

Developing Interactive Branding in Business Networks

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ABSTRACT

Research on business relationships in industrial marketing and networks has mostly focused on developing cooperative relationships and mutual interdependencies based on e.g. trust, commitment and co-created value. It is important to note that interactions form the key in this process by developing ‘jointness’, denoting a mutual perspective between different actors. Socially constructed value-mechanisms of relationships, such as trust and commitment, influence the position and a role of an actor in the network. These processes affect corporate identity and reputation, and result in the attractiveness of a corporate brand. However, current research on corporate branding in business marketing has mostly been focused on a single company and one-firm’s perspective on identity or reputation. In this cross-disciplinary field of research, the joint connections between companies have not been noted explicitly or deeply enough. Moreover, in the interaction and network research of the IMP-group, the notion of corporate brands and branding has so far been largely neglected and isolated from interactive business relationships between firms.

In order to respond to these research gaps, two conceptual models are developed, where internal and external dimensions of branding are interactively and contextually aligned and seen from a relationship-based perspective. As an outcome, a mutual branding dimension is formed, as an ‘in-between’ matter residing in the relational actor’s space. Thus, our proposition here is that this view results in a strategic concept, which is named *Interactive Branding* in business networks. Based on this idea, the paper contributes to current business marketing and corporate branding literature by extending the knowledge of business-to-business relationships and corporate brands.

Keywords: *Interactive branding, business relationships, networks, interactions, corporate brand identity, reputation.*

INTRODUCTION

A significant amount of research in marketing has recently been done that considers corporate branding. Most of this research, however, has been focused on consumer markets and defined branding as a practice of advertising the brand through the name of the company. Nevertheless, recently business marketers and researchers have also realized the importance of branding. As Balmer & Gray (2003, p. 972) have noted: “Adored, venerated and coveted by customers and organizations alike, corporate brands represent one of the most fascinating phenomena of the business environment in the twenty-first century”. Thus, corporate branding can be best described as an activity of a single company and its business units with the purpose of creating a persistent corporate image and reputation for the firm in the mindsets of other actors in the network (Schultz & Chernatony 2002, Bengtsson & Servais 2005). Branding is a consistently and thoughtfully planned and performed process that involves interactions of different business actors connected with a focal company (e.g. van Riel & van Bruggen 2002, Balmer & Gray 2003). The corporate brand can also act as a risk reduction mechanism in the early stages of the business relationship, even before mutual trust has been accomplished. However, despite the benefits and importance of corporate branding, there is still a clear gap as regards how it should be studied and implemented in business marketing practice (Know & Bickerton 2003, Birkstedt 2012).

The research on corporate brand management takes place across several research disciplines and functions, where each discipline has taken specific perspectives on branding. Going through the literature in marketing, management, economics, organizational behavior, design, graphics arts, strategy, and sociology, a multitude of different concepts and conceptual frameworks are proposed (Mukherjee & Balmer 2008). Therefore, we are exploring corporate branding from a relational perspective, having in mind that “...no discipline alone provides the full spectrum of knowledge needed for successful corporate brand management” (Schultz & Hatch 2005, p. 341). The foundation for the paper is furthermore sought from the fields of business marketing and organization studies. Taking our specific perspective on this fairly novel research area of corporate brands motivates this choice.

Starting from business marketing studies, a relationship perspective has dominated the field since the 1980s (Håkansson 1982). In marketing between corporations, a clear strand of literature concerning interaction in dyads and interdependent networks, where mutual value processes are embedded, has developed into a notable approach in this field. By taking this perspective, we aim to add to current literature by aligning corporate branding with the interaction and network approach of the IMP Group (Håkansson 1982, Håkansson & Snehota 1995, Ford (ed.) 2004, Håkansson, Ford, Gadde, Snehota, & Waluszewski 2009). Being interactive by nature, business firms are embedded in relational networks between other connected business actors. Specifically within this view, the branding processes can be added into the study of business-to-business relationships.

However, industrial branding has received only scant attention among IMP researchers. The existing research is very limited and mostly focused on product brands, or on analyzing and comparing differences between business vs. consumer markets concerning branding. Nevertheless, we have detected a few authors (e.g. Bengtsson & Servais 2005, Schultz & de Chernatony 2002) that have attempted to conceptualize the phenomenon of corporate brands in connection with business relationships. These authors have developed new viewpoints, and some of these conceptual contributions will be taken into consideration here (see Table 1 below).

The first objective of this paper is to add to current literature by bringing together contributions from corporate branding and business-to-business marketing studies. The blending of these two frameworks needs a specific conceptual-theoretical framework in an interactive and network

Competitive paper context. Therefore, the chosen *Interactive Branding* approach, proposes that interaction forms a key in this process by developing value-based relational interdependencies between different actors (Håkansson & Snehota 1995, 2006) in direct and indirect business relationships embedded in a network. The second objective of the paper is to develop relevant conceptual models for the study of Interactive Branding in business networks.

The paper is theoretical in scope and relies on extant literature from the two chosen fields of research. The structure is divided into four main parts. First, the chosen literature is reviewed within the field of corporate branding, focusing on organization theory and business marketing, especially in relation to the IMP research on business relationships and corporate branding. Second, two models of Interactive Branding are developed by using two interactive perspectives. The first model illustrates a focal actor embedded in a network with three interactive dimensions related to branding. The second one is more complex offering a dyadic perspective embedded in a network. These two proposed models represent Interactive Branding in business networks. Finally, the implications for academics and practitioners are brought into focus in the concluding section, together with suggestions for future research.

LITERATURE REVIEW

This review aims to discover how branding has been developing recently in marketing, and how corporate branding has evolved out of this process. Following the development, perspectives in business marketing are examined in relation to corporate brands. As previously noted, interactive and relational approaches have been largely lacking. Therefore, we aim to see how corporate branding fits into this approach and how it can be conceptually relevant. An extensive review of all existing literature in marketing and organization research is far beyond the scope of this paper. Instead, the following two sections will examine the limitations and gaps in business marketing and in the field of organization theory, and give a plausible solution through constructing research models.

Evolution of branding literature

Starting with branding in general, extensive research is conducted in business-to-consumer contexts, where branding has been conceptualized as a continuous process of adding value to a specific product with the goal of attracting loyal customers (Farquhar 1989, Aaker 1996). Alternatively, business-to-business branding has been studied, but to a limited extent. A reason for this has been the belief that branding industrial products is ineffective, considering that large industrial companies mostly have a great number of products and often just a few key customers (Bendixen et al. 2004, Lynch & de Chernatony 2007). Focusing on this view, there seems to be little reason in branding each of these many products separately. Another plausible reason is the general view on branding where efficiency is sought at a consumer level with the end goal being to evoke emotions, brand satisfaction, and consumer attachment to the specific product or service (Leek & Christodoulides 2001). Therefore, it has been postulated that branding plays no role in the business market, which is traditionally defined as more rational and free from emotions, especially in, for instance, industrial decision-making processes (Robinson, Faris, Wind 1967). This leads to the conclusion that in the business-to-business field branding should focus on corporate brands instead, which are seen as more relevant to study (Aspara & Tikkanen 2008, Leek & Christodoulides 2011). Recently, some authors have agreed that there has already been a shift from product brands to corporate brands, which has raised interest both in theory and practice (Know & Bickerton 2003, Harris & de Chernatony 2001). Corporate brands are therefore viewed as the most valuable assets in branding (Balmer & Gray 2003).

Although there has recently been a growing interest in corporate brands in the B2B field, conceptualization of these contributions is still underdeveloped and sometimes even confusing (cf. e.g. Aspara & Tikkanen, 2008). As Ind (1997, p. 2) noted: “Corporate branding is one of those things that everyone believes is important, yet there is very little consensus as to what it means”. Initially, in the early 1990s, corporate brands were conceptualized mainly through their visual and graphic design (Aaker, 1991). The use of symbols, the logos of the company, colors, etc. all played an important role in building the company’s identity and reputation, while also communicating its strategy in the market where it operated. Acknowledgment of this can be found in the visual design literature (for a closer examination see Simoes et al. 2005). However, researchers nowadays have broadened their perspectives and corporate branding is understood to be a part of a multidisciplinary field of research, which combines different approaches and aims towards a better understanding of its main constituents. Different disciplines and currents of research have influenced the various conceptual definitions and meaning on corporate branding in general (for a closer examination see Aspara & Tikkanen 2008). Considering the scope of this paper, the focus is on business marketing and an inter-organizational perspective (Schultz & Hatch 2005), bearing in mind their significant importance and slightly opposing views concerning corporate branding.

Starting with the marketing discipline, the work of Balmer (2001, 2005), Balmer & Gray (1999, 2003), Balmer & Greyser (2003, 2006), Mukherjee & Balmer (2008) will be closely examined here. As has been noted, industrial branding is mostly focused on the capability of a company to communicate its product(s) externally. Understanding of a corporate brand is therefore taken as just an extension of this and seen as the highest level of a product brand, in which the whole organization is included. Because of the belief that the corporate brand is at the top level in the hierarchy of branding (Keller 2003, Simoes et al. 2005), marketing has used the same strategy to operate with both corporate and product brands; this being mostly studied within the business-to-consumer field. Thus, an issue to note here is the need for a conceptualization of corporate branding from a business market perspective. Furthermore, as Balmer and Gray (2003) have noted, the need for an internal view of a company is also missing. The authors describe this as the level presented by the employees of the company, which is important for the success of the corporate brand and development of the company in general (op. cit.).

The field of organizational theory can contribute to this specific marketing field by focusing and analyzing the internal perspective of an organization, how is it organized and what this entails (Aaker & Joachimsthaler 2000, Olins 2000, Aaker 1996, Schultz & Hatch 2005; 2007). An internal view is studied through e.g. corporate employees and their human insights and emotions (Albert, Ashforth and Dutton, 2000; Hatch and Schultz, 2001; Simoes et al. 2005). Furthermore, the importance of corporate brands lies in their sustainability, i.e. how they existed in the past, how do they exist in the present, and how they will they exist in the future? (Schultz & Hatch 2003). This process of time is an important factor for every corporation and implicitly gives enormous value to corporate branding. However, the missing link in organizational studies is the neglected existence of external actors in the embedded business network where business firms operate. Therefore, organization theory pre-dominantly lacks an external relational perspective, which is explicit in the marketing discipline.

To summarize, even though each of the noted perspectives has their own strengths, some clear definitions, conceptualizations, and understanding of the role of corporate brands in interactive business marketing field are still lacking. The limitations of research in general marketing as well as organization theory concern the fact that their main focus is on the organizational dimensions and perspectives, such as the role of internal employees’ or the external buyers’. Despite the difficulties of setting up a link between disciplines, it is worthwhile to note that a relational view plays an important role in both these fields of inquiry. Further, corporate branding should be considered as a process, the purpose of which is to enhance the value of a

corporate brand, both internally and externally (see similar notions by Hatch & Schultz 2001 and Schultz & de Chernatony 2002). Thus, business interactions and relationships are building a bridge between these two streams of literature. We now consider this conceptual field in more detail.

The literature of business relationships and corporate brands

From the perspective of business networks and relationships, it might seem as if corporate brands have partially lost their importance. Starting from the branding research in business marketing, only a limited number of articles that deals with this topic have recently been published (for a closer examination see the review by Leek & Christodoulides 2011). Researchers have explored the characteristics and importance of branding in business relationships and are in agreement concerning the potential power and a value of industrial brands, both for buyers and suppliers. However, as already mentioned, most research is still focused solely on product brands (Farquhar 1989, Aaker 1996), with scant attention given to corporate brands and their role in business relationships.

Although the value of business relationships in networks has been broadly researched (see e.g. Anderson & Narus 1998, Morgan & Hunt 1994, Ulaga 2001, Ulaga & Eggert 2006), the connection to and importance of corporate brands, have not been recognized explicitly. For instance, as Anderson, Håkansson & Johanson (1994, p. 4) noted: “Network identity is meant to capture the perceived attractiveness of a firm as an exchange partner... It refers to how firms see themselves in the network and how they are seen by other network actors.” This view relates clearly to a corporate brand identity, including the reputation a business actor possesses in the embedded network, at a certain point in time. This reputation is the result of previous actions and interactions and the perceived and factual value outcomes of these processes in the present. Identity is within the firm and communicated externally to others, and creates the reputation in the eyes of other business partners. Reputation also is future ‘loaded’ in the sense that it gives a basis for other firms to develop business relationships for the future or enhance current relationships. Moreover, the authors talk about the attractiveness of a company as a potential partner, and about the more ‘general perception’ of their own view about its attractiveness in relation to other companies in the network where it is connected. All these concepts can also be found in branding literature, which provides an overlap of branding with business relationship literature, as shown in Table 1.

Some authors have, however noted the importance of corporate brands directly interlinked with business relationships. For instance, Bengtsson & Servais (2005) refer to Mudambi, Doyle & Wong (1997) in their description of the importance of business relationships with “well-known” suppliers. These suppliers are the ones having a positive image and reputation on the market, which can result in the creation of trust. Some of the concepts from the IMP literature such as trust, commitment, and attractiveness are broadly studied in the area of corporate brands and branding, but strangely unrelated to each other. The reason for this gap could be the dominant and accepted, one-firm perspective on corporate brands and dyadic perspective on business relationships, which results in slightly different definitions of the same terms. However, one-firm perspective neglects the mutual dimension and interaction process between connected firms concerning the branding dimension.

Table 1: Summary of the key concepts that define corporate brands and business relationships

	Focal constructs	Key authors
Corporate brand Literature	Heritage, capabilities and assets, people, values and priorities, local or global, citizenship, performance	Aaker, 2004
	Marks, image, symbols, means, conduit	Balmer & Gray, 2003
	Vision, culture, positioning, relationships, personality, presentation, reputation, brand identity	Harris & de Chernatony, 2001
	Vision, culture, image, identity	Hatch & Schultz, 2009
	Value proposition, brand positioning, commitment, relationships, expression, personality, core values, culture, mission & vision, competences (as elements of identity)	Urde, 2013
	Relevance, trustworthiness, culture, personality, credibility, reliability, responsibility, willingness-to-support, recognizability (as elements of reputation)	Urde & Greyser, 2014
IMP and business relationships literature	Image, identity, reputation, trust, business relationships, actors, resources, activities	Bengtsson & Servais, 2005
	Activities, actors, resources, identity, relationship commitment, attractiveness	Anderson, Håkansson & Johanson, 1994
	Network positions, actor, resources, trust, relationships, interdependency	Johanson & Mattson, 1992
	Partnership solutions, judgments, sales, force, relationships, performance, reputation	Leek & Christodoulides, 2011
	Functional and emotional brand value, relationship value	Leek & Christodoulides, 2012
	Attractiveness, business relationships, trust, commitment, relationship network identity	Mortensen, 2012

Source: Partially based on Mukherjee & Balmer 2008

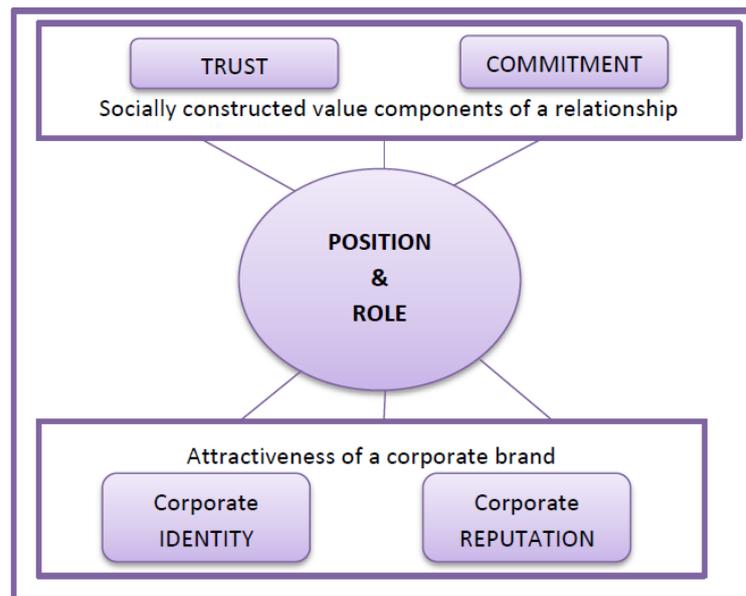
In a Table 1, we have summarized similarities of key concepts found within the two strands of literature focused on in this review. It can be noted that concepts relating to the corporate brand and branding issue is rich and many-sided conceptual challenge. However, we pinpoint that a network perspective exist when we consider the relevant concepts from interactive relationship marketing and the IMP research.

CONCEPTUAL DEVELOPMENT OF INTERACTIVE BRANDING

As has been noted, corporate brand literature mainly focus on a monadic, one-firm perspective with a deeper focus on its external or internal dimension, neglecting the significance of mutual and relational dimensions or other business actors in the environment. In short, it can be noted that the corporate branding is an activity of a single firm. In contrast, the IMP literature has realized the importance of corporate identity and reputation in the network, but has mostly avoided using these terms in relation to corporate branding. Instead, the IMP is using similar terms for business relationships.

In order to understand these connections, we start from a position and a role of an actor in a business network, as presented in the Fig. 1. It is necessary to keep in mind that even though a single-actor perspective has a focus on one company, that company is always embedded in a network of other actors and business relationships (Cook & Emerson 1978, Håkansson & Snehota 1995). Thus, this perspective deviates significantly from the traditional monadic view of corporate branding literature. We also note the network as being the landscape where this process unfolds, which is not the classic “market” perspective. The model is divided into two main parts. One part consists of socially constructed, relationship value components where trust and commitment play a significant role (cf. Table 1.). These social components will be discussed further in this section. The second part consists of the attractiveness of corporate brands, conceptualized through corporate identity and reputation. Details about these concepts are also given in the forthcoming sections.

Starting with the socially constructed relationship value components, it is important to note that besides trust and commitment, other related concepts such as e.g. loyalty and cooperation have been used in the IMP research. However, based on the scope of this article, we focus on trust and commitment as the key concepts. We further suggest that trust and commitment affect both the position (a structural network dimension) and role (denoting the specific activity) of the actor in interactions with its key business partners. How this specific position and role is (and has been) interacted affects how attractive an actor is perceived and weighted in the eyes of its counterparts. *Trust* is defined as: “...short-hand for two sets of individuals each of which is trusting the organization of which the others are members“. (Blois 1999, p. 210). This definition shows the importance of human-managerial actors who represent organizations and interact with each other. Trust is also connected with the reputation of a corporate brand and as such can be a pre-condition for a business relationship (Bengtsson & Servais 2005). *Commitment*, however, deals with “the desire to develop a stable relationship, a willingness to make short-term sacrifices to maintain the relationship, and a confidence in the stability of the relationship” (Anderson & Weitz 1992, p. 191). It is connected with a corporate brand through bringing stability and future promise for business partners. Therefore, we can conclude that trust and commitment are closely interrelated concepts that represent the process of interaction between human actors representing their organizations (Tyler & Doerfel 2006).

Fig. 1: Position and role of an actor in a Business Network

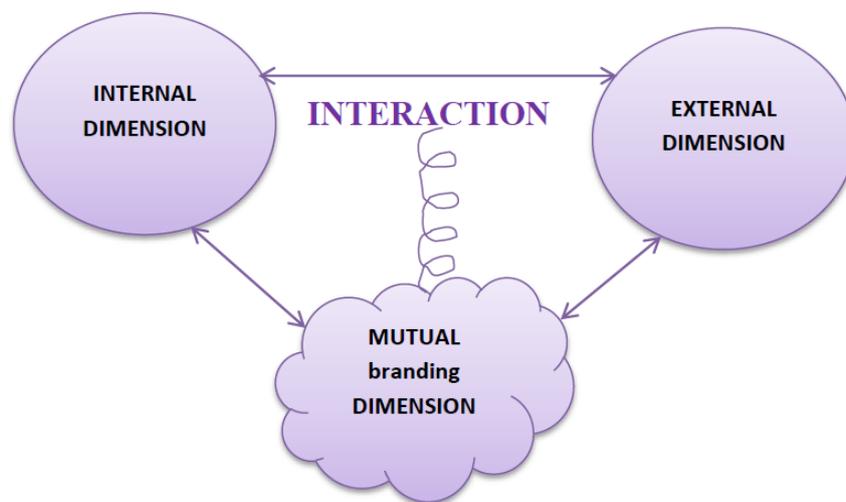
Following this conceptual framework and ideas, we looked for a cross-disciplinary solution in order to connect the proposed concepts and their relevance for business actors embedded in networks. As the organization theorists Schultz & Hatch (2005, p. 343) have noted: “If we begin to accept the need for comprehensive, integrated frameworks while opening up to multiple disciplines, more realistic and actionable guidelines are likely to emerge”. Therefore, the concept of Interactive Branding (I-Branding) is defined here as the total perceived value outcome of mutual interactive processes and direct and indirect relationships between all business actors in a network. Its value is socially constructed, interacted through human actors, and built on elements of mutual trust and commitment. Besides that, it develops jointness of business actors, regarding their mutual influence on each other’s identities and reputations in a network. The final goal is the creation of a stronger position and role in the network through the process of mutual, direct and indirect interactions between different actors.

The central concepts of position and role held by an actor in a network at a specific point in time forms a strategic issue to consider. Position relates to the actor in a network structure in connected business relationships where socially constructed value is defined through mutual trust and commitment (Anderson et al. 1994). It can also be described as a strategic action that a firm uses to influence its specifically held position in the eyes of other actors (Johanson & Mattsson, 1992). In other words, I-Branding can be understood as the main activity of a network, e.g. a process of building capabilities and corporate reputations of business actors embedded in a network. It is expected by other actors that a firm will act according to its norms, which are linked with the position in the network (Mattsson 1985). Furthermore, the role relates to how well an actor constructs meaning from its position, where the position simultaneously can shape and be shaped by being accepted in a role (Nyström, Ramström & Törnroos 2014). Therefore, over time, actors build and gain a specific position in a network and play their role accordingly (Håkansson 1987). However, the importance of individuals as human actors and representatives of companies should be highlighted as well. Through the process of interaction individuals create and influence the role of a company in a specific network (Nyström et al. 2014). As a result, the acquired corporate reputation and how others perceive its identity forms the attractiveness of the corporate brand as regards both existing and potential partners.

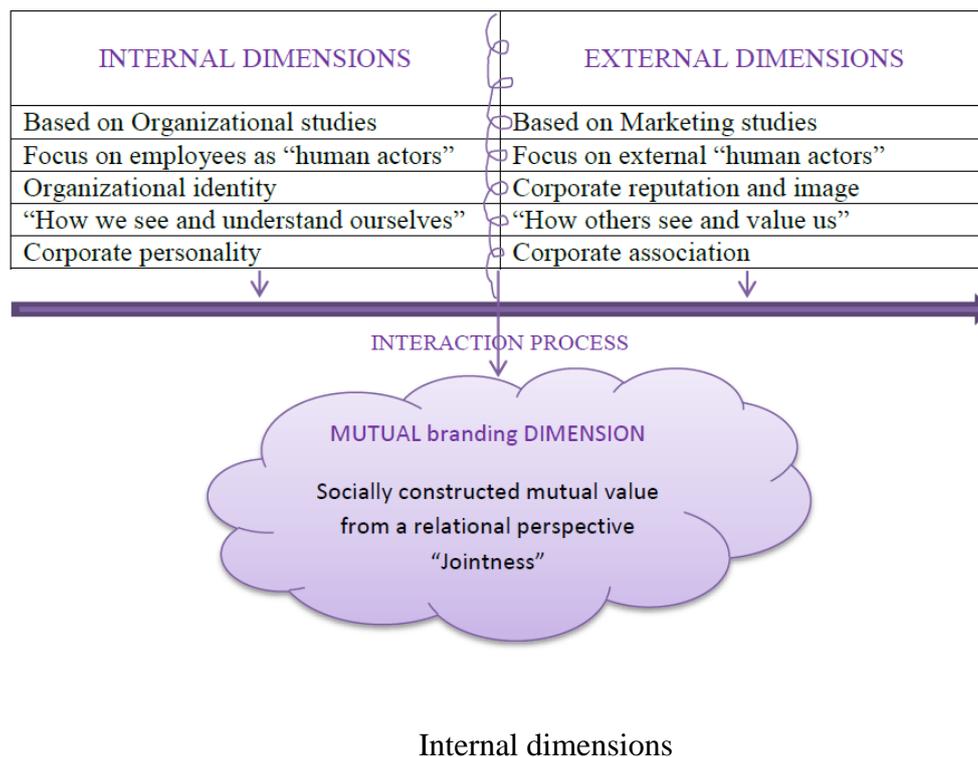
Furthermore, the attractiveness of a corporate brand is important for business relationships and network in many aspects. As can be found in Mortensen’s (2012) literature review,

Competitive paper attractiveness of a buyer or supplier can serve as a reason for initiation of a business relationship, as a forerunner of trust and commitment, and as a main factor for further business relationship development. However, in this article we analyze attractiveness through corporate identity and reputation. These concepts create the internal (identity) and external (reputation) dimensions of branding. Two branding dimensions have already attracted considerable but distinct research, mainly within organization theory and consumer marketing. Therefore, we observed these dimensions closely and used concepts from each, and shaped them into the conceptual framework of marketing in business networks. However, in order to overcome the difficulties of bringing closer these dimensions that seems distant in current literature, the *mutual branding* dimension is added, denoting a place “in-between” (see Medlin & Törnroos 2007 concerning the notion of ‘in-between’), where Interactive Branding creates a more comprehensive representation of the branding dimensions presented.

Fig. 2: Dimensions of Interactive Branding in Business Networks



In short, we believe that successful I-Branding in a business network results in coherence between (i) corporate identities of all business actors in a network (internal dimensions), their (ii) reputations (external dimensions) and the (iii) “in-between” places of mutually interacted and created relational value. In other words, as shown in Fig. 2, it is an outcome of interactions between all three branding dimensions. Furthermore, Fig. 3 presents the core concepts of Interactive Branding by integrating these dimensions.

Fig 3: Core concepts and dimensions of Interactive Branding in Business Networks

Starting with the internal dimensions of corporate branding we again turn to organization research. Based on this research, an internal dimension is perceived through and based on organizational identity and its meaning for a single actor (see e.g. Albert, Ashforth and Dutton, 2000; Simoes, Dibb & Fisk, 2005). This dimension can be seen as a dynamic process that changes together with the organization, as it unfolds over time (Gioia, 1998). It corresponds to “the ways a company chooses to identify itself to all its publics” (Stern, Zinkhan & Jaju 2001, p. 154). In other words, it forms a self-image through which a company presents itself and communicates with other actors in order to position itself in its embedded network.

However, in organization studies the concept of organizational [corporate] identity is more focused on the relationships between individuals and their organizations (e.g. Ashforth & Mael, 1989; Dutton, Dukerich & Harquail, 1994). These “human actors” represent the most significant group in corporate branding (Ind 1997). They communicate and interact with each other, maintain their relationships, participate in production and sales of products and services, present their companies and embody corporate brands (Ind 1997, Hatch & Schultz 2003, Harris & de Chernatony 2001, Medlin & Törnroos 2009). The reason for this could be, as Schultz and Hatch (2005, p. 48) noted: “This is because it is human nature to personify things with which we have relationships, and companies rely upon scores of human relationships to stay in business.” Therefore, a brand identity is embedded in the core value that human actors represent, which, in turn, becomes a part of the corporate personality (i.e. what the company actually is, in its core).

However, bearing in mind that companies interact with each other in order to do business, this positioning of a specific corporate identity in the mind-set of other actors in the network becomes a key strategic concern. This is how a company strategically attempts to position itself and to be perceived by others. Thus, an identity-reputation relationship will be both be influenced by and will influence the external dimension of corporate branding. It also concerns the specific role that an actor plays in the mutual value-exchange with other parties.

External dimensions

The importance of the external dimensions of corporate branding is seen as a clear marketing perspective through a corporate reputation or a brand image. Based on the scope of the article, these two concepts will be treated similarly, following an analogous school of thought (for a closer examination see Wilson et al. 2001). Thus, we deliberately use *corporate reputation* as a concept that will be used in the forthcoming presentation.

Corporate reputation is the comprehensive impression that connected actors of the network have of a focal company and its corporate brand (see Johnson and Zinkhan, 1990; Keller, 2003). It is described as “how others see us”, i.e. how these actors perceive a specific single actor as a company and what the actor stands for (its corporate brand). Reputation is based on a company’s past results and present relationships, its performed activities, behavior, and interactions in the network (cf. Anderson et al. 1994).

However, reputation is becoming a reality that influences and is influenced by the network, even when it is not a literal reflection of the real identity of a company (Gregory, 1991). As Weis, Anderson & MacInnis (1999) highlight, a reputation can be created based on images and associations about the corporate brand in the eyes of others, which leads towards a general judgment of a company, even when it differs from the firm’s ‘real’ identity (sometimes referred to as “personality”).

Nevertheless, we should keep in mind that reputation is created and/ kept stable (or destroyed) over time, during which companies are interacting (directly and indirectly) with each other, and where both internal and external dimensions are mutually connected and enacted.

Mutual branding dimension

Over time, considerable discussion has been raised about corporate branding and interrelations between external and internal dimensions. These discussions mostly focused on the differences between corporate identity and/or reputation, trying to find a means of analyzing them (see Hatch and Schultz, 2001; Schultz, de Chernatony, 2002; Ind, 1997; Balmer, 2001). As Schultz and de Chernatony (2002, p. 112) argue, corporate branding can be seen as: “being holistic (involves the whole organization), strategic (shapes the future direction of the company) and relational (is founded in the web of internal-external stakeholder activities)”. In addition to this, we have realized the great need for and importance of the mutual branding dimension as an “in-between place”, which involves interactions of internal and external dimensions, and where value is created (Medlin & Törnroos 2007).

When looking through the short reviews of each of these dimensions, they are usually strictly divided by having an internal or external point of view, where the focus has predominantly been on a single firm and its external “stakeholders”. This view neglects the jointness and relational perspective for creating mutual value, where a company influences and interacts with other actors in the network and is also influenced by potential others. Interaction in this sense is the ‘glue that keeps a network alive and kicking’.

As already noted, individuals play an important role in the firm and as ‘interactors’ in exchange. This role however is not only concerned with the internal dimensions in connection with corporate identity, but having also important external dimensions. Concerning the external dimensions, individuals are defined as buyers, ‘providers’ or stakeholders of some kind, and their ‘external’ perceptions are perceived as corporate reputation. However, what happens in long-term business relationships, where interaction processes are so frequent that overtime these two dimensions overlap? We are inclined to propose that human actors constitute and

represent the in-between dimension, which connects these two dimensions through interaction between them in each of their roles. In this in-between dimension, all socially constructed value components of a relationship and branding are merged and hence interactive. Interactive Branding in this view forms an interrelation between the internal, external, and mutual branding dimensions and materializes as a relevant framework in business marketing.

Conceptualization of the Interactive Branding

Starting with the corporate branding literature, tradition and perspective, the focus is on a one-firm with its corporate brand identity and reputation. That focal actor looked from a network perspective can be further developed by taking a more dyadic stance. As a result, the interactive perspective consists of a tightly and closely connected dyads (or triads) in a network of business relationships where the actors are embedded. Both firms are highly dependent on each other's resources and activities and the boundaries between them are loose and even overlap to some extent. However, if we move from the network and relational perspective back to branding literature and assume that both of these actors are companies with strong corporate brands, co-branding activities are likely to occur. Their goal is creation of a stronger co-brand, but the strategy is mostly feasible and used for consumer markets (Bengtsson & Servais 2005).

However, the I-Branding moves a step further, by entering deeper into business networks. As such, it can be described as an activity of the whole network. Corporate brand identities and reputations of single-firms and business dyads are connected and interrelated with identities and reputations of other firms in the network. These interactions have an effect on each company in particular, on their direct and indirect relationships, with the end result of affecting the whole network. In other words, internal, external and mutual dimensions are interacting, having a joint effect and mutual value creation. Fig. 4 presents the new conceptual approach.

Fig. 4: The Interactive Branding in Business Network

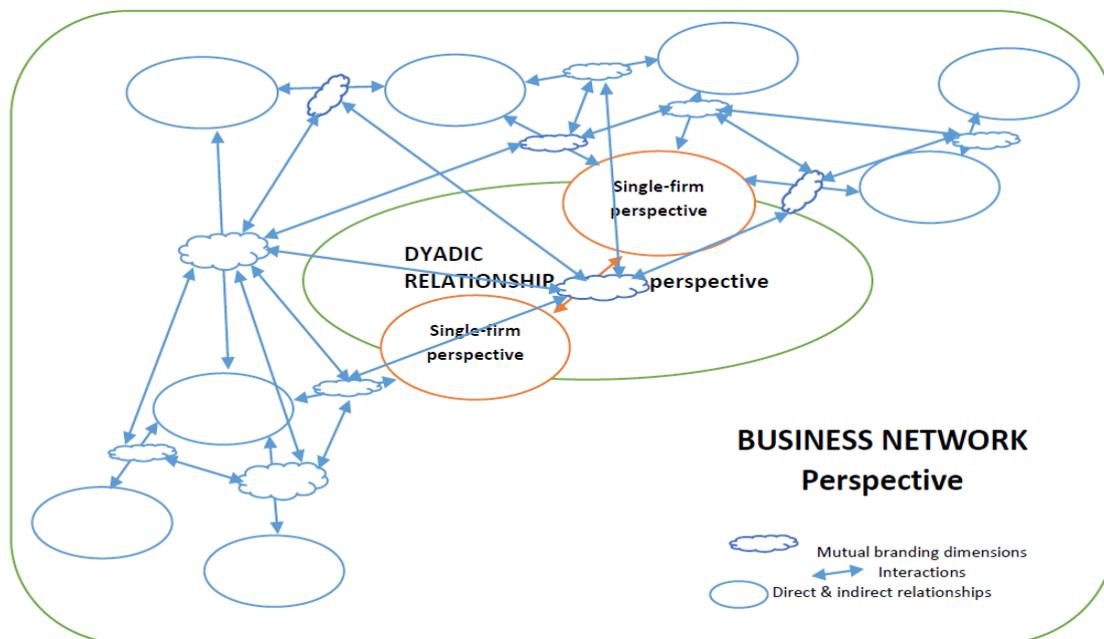


Fig. 4 shows what an I-Branding in a business network looks like in a theory. Starting with the single-firm perspective, it is important to note that it consists of internal and external dimension, as well as mutual branding dimension (marked with a clouds in a Fig. 4). As it can be seen, mutual dimensions connect all other dimensions and are result of an interaction processes. In

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other words, through mutual dimension identity and reputation of a single-company can be affected and can affect identity and reputation of another single-actor, no matter is it in the closest dyad, or further and indirect relationship. It is also important to note that all dimensions are observed by individuals as human actors, who apprehend and understand the positions and roles of companies in the network.

If we focus on a dyadic relationship for a while, and individuals from let's call them "A" and "B" company, mutual branding dimension comes to the fore. Individuals in the company "A", as representatives of its corporate identity, are directly connected with individuals from the company "B" and through interaction they are influencing the corporate reputation of the company they represent (in the eyes of individuals from company "B") and at the same time creating the reputation of a company "B". This also functions in the opposite direction. Employees from company "B" will influence the corporate identity of a company "A" by interaction with individuals from that company. This mutual, *in-between space*, where internal dimensions influence the external ones through the process of interaction, and the other way around, provides the inherent meaning of the concept of *Interactive Branding*.

As Anderson et al. (1994, p. 3) noted: "Finally, by getting close to its partners, a focal firm may have its views shaped by, and shape the views of its partners' partners." Having this in mind, a corporate reputation or the external dimension of one company is defined by the internal dimension of another one, and the other way around. However, as can be noted, these thoughts and opinions are based mainly on human-social actors in companies. Individuals as human actors represent the basis for creation of mutual trust and commitment between their company and external actors. Over time, these interactions will result in the creation of a stronger mutual branding dimensions. In this in-between space, boundaries between internal and external dimensions evaporate through the interactions between individuals; this is the space where corporate identity influences corporate reputation and where reputation influences identity. Furthermore, what the company thinks of itself (corporate identity) will be affected by the opinions of others (corporate reputation), and what others think of the company (reputation) will be influenced by what the company thinks of itself (identity).

We can take a further step and see these firms with a mutual interest developing a joint network reputation through the I-branding process. The idea presented here is, at least so far, a pure conceptual exercise. However, it makes sense to see this mutual dimension as an issue due to its role in interaction and network theory of marketing.

CONCLUSIONS AND IMPLICATIONS

In current business relationships and network settings, corporate brands are becoming of greater importance than previously. In order to understand the mutual and more complex nature of business brands, it is necessary to pay attention to the key interaction processes between companies, their mutual relational dimensions, and socially constructed value components. Following the IMP research, together with organization theory in the field and business marketing studies, we have proposed, presented and conceptualized a novel phenomenon called Interactive Branding in business networks.

There is a challenge in joining research from distinct fields, due to their various conceptualizations, different perspectives, and methods of inquiry. In order to overcome these challenges, an embedded single-actor perspective is presented at the outset, as a simplified display of Interactive Branding (see Fig 2). Following this basic view, Fig 4 shows the next

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step, where three enmeshed branding dimensions in tightly and closely connected business dyads are embedded in a network of business relationships. As an outcome, the proposed conceptualization presents both an actor-network and a dyad-network perspective. This gives a good starting point for adding new and more complex issues concerning Interactive branding in networks. As an interesting avenue for further research, we suggest an examination of a micro-macro perspective, based on the idea by Halinen & Törnroos (2005).

Seen from this purely conceptual exercise, Interactive Branding consists of the three distinct but interrelated perspectives, i.e.: an internal, external, and a mutual branding dimension. Whereas previous research has only focused on internal and external dimensions, sometimes even ignoring one or the other, we have explicitly noted the need for adding the mutual branding dimension. In this dimension, the internal (identity) and external (reputation) dimensions are enmeshed, having a joint effect through existing relationships and the mutual value and reputation of all collaborating actors in relation to other network actors. We also stress the role of interaction between firms represented by and acted through individual managerial actors, which is an issue that, according to our view, has not been highlighted enough in previous research. We elaborate further on this in the next section.

Theoretical implications

Dealing with corporate branding in general, as a multidisciplinary field of research, often prevents a treatment and analysis between diverse fields and perspectives. As we considered organizational and marketing theory in order to develop Interactive Branding, we realized there was a gap that could cause limitations for future empirical research. These limitations materialize from the strong but different traditions within each of the research areas we have examined. In many cases, marketing is seen as being based on more empirical data, while organization theory mostly basis its research on conceptual frameworks and different conceptual perspectives (Hambrick, 2004). Therefore, future research needs to prioritize the development of relevant methods for capturing and studying Interactive Branding in real world and empirical settings, in order to show its relevance in practice. The methods we propose could be based on e.g. process research, sensemaking approaches, narrative research, historical reconstructions, and ethnographic approaches. Combining both reconstructive historical methods with longitudinal data and analysis seems also worthwhile.

Although the paper is purely conceptual, it provides implications for theory construction and modelling, and in this manner offers novel avenues for research. First, a *corporate brand* should be looked upon and studied as a value outcome of interaction processes and relational investments. Second, *branding* being researched through a focal company should also be seen, in parallel, as a mutual matter of closely connected companies in a network. Third, *Interactive Branding* should be treated as a strategic concept in the literature, which companies can use in order to create a favorable position in the network.

Managerial implications

Managers that deal with developing corporate brands and their reputation in business networks, and connected relationships, could use the presented models practically, as a starting point for better understanding of Interactive branding and its dimensions. It is important to make distinctions between internal, external, and mutual branding dimension, but at the same time to realize that human actors (interacting managers and employees), are representatives of these three combined branding dimensions. Individuals are at the center of interactions through their positions and roles in the firm, and, at the same time in interaction and connected relationships between firms. Hence, they present companies, they work and interact with each other, and in the end they also go back to their own organizations and reflect on the in-between results of

interactive processes.

Corporate identity and reputation should be mentioned here as the key concepts, which are also created and affected by individuals. Corporate identity materializes through what interacting manager(s) think and communicate about the company to potential others. This representation and communication can affect corporate reputation, which results in what ‘others think of us’. In these interactions, managers also receive feedback, cues, and ideas from others. This influences what ‘we think of us’, which again, in turn, affects the corporate identity. These intertwined processes, in conjunction with the in-between, form a mutual branding dimension, where internal (identity) and external (reputation) dimensions are in constant dialogue with each other.

In the previous text, we have especially pinpointed the role of individual managers in the branding process. Over time, interacting managers create the mutual trust and commitment in the branding process and in the “in-between space” (Medlin & Törnroos 2007). An intriguing question is whether this trust is solely an individual matter or whether, at the same time, it can be considered organizational. The next notable issue is formation of commitment, is it formed through long-term business relationships, or it is shaped around specific features of the corporate brand? We believe that further empirical research on the proposed three Interactive Branding dimensions is necessary in order to find answers to these questions.

Finally, when developing strategy through Interactive Branding in firms, it is important to define the role that actor plays in a network in conjunction with the firm’s position in the network. Being able to find opportunities to play and enhance roles even more and in a more mutually valuable manner, is a key issue. At the same time, noteworthy and complicated questions arise. First, how can the firm accomplish a strategic role through interactive managerial work, and second, how can the firm achieve a favorable interdependent value-position in relation to other actors in the business network? One potential possibility that could be developed would be: through Interactive Branding strategies in the embedded business network.

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