

Communicating Brands in an Increasingly Complex and Global Environment

**Edited by
Carla Ruiz-Mafe
Joaquin Aldas-Manzano
Cleopatra Veloutsou**

Athens Institute for Education & Research
2017

Communicating Brands in an Increasingly Complex and Global Environment

**Edited by
Carla Ruiz-Mafe
Joaquin Aldas-Manzano
Cleopatra Veloutsou**

Athens Institute for Education & Research
2017

Communicating Brands in an Increasingly Complex and Global Environment

First Published in Athens, Greece by the
Athens Institute for Education and Research.
ISBN: 978-960-598-170-9

All rights reserved. No part of this publication may be reproduced, stored,
retrieved system, or transmitted, in any form or by any means, without the
written permission
of the publisher, nor ne otherwise circulated in any form of binding or cover.

Printed and bound in Athens, Greece by ATINER
8 Valaoritou Street, Kolonaki
10671 Athens, Greece
www.atiner.gr

©Copyright 2017 by the Athens Institute for Education and Research.
The individual essays remain the intellectual properties of the contributors.

Table of Contents

Communicating Brands in an Increasingly Complex and Global Environment: An Introduction	i
<i>Carla Ruiz-Mafe, Joaquin Aldas-Manzano & Cleopatra Veloutsou</i>	
Developing and Managing Brand Relationships	
1. The Role of Consumer-Brand Experiences and Relationship in Contributing to Brand Equity for Services	3
<i>Lai-cheung Leung</i>	
2. Co-creation in the Media Sector: An Important Tool to Generate Business for Communication Vehicle Brands	25
<i>Ana Flávia Hantt & Flávio Régio Brambilla</i>	
3. Place-based International Brand Communications: An Exploratory Study of Managers' Views	43
<i>Nicolas Papadopoulos, Michel Rod, Jill Reid & José I. Rojas-Méndez</i>	
4. Relational Boycott	57
<i>Breno de Paula Andrade Cruz & Delane Botelho</i>	
5. Challenges in Complex B2B Multi-Brand Architectures. Aligning Brand Portfolio Strategy and Brand Portfolio Management B2B Companies	67
<i>Waldemar Pfoertsch, Aaron Leander Haußmann & Christian Peter Schaefer</i>	
User-Generated Content in Social Media	
6. Social Influence and Customer Referral Value	89
<i>Evangelos Xevelonakis</i>	
7. Event as the Brand Ambassador of its Host City: Analyzing the Social Media Exposure of Split Generated by Ultra Europe Music Festival	99
<i>Petra Barisic</i>	
8. Establishing Trust in Group-Buying Website through Trust assurances: The Perspective of Elaboration Likelihood Model	111
<i>Mei-Ju Chen, Chun-Der Chen & Ming Chuan</i>	
Retailing, Competitiveness and Internationalization	
9. Growing Concept in Retailing: Shopping Malls in Istanbul between 2004-2014	127
<i>Filiz Çakır Zeytinoğlu, Mert Uydacı, Ebru Çağlayan Akay, Başak Değerli & Nevin Karabıyık Yerden</i>	
10. U.S. Millennials' Thrift Shopping and Consumption: Interpretations using the Goal Framing Theory	141
<i>Jihyun Kim and Kendra Lapolla</i>	
11. Enhancing Country Competitiveness for Investment: The Role of Investment Promotion Agencies	145
<i>Nicolas Papadopoulos, Leila Hamzaoui-Essoussi & Alia El Banna</i>	
12. The Uppsala Model of Internationalization: A Critical Review	157
<i>Nicolas Papadopoulos, Daniel Gulanowski & Llynne Plante</i>	
13. Surrogate Advertising in India: Promoting Liquor and Tobacco Products in Disguise	169
<i>Ruchi Gupta</i>	

List of Contributors

- Ebru Çağlayan Akay**, *Professor, Marmara University, Faculty of Economics, Department of Econometrics, Bahcelievler, Istanbul, Turkey*
- Alia El Banna**, *University of Bedfordshire, Bedfordshire, UK*
- Petra Barisic**, *Teaching and Research Assistant, University of Zagreb, Faculty of Economics and Business, Croatia*
- Delane Botelho**, *Getulio Vargas Foundation, Brazil*
- Flávio Régio Brambilla**, *Professor and Researcher, Universidade de Santa Cruz do Sul, Brazil*
- Chun-Der Chen**, *Associate Professor, Ming Chuan University, Taiwan*
- MeiJu Chen**, *Assistant Professor, Chienkuo Technology University, Taiwan*
- Breno de Paula Andrade Cruz**, *Rural Federal University of Rio de Janeiro, Brazil*
- Başak Değerli**, *Assistant Professor, Marmara University, Vocational School of Social Sciences Department of Marketing and Advertising, Beykoz, Istanbul, Turkey*
- Leila Hamzaoui-Essoussi**, *Telfer School of Management, University of Ottawa, Ottawa, Canada*
- Daniel Gulanowski**, *Sprott School of Business, Carleton University, Ottawa, Canada*
- Ruchi Gupta, Dr.**, *Assistant Professor, Department of Commerce, Shaheed Bhagat Singh College, University of Delhi, India*
- Llynn Plante**, *Sprott School of Business, Carleton University, Ottawa, Canada*
- Ana Flávia Hantt**, *Master and Researcher, Universidade de Santa Cruz do Sul, Brazil*
- Aaron Leander Haußmann**, *PhD Student, University of Latvia, Faculty of Economics & Management, Latvia*
- Jihyun Kim**, *Associate Professor in the Fashion School, Kent State University, Kent, USA*
- Kendra Lapolla**, *Assistant Professor in the Fashion School, Kent State University, Kent, USA*
- Lai-cheung Leung**, *Senior Lecturer, Department of Marketing and International Business, Lingnan University, Hong Kong*
- Nicolas Papadopoulos**, *Chancellor's Professor, Sprott School of Business, Carleton University, Ottawa, Canada*
- Waldemar Pfoertsch**, *Professor International Business, Pforzheim Business School, Germany*
- Jill Reid**, *Assistant Professor, Fairleigh Dickinson University, Vancouver, Canada*
- Michel Rod**, *Professor, Sprott School of Business, Carleton University, Ottawa, Canada*
- José I. Rojas-Méndez**, *Professor, Sprott School of Business, Carleton University, Ottawa, Canada*
- Christian Peter Schaefer**, *Ustinov Scholar, Ustinov College, University of Durham, UK*
- Mert Uydaci**, *Professor, Marmara University, Vocational School of Social Sciences, Department of Marketing and Advertising, Beykoz, Istanbul, Turkey*

Evangelos Xevelonakis, *Professor, HWZ University of Applied Sciences in Business Administration Zurich, Switzerland*

Nevin Karabıyık Yerden, *Assistant Professor, Marmara University, Vocational School of Social Sciences, Department of Marketing and Advertising, Beykoz, Istanbul, Turkey*

Filiz akır Zeytinođlu, *Associate Professor, Marmara University, Vocational School of Social Sciences, Department of Tourism and Hotel Management, Beykoz, Istanbul, Turkey*

Editorial Team

Carla Ruiz-Mafe, (*PhD in Business and Economics, Universitat de València, Spain*) is Associate Professor of Marketing and International Mobility Coordinator in the Department of Marketing, Faculty of Economics, Universitat de València. She has been Visiting Research Fellow of the University of North Carolina-Wilmington (2010, USA) and University of Glasgow (2013, 2014; 2015; 2017, Scotland, UK). Her primary research interest is on Online Marketing. She has also worked in Tourism Marketing and Innovation in Education. Her research has been published in international academic journals, including *Industrial Management and Data Systems*, *Internet Research*, *Journal of Service Theory and Practice*, *Journal of Service Management*, *The Services Industries Journal*, *Online Information Review*, *Information Technology and People*, *Journal of Air Transport Management* and *Current Issues in Tourism* among others. Carla Ruiz is Associate Editor of the *Journal Electronic Commerce Research and Applications* and she is editorial board member of *Online Information Review* and the *Journal of Product and Brand Management*. She is member of the Board of Directors of the Spanish Association of Academic and Professional Marketing (AEMARK).

Joaquín Aldas-Manzano, (*PhD in Business and Economics, Universitat de València, Spain*) is Professor of Marketing in the Department of Marketing, Faculty of Economics, Universitat de València, Researcher of Valencia Economics Research Institute (Ivie) and Visiting Research Fellow of the University of Glasgow (2011, Scotland, UK) and Associate Dean for Postgraduates Studies and Research in the Faculty of Economics (Universitat de València). His research interest is focused on quantitative methods in marketing research and it has been published, among other journals, in the *European Journal of Marketing*, *Tourism Management*, *Journal of Product and Brand Management*, *Sex Roles*, *Journal of Services Marketing*, *Online Information Review*, *International Journal of Bank Marketing*, *Neural Computing and Applications*, *Industrial Management & Data Systems*, *Services Industries Journal*, *Journal of Business Ethics*, *Journal of Interactive Marketing* and in the best Spanish refereed journals. At the same time, he has presented numerous papers at AM, EMAC or AMS Conferences. He has co-authored with Prof. Ezequiel Uriel the book: *Análisis Multivariante Aplicado [Applied Multivariate Data Analysis]* (Thomson, 2005) and *Análisis Multivariante Aplicado con R (Paraninfo, 2017) [Applied Multivariate Data Analysis with R]*.

Cleopatra Veloutsou is a Professor of Brand Management in the Adam Smith Business School of the University of Glasgow, a Visiting Professor at the University of Bari and the Head of the Marketing Research Unit of the Athens Institute of Education and Research (ATINER). She holds an MBA and was awarded a PhD from the Athens University of Economics and Business in Greece. Her primary research interest is on Brand Management. She has also worked in Relationship Marketing and Marketing Communications. She has published about 45 articles in International Academic Journals, including the *Industrial Marketing Management*, the *International Journal of Advertising*, the *Journal of Brand Management*, the *Journal of Business Research*, the *European Journal of Marketing*, the *Journal of Marketing Management* and the *Journal of Product and*

Brand Management. Professor Veloutsou is the co-editor of the Journal of Product and Brand Management since 2014, she is on the editorial board of various Journals including the European Journal of Marketing, the Journal of Brand Management and the Services Theory and Practice, while she has guest edited issues in various Journals. She has been the Conference Chair and a member of the Organising Committee for a number of International Academics Conferences in Marketing and Brand Management.

Communicating Brands in an Increasingly Complex and Global Environment: An Introduction

*Ruiz-Mafe Carla, Aldas-Manzano Joaquin &
Veloutsou Cleopatra*

Marketing as a discipline has been recognised for over half a century. However, what is exciting about this discipline is that it is constantly changing and the topics that are of interest and drive the discipline forward also change. Therefore, it is not surprising that cutting edge research is always needed in marketing. The changes that are currently influencing the way that marketing principles are applied, and marketing thought is moving towards the increased engagement of all the market players with the digital environment, the increased or decreased involvement with brands that move from brand love/hate to ignorance to brands, the increased internationalisation/globalisation and the collective actions of consumers. These advances in the marketing environment and the adopted practices make the development of competitiveness an increasingly hard task for managers. Companies increasingly feel that they are losing control of their brands and the reputation of these brands.

New ideas in research are very often first presented in academic conferences, where academics share their thoughts and give the first insights of the trends. The Athens Institute for Education and Research has been facilitating the creation of marketing knowledge for almost 20 years. Academics from all over the world are meeting in many events in Athens to share their experiences, discuss the trends reported from the practical world, share the theoretical developments in marketing and generate knowledge that can help the marketing as a field to progress. These meetings help primarily academics to better understand the evolution of the marketing discipline, the reason of this evolution and its effect on theoretical and practical thinking.

This book presents cutting edge ideas that were originally presented in various Conferences organized by ATINER over the last years (2014-16) and specifically the 13th, 14th and 15th Annual International Conferences on Marketing (2014, 2015 and 2016), the 4th Annual International Colloquium on Branding (2016) and the 13th Annual International Conference on Small and Medium Sized Enterprises: Management - Marketing - Economic Aspects (2016). The papers included in this collection were reviewed and carefully selected. The 13 contributions come from 29 academics who work in 12 different countries and three continents. The papers are organized into three parts that reflect the developments of the marketing discipline in the last few years. The first part includes papers on Developing and Managing Brand Relationships, the second

part essays on Social Media and User Generated Content, and the last part includes papers linked to strategic issues of Retailing, Competitiveness and Internationalization.

The first part of the book on Developing and Managing Brand Relationships includes five papers on the subject of brand management.

Clearly one of the main trends in brand development is brand co-creation with various stakeholders. Therefore, it is not surprising that there are two papers in the book that focus on brand co-creation, one on co-creation with consumers and the other on co-creation with media. The first chapter, written by Lai-Cheung Leung, conceives consumer brand-relationships as a co-creation process and highlights the role of customer experience as an important branding practice for value creation and differentiation from competitors. His main contribution is to examine how experiences with a brand affect brand equity via the consumer-brand relationship, in a service context. He makes an empirical contribution supporting that the utilitarian brand relationships contribute more to brand equity than affective brand relationships.

The following chapter (Chapter 2) also deals with co-creation. Ana Flávia Hantt and Flávio Brambilla focus on the media sector. Following the Service-Dominant Logic and from a theoretical approach, they analyse how the communication vehicles are using co-creation to develop new formats to media business and strengthen brands. In the authors' opinion, goods and services together generate experiences that are somewhat idiosyncratic, depending on the perception of each customer. Therefore, firms are directed to a consumer strategic integration in order to be competitive. This discussion is applied to the impact of digital tools on communication vehicles. The authors propose the co-creation as an interaction mechanism between communication vehicles and advertisers in which both work together for the creation of new products and strengthen the brand.

In chapter 3 Nicolas Papadopoulos, Michel Rod, Jill Reid and José I. Rojas-Méndez focus on international brand communications and the role of the reputation of places in shaping positive brand reputations. This chapter makes a contribution by exploring for the first time, manager's views of associations between places and brands through a set of in-depth interviews with marketers in various countries. The study establishes a baseline understanding of how managers incorporate place attributes in their international brand strategies, and suggests directions for future research.

Chapter 4 moves from the positive to the negative consumer brand relationships. By means of grounded theory, netnography and non-participant observation over the online environment, Breno de Paula Andrade Cruz and Delane Botelho present a new type of boycott: the Relational Boycott, which is the act by which a consumer ceases to buy from a company because of a frustrating experience in the pre- or post-sale process. Their findings show that the relational boycott is deliberate and represents a primary act of the consumer resulting from the management problems of a company that generates backlash attitudes such as interaction, unity of the group and encouragement of third parties.

The issue of brand portfolio management among B2B companies is further

looked at in chapter 5, the last chapter of this part of the book. Waldemar Pfoertsch, Aaron L. Haußmann and Christian P. Schaefer study the B2B brand portfolio strategy. They argue that the number of complex brand architectures, deploying brands on multiple levels, seems to increase constantly and B2B brand portfolio theory still lacks basic research providing insights on fundamental influencing variables. Managers are aware of strategic and operational challenges involved in the conduct of B2B brand portfolios, but lack knowledge, concepts and consequence. The authors capture and constitute relevant theories, models and strategies from scholarly journals and scientific textbooks to produce the literature review and develop a theory-oriented methodology for the qualitative survey conducted afterwards. They close their contribution providing new insights into success principles in brand portfolio strategy.

The second part of the book includes three papers and brings together consumer enactment on the online environment. This part focuses on issues related to User-Generated Content in Social Media.

The first chapter of this part, Chapter 6, talks about how social media affects customer value. Evangelos Xevelonakis argues that customer referral value is an important factor in reducing customer acquisition costs, so companies should quantify the economic value derived. He suggests a portfolio for identifying the most influential customers based on the criteria of social influence and customer satisfaction and presents empirical evidence of customer referral value being a crucial factor for boosting an enterprise's profitability.

Chapter 7, by Petra Barisic, examines how music festivals can attract domestic and international visitors and generate media exposure for the city. The authors see the musical events as brand ambassadors of their host cities, which represent novelty in the implementation of this concept. The empirical contribution of this chapter determines the nature and extent of social media exposure generated by Ultra Europe musical festival for Split. The coverage of the festival on social media (Wikipedia, Facebook, Twitter, and YouTube) is content analysed for any verbal and written mentions of Split and its associated images. The results show that Ultra Europe is very important ambassador of Split branding. Due to the festival, Split gained huge media exposure and increased the number of tourist arrivals.

The final paper of this part of the book (Chapter 8) by Mei-Ju Chen and Chun-Der Chen deals with group-buying websites. In recent years, owing to the rise of online social media, new types of group buying have appeared and created a new buzz in the business world. The authors develop and test four theoretical hypotheses using experimental design. They apply Toulmin's model of argument and the Elaboration Likelihood Model (ELM) together to predict the relative influence of trust assurances in the context of group-buying websites. Results of the research indicate that the trust assurances of argument quality and source credibility affect consumer's trust in Groupon group-buying website.

The third and last part of the book includes five papers linked to strategic management topics, with two papers on Retailing, two papers on Competitiveness and one paper on Internationalization.

Chapter 9 is a case study of a specific format of retailing in Istanbul, that of shopping malls. Filiz Zeytinoğlu, Mert Uydacı, Ebru Akay, Başak Değerli and Nevin Yerden analyse the impact of the shopping centres and they argue shopping malls also create negative effects besides their benefits in the social and economic sense. They focus on developments between the years 2004 and 2014 of the shopping centres in Istanbul, having the most population density and 30% of shopping centres in Turkey. By statistically analysing the shopping centres in Asian and European sides of Istanbul, they draw a road map of how and where the shopping malls have developed in Istanbul and analyse the changes in service range and internal areas in order to increase their efficiency.

The next chapter draws on goal framing theory and uses data collected via personal interviews. More specifically, Jihyun Kim and Kendra Lapolla give empirical evidence of female U.S. millennial consumers' goals for thrift shopping and consumption. The findings of chapter 10 suggest that gain and hedonic goals are more frequently activated as focal goals among the millennial consumers when it comes to shopping at a thrift retailer. The researchers of this study illuminate this market segment's thrift shopping and consumption behavior to better assist the growing number of thrift retail business in both a traditional brick-and-mortar as well as online retailers such as ThredUp.com, Liketwice.com, and Threadflip.com.

Nicolas Papadopoulos, Leila Hamzaoui-Essoussi, and Alia El Banna examine the role of Investment Promotion Agencies (IPAs) in attracting foreign investors in Chapter 11. After critically reviewing existing research, the authors conclude that IPAs can be a useful tool for FDI attraction, and that much remains to be done to fine-tune their activities so that they can come closer to a true "marketing" model that can address the needs of investors, and the places working to attract them, more effectively.

Chapter 12 also deals also with internationalization, even though at the theoretic descriptive level. Nicolas Papadopoulos, Daniel Gulanowski, and Llyne Plante summarize the literature on the Uppsala approach to internationalization, also known as the stage- or incremental- model of expansion, to examine its development over time in relation to alternative explanations and theoretical developments on internationalization, and address relevant research gaps. The authors suggest that, notwithstanding a variety of alternative approaches, the Uppsala model is still well-positioned to explain the international expansion process.

Finally, Chapter 13 by Ruchi Gupta provides an empirical study of a strategic issue linked to competitiveness, that of the use of surrogate advertising. This strategy is used by manufacturers and advertisers to promote a product in guise of another, when the advertisement of the former is banned by the law of the land. This chapter contributes by analysing a phenomenon that is of an ethical and legal concern in advertising. The practice of surrogate advertising has been used extensively by the liquor and tobacco industry in India. The author discusses the meaning of surrogate advertising, the use of surrogate advertising in the Indian liquor and tobacco industry, laws regulating the same, cases of

surrogate advertising in India and measures to be taken for controlling the same.

We are confident that you find reading the contributions in this book intellectually stimulating and enjoyable and the set of chapters presented in this book provide another piece to the puzzle in better understanding of consumers' relationship with brands, the impact of social media and strategic issues for manufacturers and retailers such as competitiveness and internationalization. We would like to thank all the authors for their submissions and consideration of *ATINER Conferences* as a quality outlet for research. We would also like to thank all the reviewers involved in the assessment of the papers in this issue for providing guidance to the authors on how to improve their submissions.

We also hope to see you in another event organised by ATINER and to share thoughts and experiences and further enhance the development of the marketing knowledge.