trainers from a range of options. The internet is also great for addressing the individual's social needs, such as in the case of developing online communities.

Figure 1 is adapted from a framework published five years ago (de Chernatony and Christodoulides, 2004). The main argument was that a brand is a brand regardless of context. What changes is the enactment of the brand. The concept of brand in the online environment, we argued, was enacted through factors such as physical delivery and returns, locating the brand and speed of download, site appearance, navigation, personal support and differential reward (de Chernatony and Christodoulides, 2004). Five years later these factors have become hygiene in that they need to be there, but there is a new host of factors outside of a brand's immediate control. Branding now occurs at this next level with blogs, widgets, viewer created ads, groups (e.g. Facebook, Myspace), podcasting and videocasting, video sharing (e.g. YouTube and multi-user dimensions (such as Second Life). The loss of control is so extensive that through these applications consumers may even interfere with the brand's values. For example, by creating an advertisement for Current TV, consumers define the values they want their brand to project. The future of the creative then lies with other consumers who may vote for or against the creative. The brand manager who used to be custodian of the brand has now become a host whose main role is not to control (this is impossible) but to facilitate this sharing; alas, if the experience promised by the brand is not delivered. All

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that is needed is a video about the longevity of the ipod battery and a brand like Apple is suddenly in serious trouble (www.ipodsdirtysecret.com).

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