# Literature Review of Online Brand communities

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## Abstract

Competition in the global market is powerful companies to find pioneering approach to business. The Internet explosion resulted in the transition from physical business places (companies, shops, etc.) to a implicit ones, creating new sources of competitiveness for those companies that are able to take advantage of this chance. Among them, one of the most promising is the online brand communities, born from the combination of conventional (physical) brand communities and Web 2.0 technologies. This paper will explore the characteristics of "brand communities" — products and services that inspire strong loyalty, powerful emotional responses and a sense of community among customers.
**Keywords:** Online Brand, Marketing Technologies, Brand Management, Literature Review

## Introduction

In recent years, we have seen the importance of branding as a strategy for business growth and development. Much has been written and researched on the concept of branding and its practical application for business success. Brands that are particularly successful seem to enjoy a strong, loyal base of customers that interact with one another and the company. These active groups have become known as brand communities. Research to define and better understand brand communities has begun. The primary goal is to provide a comprehensive overview of brand communities and the strategies used to construct them. The key objectives for the paper include: Define the concept of brand community and provide examples. Articulate the characteristics of a brand community. Explore the theoretical foundations that inform community development. Identify common characteristics and strategies among the target companies that have built strong brand communities. Suggest strategies for creating brand communities.

## Brand Community Definitions

Online brand communities are an important new development for businesses because they enhance the organisation's relationship with people. Not just with customers, but with anyone interested and active in their market - including employees, competitive brand users and market experts. It is incorrect to call them 'research communities': a brand community can work for all business disciplines, even if a company chooses to use it for only one. And over time, its value will increase with compound interest as it engages members across all the company's activities.

A new way to think of communities is as a medium, which means that (like TV as a medium, say) it carries content across multiple channels. The current channels are two: custom-built managed communities set up by or on behalf of a company, which are the main channel for

research agencies and consumer insight departments; and existing open communities such as Facebook, accessed by businesses. Like all media, brand communities should be regarded as a permanent resource, which means that they are a major commitment, so it's important to understand how they work in order that there is a clear discipline for using them successfully.

The difference between a brand community and a panel is that members are allowed to have conversations of their own, on topics of their own choosing, with whoever they like, when they like – just as in real-life communities. This leads to a shift in the conventional business model of stimulus-response to a new model of stimulus-stimulus, where a more engaged community member gives the company fresh stimulus to move forwards.

A brand community was defined in 2001 by Albert Muniz Jr. and Thomas C. O'Guinn as '"a specialized, non-geographically bound community, based on a structured set of social relations among admirers of a brand." The authors propose three key characteristics of a brand community: shared consciousness, rituals and traditions, and a sense of moral responsibility.

Building a brand community is not an easy task, but it's seriously benficial if companies can cultivate this relationship within a marketing strategy. This is because community members are generally more passionate and loyal, and very often become brand ambassadors: they defend the brand, represent the brand and in the long term, become a partner of the brand. However, in order to build a brand community, the company needs to have a real personality and communicate its values so that the members of the group can identify themselves.

Kanamori and Kimura (2003) have studied net communities and their role in brand marketing. They identified the following characteristics of net communities: Asynchronous language communication. Anonymity among members. Emphasis on comments stemming from consumer experiences. Sense of volunteerism to help members in need. Autonomous interaction among members with respect to consumption of goods. Kanamori and Kimura define three general types of net communities based on their purpose: Information access - Accessed for the purpose of gathering information. Consummatory - Facilitate exchanges among community members. Creative - Accessed to create value such as new products and ideas.
They go on to further categorize two themes among net communities. The category community is formed around specific lifestyle themes and product categories. The brand community adopts a specific brand as its theme with membership drawn mainly from supporters of the brand.

## Brand Community Examples

Digital breakthroughs are making it increasingly easy for brands to communicate directly with end users. To encourage two-way communication, many brands are going to social media to talk directly with users. However, if your brand wants to diversify its communication strategy, build a virtual community. Here are five examples of strategies for building a powerful branded community from successful digital communities.

**1. Reddit.** Reddit is one of the most powerful communities on the Internet, in large part because it empowers and leverages its users. It provides you with the opportunity to build and scale your community by utilizing trusted users.

2. **Doug.** People are naturally competitive and love to be recognized for their time and effort. Doug understands that and aims to reward users for participating and engaging with the brand. Users are awarded points for submitting, commenting and sharing content.
3.  **Fark.** One of the more difficult tasks when building an online community is keeping the message relevant. While building a large, engaged community is great, if you do not stay in line with the brand's voice, your message will be lost. Fark is a great example of a community that has been able to maintain a cohesive identity as it's grown

**4. ChaCha.** Successful communities rely on two-way interactions, so be sure you are talking with, and not at, your community. One of the best ways to achieve this is with an open forum, or question/answer, element. Providing the opportunity for questions and answers build brand credibility.

**5. Buzzfeed**. Buzzfeed has built an incubator community that relies on user generated content. Allowing a platform for users to contribute original content to the brand minimizes the time and money Buzzfeed has to spend on generating content internally.

One-way communication between brands and users is an outdated digital strategy. People have opinions and questions they want heard. If you are not providing a platform to fulfill this communication need, you can bet a competitor is. If your brand is considering building a digital community, then you need to take heed of the proven tips above.

## Brand Community Characteristics

### Niche Brands

Most are niche companies rather than mass-market leaders, e.g. Apple vs. Microsoft, Vans vs. Nike, Porsche vs. BMW. People have a tendency to support an underdog struggling against corporate giants. It is less common to see people associate with market leaders By staking out a specific niche, the process of identification with consumers is made easier. Van's is a good example since their market niche is the skateboard community. By targeting a specific demographic group, they are essentially looking to create a brand community as their primary marketing strategy.

### Visible Leaders

Company founders are identified and known and are often an important part of the organization as opposed to corporate officers and directors. There is usually a personal sense of connection to the company founders. . Since a community relies on personal connections and sense of identification with the brand, this is enhanced when there is a chief personality representing the organization.

### Humble Roots

Most started as small ventures or home businesses rather than well-financed corporate ventures. Apple Computer got started in Steve Jobs' garage. While many large corporations do start as small ventures there seems to be a stronger connection to the early days of the company within the brand communities. This may be due to the emphasis on mythology and history that binds the community together.

### Product Focus

The focus of a brand community is typically on a specific product or service rather than a conglomeration of brands and business units. I know of no brand community associated with a multinational conglomerate such as General Electric or Panasonic. The brand is really the essential ingredient in stimulating the development of a community. The brand can be a specific product or can represent the entire company. In Apple's case there is a common denominator of computing that underlies all of its hardware and software products. The company is perceived as a provider of tools to enhance the computing experience, especially in the creative arts. Having a strong brand is an essential foundation for the construction of a brand community. The brand unites members who may otherwise have very different interests and backgrounds

### Loyal Customers

One question that arises here is what comes first, the brand or the community? There are examples of companies attracting a strong following in their nascent periods. The makers of Endnote, a popular footnote software program had a loyal following within the academic community, spread mainly by word-of-mouth, prior to releasing the product commercially. It does not seem to be necessary to build a significant brand in 19 the market place in order to attract a community of consumers. If the promise of the brand is attractive and if it delivers on this promise to the early adopters, community development may follow. What is essential is

having a loyal customer base that identifies with the company or brand and cares about its well being.

## Refernces

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