### Corporate brand communication through social media in industrial markets

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#### Competitive paper

### Abstract

The present study focuses on corporate brand communication through social media in industrial markets. In the present study we develop a model that gives a holistic view of corporate brand communication of an industrial company in social media. Social media in its many forms has been widely studied within the consumer contexts. However, the role and relevance of the social media in industrial marketing remain unexplored. Our study focuses on examining the social media as a two-way communication process, where the customers are activated to participate, as well. Our research is strongly driven by our qualitatively conducted empirical case study. We have done extensive scanning of industrial firms present in the different social media sites, e.g. Facebook, Twitter and LinkedIn. We looked for industrial firms that actively exploit social media in their communications in unique and interesting way. As a result of this scanning process we selected a firm providing energyefficient and environmentally friendly LED lighting solutions to industrial customers. Netnographic methodology was adopted because of its effectiveness and ability to analyze computer-mediated communications which are in the centre of the present study. The present study contributes to the existing theory on industrial social media marketing by describing how social media can be exploited in creating derived demand. The study shows that social media messaging targets not only the business customers but also the end-users i.e. the customer's customers reaching a much larger audience.

Key words: Industrial marketing, Marketing communications, Social Media, Branding

### Introduction

The present study focuses on corporate brand communication through social media in industrial markets. In industrial markets, the importance of close and personal relationships have been emphasised where as the role of brands and traditional marketing communication has gained lesser emphasis in theory and practise until more recently. The strong emergence of communication technologies in consumer markets and in people's personal lives has raised an interest towards their role in industrial markets as well. Considering corporate brands, traditionally companies have been the primary source of information (Nandan 2005), but over the last years the Internet particularly has sparked a shift in how people and companies communicate with each other. The change has brought a number of advantages and new ways to interact, but carries also many risks that are still difficult to manage. The same dilemma is faced in corporate brand communications. Companies have become face-to-face with the speed of communication, interactivity, ubiquity and transparency (Einwiller & Will 2002), which requires adjustment of corporate brand communication.

The changes taking over traditional corporate brand communication are fundamental and include fragmentation of media and growth of user-generated information sources (Nandan 2005). For marketers, it is important to understand the new set of communication. According to Nandan (2005) time compression has increased communication efficiency and set a pressure to do things quickly. The era of mass communication and broadcasting is now facing the growth of narrowcasting and micromarketing (Nandan 2005). As the ways and tools of corporate brand communication are evolving, there is a desire to utilize these new media (e.g. social media) (Kaplan & Haenlein 2010, Mangold & Faulds 2009).

The overall academic discussion of the change in corporate brand communication and social media has started to gradually shift towards 'how' from the previous 'why' discussion (Michaelidou et al. 2011). Social media represents a significant outcome of the communication change and has introduced a substantial change to communication between companies, communities and individuals (Kiezmann 2011). According to Michaelidou et al. (2011) the previous studies have somewhat covered the benefits of social media for companies, even in the field of usually less-researched business-to-business marketing, but its exploitation sighs for more understanding.

As it is fair to say that social media has become a permanent part of today's business world, it can also be claimed that this is just the start. In the existing studies dealing with social media, the emphasis is usually on consumer marketing and product brands. The big consumer brands such as Coca Cola, Pringles, and Ben & Jerry's have all gained their presence in social media and taken advantage of it for years now. Many of the theories later presented are originate from consumer context. Wind (2006) states that, owing to the new technologies, the line between consumer and business marketing is blurring. Still, in order to contribute something novel for the use of academic and managerial world, the present study takes the standpoint of corporate brands and industrial companies to best capture the opposite of previous studies. As industrial marketers nowadays focus more and more on building corporate brands (Kuhn et al. 2008) the relevance of branding in industrial marketing is evident.

Aim of the present study is to develop a model that gives a holistic view of corporate brand communication of an industrial company in social media. The study aims to contribute to the existing theoretical discussion on corporate branding in industrial markets by answering the question: *How to model corporate brand communication of industrial companies in social* 

*media*? To answer this question, we will first discuss the existing theory of corporate brand communication in industrial markets and social media. This theoretical pre-understanding is further elaborated through a qualitative single case study. Netnography is adopted to analyze the empirical data as it is a method especially designed to study online social interaction that would be difficult to assess otherwise (Langer & Beckmann 2005).

## **Corporate branding in industrial markets**

According to Webster and Keller (2004) industrial companies should emphasize a corporate branding approach, which has a strong emphasis on the whole of the company and on all of its stakeholders. This poses a fundamental difference between branding in consumer markets and branding in business-to-business markets. Traditional business-to-business branding model is based on functional aspects and on matters that are thought to be in the interest of organizational buyers (Mudambi 2002). Webster and Keller (2004) even suggest that the brand is a relationship between the buyer and the seller. This statement, however, is restricted to the dyadic relationship between buyer and seller, excluding other stakeholders. Thus, the present study leans against the below definition:

"... Corporate branding is a systematically planned and implemented process of creating and maintaining favourable images and consequently a favourable reputation of the company as a whole by sending signals to all stakeholders by managing behaviour, communication, and symbolism." (Einwiller & Will 2002)

Differentiation with the help of corporate branding has proved valuable in industrial markets where homogenous products do not offer points of difference but organizations do (Kuhn et al. 2008). Yet corporate branding and corporate brands are not all about differentiation and values but also about belonging (Hatch & Schulz 2003). According to Hatch and Schultz (2003) a working corporate brand expresses the kind of values that appeals to the company's stakeholders and makes them feel a sense of belonging to it. For many companies, the corporate brand also represents the face of the company. It reflects the values, culture and identity of the organization. (Balmer & Gray 2003)

A common perception of corporate brands is that they are a mixture of both corporate brand identity and corporate brand image. For a corporate brand to be strong these two need to be consistent and logically linked to each other. (Hatch & Schultz 2001) Because industrial products are often homogeneous, brand identity has the risk of being ambiguous and general. Instead of focusing on the products, industrial companies build their brands around characteristics of the company: expertise, trustworthiness, ease of doing business, and likeability (Webster & Keller 2004).

Corporate brand communication acts around the corporate brand identity-image linkage in order to minimize or eliminate the gap between these two. A gap in communication exists as the corporate brand identity (encoded by brand originator) and corporate brand image (decoded by brand receiver) differ from each other (Nandan 2005; Schramm 1977). According to Duncan and Moriarty (1998), communication and marketing had three points of theory intersection: *stakeholders, messages and interactivity*. We will employ the identified three intersection areas to examine brand communication on a corporate brand level.

*Stakeholders*. Corporate branding requires dealing with multiple stakeholders like employees, employers, financial community, vendors, suppliers, competitors, regulators, local

communities, customers, media and investors (Duncan & Moriarty 1998; Hatch & Schulz 2003) instead of focusing only on customers. Thus, Duncan and Moriarty's (1998) stakeholder view supports the matter of corporate branding. In this study, we use the classification of stakeholders of Keller and Richey (2006), which is made from the marketing point of view and puts the stakeholders in four different groups. These are *customers*, *employees, marketing partners* (suppliers, distributors, dealers) and *members of the financial community* (shareholders, and investors). Thus, the receiver is represented by any member of the stakeholder group who response to the corporate brand communication and form a corporate brand image.

*Messages*. Signals and information are said to mark *messages* in the communication and marketing theory intersections. In general, messages are a part of the communication process and can be defined as the actual information and impressions that a sender hopes to communicate (Pickton & Broderick 2005). Within the branding research, *the corporate identity* is seen as the foundation of brand communication. Harris and de Chernatony (2001) propose six-components of brand identity: brand vision and culture, positioning, personality, relationships, and presentation, which are expressed through brand messages that need to be strategically consistent and influence the perceptions of the brand positively (Duncan and Moriarty 1998). The six-component model was originally developed to narrow down the gap between corporate brand identity and corporate brand image. The same approach is used in this research to examine the messages that shape the corporate brand.

Brand vision is the core purpose for a brand's existence. Together with *the brand culture* it represents the values of the company and guides its action (Nandan 2005). According to Harris and de Chernatony (2001) vision is the brand's core purpose, which needs to be understood by the employees. Furthermore, the culture encompasses employees' values and assumptions (Harris & de Chernatony 2001) that employees need to clearly understand, as well (Roper & Davies 2007). Organization's culture should be seen in line with the brand's values so that the employees sending corporate brand messages would do it in consistency and in an appropriate and attentive way to all stakeholders (Harris & de Chernatony 2001).

Positioning shows what is unique in a brand emphasizing the characteristics and attributes of a brand. Functional aspects of a corporate brand in industrial markets may include for example quality consistency, supplier reliability and customer service (Lynch & de Chernatony 2004). One way to communicate brand positioning is to convey to stakeholders the benefits that are being offered (Nandan 2005). Thus, an industrial company can aim to brand itself as a reliable partner in terms of business operations or for example as a provider of the latest technological innovations. According to Lynch & de Chernatony (2004), industrial buyers, a very important group of actors, are generally assumed to be rational and not emotional. Thus, it would be assumed that corporate brand communication of industrial companies relates much on positioning.

Brand personality illustrates the human characteristics a brand has (Keller & Richey 2006). Where brand positioning was about the functional characteristics of a brand, brand personality represents the emotional side (Nandan 2005). Although the traditional perception claims that organizational buyers and other actors in industrial markets are not conveyable by emotional aspects of a corporate brand, this perspective has been questioned (e.g. Lynch & de Chernatony 2004), making personality as a relevant aspect for this study, as well. It is said that emotional characteristics evolve from the core of the brand where values are found

(Harris & de Chernatony 2001). According to Keller and Richey (2006) corporate brand personality reflects the employees of a company: their values, actions and words.

Relationships start born, as the company starts communicating about its identity. They are formed between the brand, employees, and other stakeholders under the influence of corporate vision and culture (Nandan 2005). Furthermore, relationships are affected especially by brand personality (Harris & de Chernatony 2001). According to Harris and de Chernatony, the relationships reflect the same kind of values that are inherent in the brand personality. Lynch and de Chernatony (2004) point out that in industrial setting trust, friendship and social needs are present. This emphasizes the important notion of business markets that it is not the businesses that do exchange but the people.

Finally, presentation is the way a corporate brand is identified (Harris & de Chernatony 2001). In general, presentation comprises of the symbolic meanings of a brand. Stakeholders' aspirations should be in the decisive role when developing the presentation style (Nandan 2005) so that they would recognize and perceive it consistent.

*Interactivity.* According to Duncan and Moriarty (1998) brand messages needs to ensure that brand communications are interactive and not just one-way. In terms of marketing communication, *interactivity* is created through two-way communication as combination of feedback and channels. One-way communication is exemplified by mass media advertising and two-way communication by personal selling and customer service (Duncan & Moriarty 1998). Industrial companies tend to use more personal interactions in their business, which bends industrial companies more over the side of two-way communication. Due to the interactivity and two-way communication, the stakeholders become active constituents of the brand communication rather than passive recipients (Gregory, 2007).

Formally stated interactivity occurs when a message is related to at least two previous messages (Rafaeli 1988). Rafaeli's (1988) interactive theory suggests that the most important determinant of interactivity is the quality of the communication. Thus, it can be said that badly formed corporate brand communication will create less interactivity. According to Song & Zinkhan (2008) specific features of the medium are of less importance than message exchange. Song and Zinkhan (2008) continue that to manage and maintain interactive communication, marketers need to consider of enhancing message quality. This applies to the social media, as well, which we will examine further in the next section.

According to Constantinides and Fountain (2008), social media remains as a phenomenon with no generally accepted definition, systematic research on its importance, and effects on the marketing practice. Yet, it is the fastest growing and most popular digital channel of today. Formed out of web-based technologies social media is a set of online and mobile environments focused fundamentally on interactivity. Highly interactive platforms are built on the foundations of Web 2.0 and give social media the ability to facilitate a trialogue: a discussion between the stakeholders with one another and with the company. (Porter et al. 2011; Kiezmann et al. 2011.) Different from a dialogue, the trialogue causes companies to cede some control (Barwise & Meehan 2010).

According to Mayfield (2007) participation encourages openness and conversation in social media, which results in two-way communication. Both participation and conversation occur in communities which offer a place to connect and have rarely no barriers to entry. Social media is perceived as a low-barrier entry channel where individuals, communities and

companies can create, co-create, share, discuss and modify content generated by these same participants (Kiezmann 2011). Social media marketing is referred as interactive marketing (Keller 2010). Thus, to take a step back, it is noticed that social media actually automatically includes one of the two constituents of Duncan and Moriarty's (1998) interactivity: the channels. The other, feedback, does not fall far behind but is still not as automatic as the built-in interactivity of the channels of social media.

In terms of marketing, social media can be categorized as a digital communication channel. A number of companies today are using social media marketing to promote their brands. Thus, in line with Barwise and Meehan (2010), the present study wants to argue Baird & Parasnis (2011) who suggest that social media is about friends and family – not brands. Social media helps companies to reach their specific segments and engage customers to a much greater extent than traditionally thought. (Winer 2009) For example, Michaelidou et al. (2011) suggest social networking sites can support brands by developing and maintaining relationships between business-to-business companies. Furthermore, Webster and Keller (2004) suggest brand communication of an industrial company to be built around the interactive effects of multiple media. Since branding budgets are usually smaller compared to large consumer-focused companies, social media is a reasonable choice of media (Webster & Keller 2004).

Davis Kho (2008) states that properly designed and deployed social media platforms can actually be a greater power to business-to-business companies than to business-to-consumercompanies. Social media tools enable faster and more personalized communication with stakeholders and can enhance corporate credibility and deepen relationships. In industrial setting these are all-important factors in sales decisions and tend to have a higher value and longer-term impact than consumer sales (Davis Kho 2008). With the rise of social media, it seems that corporate communication in general has democratized. For example, social networking sites are designed to facilitate discussion among individuals or communities leaving the companies out of the picture. Easy-to-use social media tools enable communication between any participants with or without the permission of the firm in question (Kiezmann et al. 2011).

The present study divides social media platforms into three different categories: blogs, social networking sites, and content communities. Out of these three social networking sites are the most popular in the use of industrial companies (Stelzner 2011). Categorization is made mixing the classifications of Kaplan and Haenlein (2010) and Constantinides and Fountain (2008) to achieve such division that is applicable to the industrial markets.

## Corporate brand communication of industrial companies in social media

As already discussed, companies use branding strategies as a means to communicate their corporate brand identities (Gehani 2001). Here, corporate brand communication is now inserted into the context of social media. The context of social media is challenging, as the corporate brand communication within social media is constructed through interactive process between the company and its stakeholders. Over-communicated environment leverages the risk of brand identity and brand image to fall further from each other. Now as the digitalization of communication has brought access to massive amounts of data in the hands of anyone and set new standards for interactivity, brand communication requires greater sycronization and customization of messages and dialogue between the actors (Nandan 2005).

To conclude the theoretical discussion, we propose a tentative model of corporate branding in social media in industrial marketing (See Figure 1.) The model is formed based on a novel way to relate the three intersections of marketing and communication theories: *stakeholders, messages and interactivity* (see Duncan & Moriarty 1998). The perspective is lent from industrial markets, corporate branding and social media with an emphasis on the receiver rather than the sender.

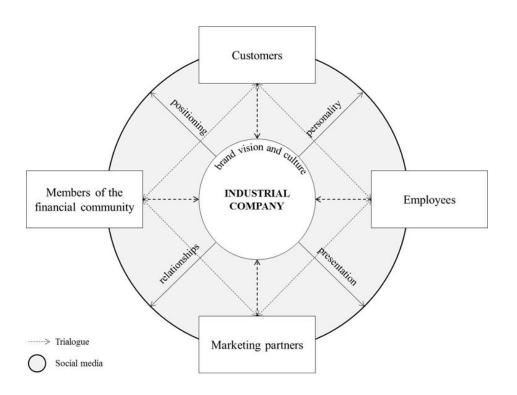


Figure 1. Theoretical model of corporate branding in social media in industrial marketing.

First, corporate branding needs to consider various internal and external *stakeholders* (customers, employees, marketing partners and members of the financial community) instead of focusing only on customer-product relationship. The ultimate brand image resides in the stakeholders' perceptions of the brand. Through corporate brand communications a company aims to have a positive influence on those perceptions.

Second, *messages* in our model stem from within the six building blocks of corporate brand identity: brand vision and culture, positioning, personality, relationships, and presentation (Harris & de Chernatony 2001). Corporate brand vision and culture are placed closer to the company since as stated by Nandan (2005) they guide the action of the whole company. Whether or not the stakeholders decode the brand message in a desired way is greatly dependent upon the suitability of the identity-based communication and chosen channel. However, in the context of social media the stakeholders also have the freedom to participate in the brand communication.

Third, *interactivity* arises as stakeholders connect and engage with one another and with the company creating a trialogue. In our model, the trialogue is marked with the dashed arrows

describing the interactive, two-way communications between the actors. The trialogue exemplifies the very nature of social media and cannot be seen in traditional media. Accordingly, the brand image is ultimately constructed through interactive trialogue between the company and its various stakeholders.

Next the study will continue on with describing research strategy, empirical analysis and adjusting the model.

## **Empirical research strategy**

The empirical part of the study was conducted through a qualitative single case study strategy. The underlying idea was to explore a case example of an industrial firm that is currently employing social media actively and in a multifaceted way. In-depth analysis of a single case enables the use of multiple levels of analysis and the purpose of the study was indeed to examine a complex phenomenon, the use of social media in corporate branding, in a holistic way.

To identify a case company suitable from the perspective of the research aim, online search engines were used to find a suitable case company. In this process, numerous praised business-to-business companies were first reviewed. Companies like Oracle, UPS, Cisco, SteelMaster Buildings and Archer came up several times. Since the amount of top lists and rankings was rather big and constantly changing, it was necessary to go systematically through all the companies. After composing a holistic view of the claimed best business-to-business companies in social media, one more definition needed to be done. The list was narrowed down leaving only industrial companies under evaluation, which meant leaving out e.g. service firms. Finally, one company exceeded the others. Numerous companies, like above mentioned, were active in using some social media tool, but lacked others. Thus we looked for empirical examples of industrial companies that not only actively used social media but ones that had employed social media in their corporate brand communication in a unique and innovative ways compared to those other firms examined. As a result of this scanning process we selected a firm providing energy-efficient and environmentally friendly LED lighting solutions to business customers, named Cree.

The case company was analyzed with the help of netnography. Netnography is used to study communities that only exist in the virtual world and where normal access would prove to be difficult (Langer & Beckmann 2005). Since we conducted the study in the context of social media, it was necessary to access the virtual world. The data collection began by going through the different online environments systematically. Align with the aim of this study we focused only on sites and accounts that are designed for corporate brand communications and excluded the ones that focus specifically on product specific technical details. Thus, the present study outlines the research to five social media platforms including LightInTheLEDRevolution (blog on website), CreeLEDRevolution (Facebook), Cree (LinkedIn), @Cree (Twitter) and CreeInc (YouTube).

Data comprised of social media postings made by the case company and the subsequent comments and / or the discussion made by both the company and the publics. Secondary data was collected from the case company's website and its annual reports. Analysis was completed after the data collection and it was based on the three cross-points of marketing

and communication theories: *stakeholders, messages* and *interactivity*. These three factors were chosen because of their ability to describe the industrial corporate brand communication in social media.

### Description of the case company

Cree is an industrial company founded in 1987. It develops semiconductor solutions for the use of power conversion and wireless communications alongside lighting technologies. In all of its markets, Cree has continued to innovate relentlessly. Cree offers a range of LED products such as blue and green LED chips, high-brightness LEDs and LED bulbs. The company's work can be seen in the streets, in solar panels that generate electricity, in the cell towers that link people together, and in LED televisions. Cree's products have also been offered to homeowners and builders through retail since 2008. Retailing does not exclude Cree from being an industrial company since majority of its products are still sold to business customers. Cree's business partners in LED lighting consist mainly from educational institutions, cities and profit-seeking companies. In addition, LED components are manufactured for the use of for example LED televisions.

One of the challenges in Cree's business was, and still is, the slow change from old technologies to new, greener technologies in the form of LEDs. To speed up the process, Cree created the concept of LED lighting revolution. The concept has come to life especially in social media. Cree's use of social media is extensive. In total the company communicates through twelve different accounts in six different social media platforms. Communication includes stories of Cree's products, career opportunities, overall business and the LED revolution.

### Data collection

The content analyzed comprises communication in previously mentioned social media sites and accounts under later determined periods during the autumn 2011. Next, the data obtained from these five different sites and accounts is being described along with the way of data collection.

Firstly, we looked at Cree's blog, which is a place where readers can learn more about LED lighting; see where it is being used and what kind of results it is showing. The blog is a part of the Lighting the LED Revolution site found in <u>www.creeledrevolution.com</u> and it has been active since November 2009. The study analyzes blog entries made during November 2011. Under this period a total of eight blog posts were made. In total the analyzed data comprised of 13 pages of blog entries and comments.

Secondly, we analysed Cree in Facebook. There Cree can be found under the name "Lighting the LED Revolution". Their presence in Facebook is set in a Facebook page form. The Facebook page is dedicated to inform fans about LED lighting and Cree and has gathered over 3000 fans. Fans are both other Facebook pages and individual users who have voluntarily chosen to like Lighting the LED Revolution page. The main content on the page is found on the so called wall which is a flow of shared content in text form made by Cree or any other Facebook user. In this study, we analyze the content created by Cree and its followers on Lighting the LED Revolution page during November 2011. The data collected

comprises of 20 posts on the wall, eleven comments on the posts and 97 likes. Out of the 20 posts 13 are made by Cree and 7 by other users.

Thirdly, we analysed Cree in Linkedin. Cree seemingly exploits LinkedIn in recruiting. Majority of its updates regard job openings on different locations. Recruiting is indeed maybe the most powerful tool LinkedIn offers. In addition 963 people have marked Cree as their employer as in November 2011. In addition to these, 3399 people follow Cree in LinkedIn. These people will get the updates of Cree posted in their own personal news feed. Cree is somewhat lacking in the use other possibilities provided by LinkedIn. There are no updates other than recruiting-related, nor does Cree actively take part in LED lighting discussions. It is easy to get the impression that Cree only exists in LinkedIn but does not breathe life in it. In terms of data collection, LinkedIn provided the least of it.

Fourthly, we looked at Cree in Twitter. Cree joined Twitter for the first time in September 2008. As the amount of Cree's tweets is extensive, we decided to analyze the tweets and responses posted during November 2011. A period of one month gives more than enough data to be analyzed since Cree is a rather active actor in Twitter. In November 2011 a total of 97 tweets were collected. Out of those 97 tweets 33 were actual status updates by Cree, 55 were comments made by Cree and 9 tweets made of Cree by Cree.

As the fifth social media form, we looked at YouTube. In total, Cree's videos on their CreeInc YouTube channel have been watched a little over 300 000 times by December 2011. Obviously such a number does not compete with the most popular videos in YouTube that have gathered tens of millions of viewers. Instead 300 000 viewers should be acknowledged in the context of industrial markets. The video material comprises of 56 different clips of Cree's business and the most popular of them has gathered over 100 000 views.

YouTube offers viewers a chance to comment on the video. Comments can be written in the marked box below the video where other viewers can see them and comment on existing comments or make new ones. This setting is either enabled or disabled by the video owner. After going through CreeInc's videos not all of them enabled this feature. Instead the five latest videos don't allow viewers to leave comments. All the preceding 51 videos do. Chronologically the change disabling commenting was made in June 2011. Despite the present study focuses on the content created during the autumn 2011 videos uploaded after June 2011 were not analyzed because they disabled the key ingredient of interactivity. We also narrowed the selection down to the three most viewed videos. Not only being the most watched ones, the videos had most comments offering the richest data to be analyzed. In total 129 comments were analyzed.

### Empirical analysis of corporate brand communication in social media

The empirical analysis is based on the before-mentioned data obtained from the five different social media accounts. In the following, we will first start by describing how the different *stakeholders* were involved in the social media. Secondly, we will describe the analysis of the *messages* sent in social media including the elements of brand identity and *interactivity*. The empirical chapter concludes with a synthesis of the empirical findings and theoretical pre-understanding.

#### Stakeholders

Concerning *customers*, the data showed two kinds of signs of customer influence. The case company had succeeded in evoking inquiries from existing and prospective customers and commentary from one customer to another. Thus part of the customer influence happened between the case company and the customer and part between the customers. For prospective customers social media offered an easy channel to look for peer-reviews. This was when the case company was usually left out of the communication since the users wanted to exchange information that was unbiased by marketing. Prospective customers interested in the products took social media as a place to change opinions and seek for advice.

"Did anyone use these light for photography yet cause I'm thinking about using them for studio light let me know please. Thanks." (YouTube, CEO of a stakeholder company)

From the company point-of-view, the above is an example of discussion between customers.

When it comes to *employees*, most of the communication analyzed fell off this category. However, it would be no surprise if employee communication were actually executed through company's internal channels. For example Facebook enables companies to create hidden groups for restricted access. These are not seen by anyone else than the members of the group. With respect to *marketing partners*, one typical type of the connection between the case company and its marketing partners was the way the case company and the distributors communicated with each other. In a number of times distributors and dealers had shared the post made by the case company in their own social network. The corporate brand communication was so emitted not only by the case company but by its marketing partners, as well. This created yet a larger audience for the corporate brand communication.

Marketing partners typically shared and commented posts and content that related either to environmental friendliness or to benefits of the case company's products and services. The most eager to share the posts were other lighting agencies that used the case company's products in their lighting designs for their customers. In relation to *members of the financial community*, for a public listed company like Cree, it seems natural that both individual and company shareholders keep an eye on the company. Thus, it was no surprise to find traces of shareholder interest from social media. The signs were explicit but rare.

"Sorry Cree, but this is not the smartest way to convince people LED is the future . ---. I'm a cab driver in NYC and I put all my savings in Cree stock ---, so please think of something more clever than a melting chocolate bunny." (YouTube, user P)

"Congrats on being identified as an innovative, intellectual property rich company! ---." (Twitter, a company providing financial products and IPR services)

Finally, the role of *end customers* emerged from the data. On the basis of the theoretical preunderstanding, we only focused on the already-discussed four groups. However, based on the analysis we add a fifth group: the end customers. Even though the case company operates in industrial markets, some of the manufactured components are used in consumer products. On the basis of the data, Cree was able to communicate directly with the end customers though the social media. For an industrial company, the linkage between an everyday consumer product and one component inside is challenging to manage. Some known success stories can be identified. For example Intel has been able to brand itself rather successfully even though the product, a processor, is just one part inside a computer or a laptop. Yet the company name and slogan "Intel inside" are well-known and appreciated by consumers. The comment below and its response exemplify how end customers can find it hard to mark off the actual product and the component inside.

"Want to retrofit my kitcheñs 7 can lights and dimmer. What is the deal with home depot showing ecosmart brand but their web site picture shows Cree on the image? Want to shop and research on line and in store. Thanks." (Blog, end customer R)

"Hi R, So excited you"re eager to bring LED lighting into your home. We manufacture the EcoSmart LED downlight for Home Depot, which is why the product image features our sticker. I"ve emailed you." (Blog, end customer G)

Being indirectly involved in consumer markets is far-fetched in comparison to the traditional perceptions of industrial markets. For an industrial company it sets new challenges for marketing. The case company had found a way to work around this challenge, one corresponding to Intel. Branding themselves as the LED revolutionaries, the case company communicates especially about the idea behind their products and not solely about the products. Taking a step back and creating discussion around the LED technology seemingly increases the interest of the products also. And most importantly, the discussion is generated among end customers. For example, the following comments were left after the case company published a video that showed the benefits of LED technology (mainly lamps) in comparison to old technology.

"Awesome guys! I'll take 20. I'm so tired of these idiotic mercury-filled nightmares. I'll take your bulbs that last years longer, and don't require a trip to the HAZMAT site for disposal. These guys who think your LEDs are too expensive are just a little thin on vision. Make sure I can buy them at Lowes, Home Depot, etc. Thx! <3" (YouTube, pen-name M)

"I wait for the day when this comes to stores." (YouTube, pen-name MU)

"And Now I 'gotta run out and get one! :D" (YouTube, pen-name RH)

### Messages

To start with *positioning*, in Facebook, the case company recently announced of a new service launch. A simple announcement anyhow included a side of corporate brand positioning by presenting the advertisement from the benefit's point-of-view.

"Our new LED luminaire testing services help customers avoid mistakes, allowing them to get their LED lighting products to market faster." (Facebook, Lighting the LED Revolution)

Even though this post did not generate any comments, there were 10 people who liked the post. Among these 10 were for example an engineer from a subsidiary of the case company and an employee of a partner company.

With respect to *personality*, the case company invests great effort in cause-related marketing in the form of environment friendliness and awareness. The cause is appreciated among the public and has become a popular topic in the case company's social media communication.

"LEDs are the best option Period. Mercury based lighting must be phased out, it contaminants our local waterways and wetlands. "Over 500 million mercury-lamps per year put into some type of solid waste container and managed as municipal solid waste. ---. Please dispose of all

florescent lighting at approved drop of facilities no matter the inconvenience." (Blog, retailer R)

Brand personality resonates in a strong positive way in the case company's corporate brand communication in social media. The success and choice as the case company for the present study was greatly due to the relatable, appealing and passionate way the company uses its social media in corporate branding through various channels.

Concerning *relationships*, the case company showed some examples of how to bring front the people stakeholders would meet if they were to see them in person and not in social media. Thus the purpose is to give face to the otherwise faceless communication. Although in this study, the pennames of the commentators have been changed, a great aspect of social media on the other hand is that the stakeholders are identifiable at least to some extent. For example most of the commentators from the collected data were traced back to individuals with the help of their pen names leading to specific user profiles on social networking sites. A company on the other hand can make their personality more explicit by stating who actually wrote the post. This way the company and the stakeholder can continue on with the conversation and build a relationship. To nurture the relationships, the company may also openly show their appreciation to their audience in social media.

"Happy Thanksgiving! We are thankful to that the world is starting to grasp the importance of energy efficiency. And, of course, we're thankful for you, our fans!" (Facebook, Cree)

When the *presentation* form appealed to the stakeholders, many were applauding for the creativity. The below tweets are responses of the case company to the many thanks they received on their presentations.

"Thanks for retweeting our 90s flashback! Hope it brought back some good memories for you!" (Twitter, Cree)

Creativity affected also interactivity which will be analyzed in the next section. The higher the perceived quality of the message, in terms of its content and presentation and to which extent it appealed to stakeholders' aspirations, the higher the level of interactivity.

### Interactivity

Finally, looking at the interactivity in the data, all of the case company's corporate brand communication channels in social media included a commenting possibility. Thus every message sent from the company offered the possibility to interact with it. Most often the interaction was made between stakeholders to stakeholder. The case company was often only the sender of the corporate brand message and not so much the commentator. Feedback was also one constitute of interactivity and there was a lot of it.

"I love my Cree LED fixtures in my kitchen, but they strobe at a high frequency when dimmed. I hope that the dimming circuit in this one is better! Keep up the push to improve the technology, Cree! ---. By the way, you could really use a better microphone - voiceover was hard to understand." (YouTube, pen-name MJ)

"Is it possible to copy this video and put it on my desktop on my laptop? I have just recently started to rep some of CREE's products; it would be a great and fun demo video." (YouTube, anonymous user)

In the following section, we describe the empirically adjusted theoretical framework of our study.

## Empirically adjusted theoretical framework

Based on the empirical analysis, it was obvious that the importance of end customers is crucial. Thus we have added this layer of stakeholders into the outer-circle of our model. Empirical analysis indicates that end customers generate demand for the end products thus increasing the demand for the case company's products as well. Derived demand is so created. No traits needed to be removed from the topic of messages. Positioning, personality, presentation and relationships were all seen in the corporate brand communication of the case company. Interestingly, the trait that caused most commenting and sense of community among the users was personality. It was clearly the one towards which the customers and end customers were most drawn to. When it comes to interactivity, not much needed to be done. Social media as a communication platform is already built-in with the other constituent of interactivity, the channels. This feature was utilized in all of the case company's corporate brand communication accounts in social media.

Finally, based on our results it is indicated to remove two of the original stakeholder groups. Interestingly, the analysis showed only little traces of members of the financial community and employees. The reasons for this can be various, but on the basis of our data, the communication in social media in the analysed channels was more concerned with the customers and marketing partners than the two other stakeholder groups.

In the following, the empirically adjusted model of corporate brand communication in social media in industrial marketing is presented (See Figure 2).

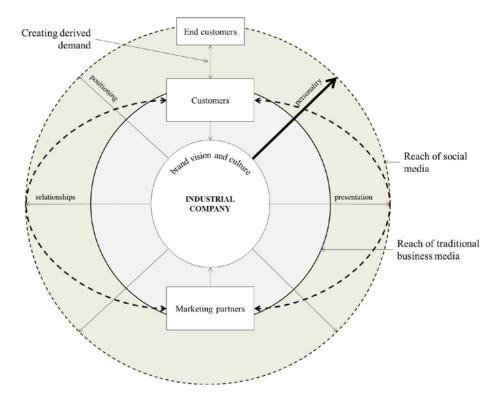


Figure 2. Empirically adjusted model of corporate branding in social media in industrial marketing.

#### Conclusions

The present study was able to develop and empirically adjust the model of corporate brand communication of an industrial company in social media. *Firstly*, a significant contribution of our study is that as social media enables the company to communicate further than traditionally, the audience grows to comprise end customers also. Discussion between the end customers, the customers and the company starts growingly to result in higher demand. To achieve this, it requires the industrial company's goods to be used as a part of a consumable item. Mudambi et al. (1997) don't find this unusual, which strengthens our findings.

Secondly, our results indicate that the context of social media proved that at least in terms of corporate brand communication, old barrier in industrial markets set by immediate customers can be broken through. According to traditional beliefs, business-to-business companies are segregated from their downstream customers by their immediate customers. Separation is known to complicate the interaction between the industrial company and its downstream customers (Hillebrand & Biemans 2011). Our case company was able to communicate its corporate brand to not only its close circle of stakeholders but also to the end customers. It can no longer been neglected that social media changes the traditional principles of industrial marketing.

*Thirdly*, the end customers are forgotten in the traditional stakeholder classification (see e.g. Mitchell, Agle & Wood 1997; Scott & Lane 2000.) We suggest it is inter alia due to the setting of industrial markets where the line is drawn to business customers (e.g. Kotler & Pfoertsch 2007) and not so much on the customers' customers. For an industrial company, the linkage between an everyday consumer product and one component inside is hard to market. Some known success stories have been born though. For example, Intel has been able to

brand itself rather successfully even though the product, a processor, is just one part inside a computer or a laptop. Yet the company name and slogan "Intel inside" are well known and appreciated by consumers. Here the corporate brand communication of the case company had reached the end customers as well and made them want to buy the end products thus creating derived demand. In fact, *fourthly*, according to our results, marketing partners were one big group of actors through which the original corporate brand communication emits further than initially thought and even breaks down the barrier between the stakeholders and larger audiences.

*Fifthly*, it was found that not all the stakeholders were in centre in corporate brand communication in social media. Members of the financial community and employees were not actively involved in the analysed discussions, but reasons for this were not explored in the present study. It might well be that the social media used in the case company is directed more towards customers and marketing partners. *As an important finding*, related to this, our study gives support to the study of Lynch and de Chernatony (2004) who challenged the traditional view concerning attributes that affect buying decisions in industrial markets. In the context of social media, the meaning of emotional attributes (personality) grew more than the meaning of functional attributes (positioning). As an example, the case company used cause-related marketing (see e.g. Einstein, 2012), which appealed especially to end customers.

*Finally*, for the part of interactivity, we followed the definitions of Duncan and Moriarty (1998) and Rafaeli (1988). Research findings over this matter were not necessarily groundbreaking since the prerequisites for interactivity were already built inside the context of social media. Some supplemental notions were made based on the industrial setting. According to the empirical analysis, interactivity between the stakeholders was stronger than interactivity between the company and the stakeholders. The company was responsible of creating the content over what the stakeholders then interacted. Similar results were found also in the study by Mäläskä and Nadeem (2012). The study supports the notion of Rafaeli (1988) that the higher the quality of the messages, the higher the level of interactivity. Also feedback, the other constituent of interactivity besides channels, was given as a response to the cause-related marketing. The highest level of interactivity was found from content communities and social networking sites.

## Managerial implications

The present study should be seen as an encouragement for industrial companies to start better utilizing social media in corporate brand communication. The study was able to uncover the best ways to use social media in industrial markets and to formulate a model of industrial corporate brand communication in social media. The results revealed many important issues to be taken into consideration for industrial marketers.

According to our study, targeting the corporate brand communication in social media towards customers, marketing partners and end customers is the most productive. Employees and members of the financial community on the other hand do not seem to have such a strong and public presence in social media, or they can be communicated through other media. This gives a clear message of the target groups to managers and marketers. Knowing who the audience is makes it also easier to build matching messages. The focus of corporate brand communication in social media should be on brand personality and brand positioning especially for customers and end customers.

Industrial companies should emphasize the end customers to create (derived) demand. According to the study, end customers are best reached through Facebook, Twitter and YouTube. Communication in these channels should be done in an easy-to-understand way since end customers usually lack the knowledge of professional and technical vocabulary. An efficient way to round unnecessary use of such vocabulary is to generate discussions around common consumer markets in which the industrial good potentially exists.

An efficient way to conduct corporate brand communication in social media is to build a sense of community around the ideology behind the products and the industry. An industrial company should build its corporate brand image upon a matter that appeals to a larger audience. This will gather more followers than traditional corporate brands. Wind power companies can built their community around clean energy, metal industry companies could utilize the matter of recycling raw materials if applicable, and information technology companies to the use of new life-changing solutions.

## Evaluation of the research

In qualitative research, the quality of the research is intertwined in all of the decisions and interpretations made by the researchers throughout the process. Adopting the traditional evaluation criteria of reliability the quality of the study can be examined. Basically, reliability in qualitative research takes into account how well the research process has been described and documented so that it would be possible to evaluate the study (Yin 1994). Reliability of the present study was improved by carefully planning the research methodology and the data collection.

Netnography provides a reliable way to collect data since the same data can be collected by anyone anytime. We have specified the periods and channels from which the data, accessible to anyone, was and can be collected again if necessary. The data was also changed to offline text format to make sure it could be used later. We have carefully documented every step of the data gathering and reported its highlights in the methodology chapter. The interpretations made in the empirical analysis are supported by direct quotations from the empirical data. This makes it possible for the reader to follow the chain of evidence behind our claims (Stake 2005). However, qualitative research and its results are still always subjective and depend on the interpretation of the researcher.

Although the nature of data can be seen as source of quality, it also has implications on the reliability of the data in the sense that if the same data would be collected again now, there would probably be more comments and new users engaged in the discussion since interactivity cannot be stopped in social media. This of course could bring some new insights to the analysis as the data would be richer than at the time of the data collection. Related to netnography, ethical aspects must be evaluated as well. We used data that is accessible for anyone in the internet and thus using data quotations in this study is legitimized. However, to increase anonymity of the commentators we changed the pen-names they have used in their social media comments.

## Further research

Probably the most intriguing topic for further research is the relation between derived demand and social media. To corroborate the findings of this study, more research is needed. Further research is applicable to business-to-business markets and even to consumer markets

which make the research field even more interesting. The whole topic can be scrutinized from different view-points: from different markets and industries to product versus corporate communication and so on. One natural starting point would be using the present study as a preface and continuing on deeper research by studying which individual matters actually create derived demand in social media in industrial setting. Studying causality could also present another type of interesting approach for further research, as well as deepening the research on different roles the stakeholders have in digital brand communications of the industrial companies.

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