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SOCIAL MEDIA'S ROLE IN BRAND ENGAGEMENT

Case Finnish companies

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ABSTRACT

The purpose of this thesis is to find out how companies perceive brand engagement as a concept. Also, do they consciously develop a community around their brand and how vast is social media`s impact on brand engagement and therefore on brand communities. The author selected to use a qualitative approach with the study and content analysis analyzing the results. The data collection method was an interview that was conducted for four companies from several fields. The research findings showed that companies perceive brand engagement as loyal customers that promote brand`s products or services to others — following, using hashtags and giving testimonials on social media consumers messages active brand engagement towards the brand.

Moreover, brand communities form in different social media platforms where consumers can access and influence. Companies do create and maintain communities consciously in the hope of better brand engagement and visibility. These testimonials and shares lead to inbound marketing and also the community around the brand. Therefore, companies should stress communication with their customers in social media because the right product is not enough anymore but the emotional bond with their customers.

Keywords: Brand engagement, brand communities, social media, B2C, B2B

LIST OF ABBREVIATIONS

BE – Brand engagement

CE – Customer engagement

SM – Social media

EC – Electronic commerce

AI – Artificial intelligence

ML – Machine learning

ROI – Return on investment

GDPR – General Data Protection Regulation

C2C – Customer to customer business

HR – Human resources

ICT- Information and communication technology

INTRODUCTION

For over a decade social media has fundamentally changed how people interact with each other. Initially a consumer platform social media of today is a potent platform for business and commerce offering a unique marketing avenue to the lives of a billion consumers. Companies started to use several social media platforms for business purposes and for higher visibility. Nowadays social media is not only an advertising place but a place where loyal customers engage with brands and with other loyal customers. They give testimonials and make their voices heard to affect these brands. With this phenomenon, brands have been able to create and maintain communities around their brand in social media to improve their overall image.

The research problem is that brand engagement's connection to social media and brand communities is not much researched in Finland. This study helps to bridge this gap by providing interviewed based qualitative information on the topic. The aim of this study is to explore social media's role and impact on brand engagement on select companies from various different industries from Finland. This paper explores how Finnish companies perceive brand engagement, do they develop a community around their brand and what is the extent of the social media impact on brand engagement. Supporting the research, the author introduces Thomas Gad`s Brand 4D-model. Research in this thesis is qualitative and is based on interviews with four different companies from several fields. Based on the research results and information that the author found about the theory, the author introduces a modified version of the Brand 4D-model to demonstrate the connection between brand engagement and social media.

The stimulus for this thesis dates back from the author's personal interest and enthusiasm towards social media and its effect on brand engagement. The author is a co-founder in a tech-start-up which aims for high engagement with its customers in a competitive field such as online shopping. It has been noted that if one has an excellent product that is not enough; customers seek more and more personalized service and brands that have a desirable brand image stands out from the crowd better than its competitors. Also, social media tends to have a significant impact on the phenomenon mentioned above. To conclude those described above, the author conducted the study with high passion still from the perspective of the researcher.

The research questions are:

- How companies perceive brand engagement?
- Do companies consciously develop a community around their brand?
- How vast the impact social media has on brand engagement?

The thesis is structured with three main parts. The first part of the paper handles already existing literature and studies about brand engagement. Also, the phenomenon that the author links to the topic, such as social media and brand communities. The second part dives into the research and justifies the method that is used. The third part reveals the results of the research and introduces the findings. Lastly, the author concludes the research by reflecting on the introduction.

Lastly, I would like to thank my supervisor Iivi Riivits-Arkonsuo for guidance and support during this thesis. Her patience and understanding are admirable with her students. Not to mention her language skills which make working with her more accessible. Mrs. Riivits-Arkonsuo is a brilliant professor and supervisor. Also, I would like to thank my dear Friend Kati Kaario for support and help during the thesis.

1. LITERATURE REVIEW

In this chapter brand engagement and brand communities will be introduced. Also, how concepts mentioned above are linked to social media and what is SM`s role in marketing. Moreover, this chapter is going to cover topics that ease the reader to understand the topicality of the topic and the results of the paper.

1.1. Brand engagement

Brand engagement or customer engagement comes to exist within the marketing relationship between a brand and a customer. The term BE or CE could be defined in many ways and still have the same meaning and impact. Few keywords tend to show in every definition – such as emotional, internal, external, attachment and rational. In its simplicity, brand engagement is how well consumers engage with the brand, however, this definition does not give the overall understanding of the concept.

Brand engagement is a process of attachment between the brand and its internal or external stakeholders. Also, brand engagement could be described as a cognitive and affective commitment between the brand and the customer. According to Brodie et al. (2011), giving an example about brand engagement is preferring particular brand`s products or services over competitors, based on feeling those consumer experiences.

Like learning, engagement has three levels; cognitive, affective and behavioral. The affective level comes from customers` emotions and experiences towards the brand. On the other hand, the cognitive level comes from one's knowledge and information regarding the brand. The behavioral is customer`s action towards the brand. (Dessart et al. 2015)

There are several ways to detect and measure brand engagement – such as purchases, products and services, and the time and money spent on those. Alternatively, if the customer contacts the brand or joins for example a mailing list or loyalty program. Not to mention, likes, shares, posts, and visits on social media platforms. Also, when the customer reaches out to the brand by searching on the internet or by visiting its showroom is a proper way of engagement (Spacey

2016). On the long run, BE manifests in sales growth, competitive advantage, and profitability. (Brodie et al. 2011)

Every company and brand in the first place chases for higher and higher engagement rates from its customers, moreover, higher engagement than its competitor in the market.
The ways to increase BE are many. The following section handles customer engagement from the current point of view – meaning that this paper focuses on electronic commerce brands or/ and companies that operates in the internet.

Brands that has an online community tend to have a stronger brand engagement than those that do not have. Brands that take into account their customers needs and customers possible interests towards the brand, shows higher engagement. This means interaction with customers – answering their feedbacks and fast customer service, for example. Like in products and services, customers appreciate the personalization, the same applies for online communities. When the brand answers ones post or comments back, it shows interest in both ways – customer expressess pleasure and higher engagement towards the brand (Dessart et al.2015). This leads to the point where it can be stated that social media presence plays a significant role in brand engagement.

Social media allows companies to advertise for a broader audience than ever before. Social media is not just a feature anymore, but a must. Companies include handling social media content as a part of their marketing plan and strategy. SM could be seen as a marketing tool and a marketing place nowadays.

There are several tools to track customer's movements and engagement in electronic commerce sites – such as Hotjar, Facebook Pixels, and Google analytics. These tools help marketeers to detect movements of the customers and give information about these individuals. In the era of artificial intelligence and machine learning, marketeers can get information automatically from customers and most importantly, give what customers seeks in return.

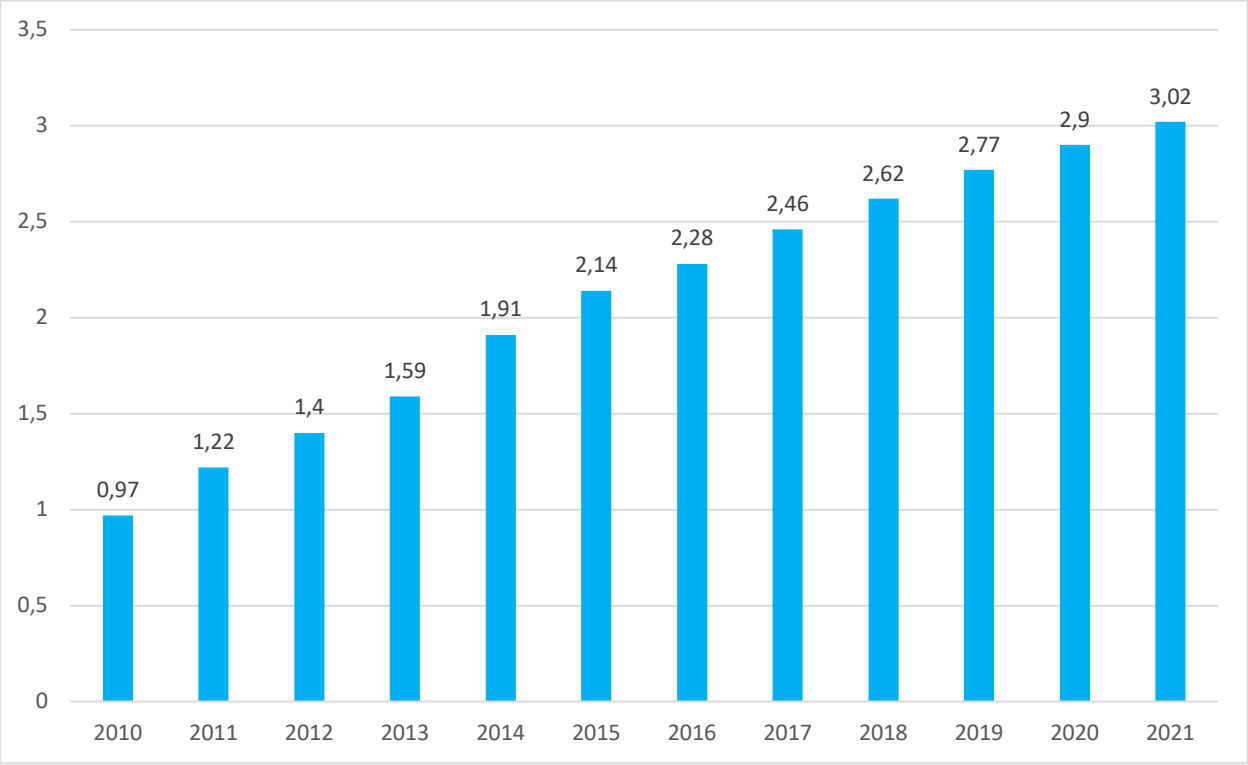

Figure 1. Number of social media network users worldwide from 2010 to 2021 (in billions)
Source: Statista (2019a)

There are over 2 billion social media users in the world, (Figure 1.) which makes social media strategy critical for companies. The possibilities that SM allows are unlimited, especially in terms of growth. Also, advertising for significant volumes in SM is relatively cheaper than any other traditional marketing way such as television or radio comparing to the possible reach and ROI. (Standberry, 2018)

1.2. Engagement part of marketing strategy

Every company states their vision and mission in their statements, but behind those promises and goals, there are even more apparent ambitions – an increase in the company's revenue. As mentioned, standing out from competitors is harder and harder nowadays – marketing is crucial in terms of increasing the revenue. From phase strangers to promoters is every company`s marketing mission in one way or another. More clearly, get customers engaged with the brand.

Engagement strategy starts from inside the company, as well its mission and vision. However, it is clear that there are few goals that almost every company seeks – to get loyal customers. ‘’*From strangers to promoters”* includes the following steps; attracting strangers to visitors by social media, blogs, keywords and platforms. Afterwards, the visitor is desired to become a lead, which happens by call-to-action principle or by getting the visitor to fill the registration form. After a company getting the contact, it starts building a relationship with the lead. This customer relationship management (CRM) phase includes emails and active interaction which desireably results in a phase where a lead becames a customer. In the last phase, where the customer ends up becoming a promoter, demands satisfaction from the customer and an enjoyable experience with the brand. With SM platforms it is easy to message the positive and/ or negative customer experiences within seconds and with thousands of other possible customers. When the company can get a stranger to become an advocacy, this leads to successful customer engagement, and it can be seen as a result of proper strategic planning. Also, if the customer shares its positive experiences with others on social media, the stranger becomes the company's promoter. (Standberry 2018)

Good customer experiences results from many factors. For example, satisfaction with the company`s product or its personalized service. Expectedly, negative customer experience decreases the satisfaction among other existing or non-existing customers, which may eventually lead to losing customers.

Features that could add a company’s value and higher chance of engagement with its customers are such as a mobile-friendly website or app. Also, questionnaires regarding the company’s operations and services could increase the customer satisfaction; customers get the feeling that they are appreciated and their opinions are taken into account. The more the company pays attention to customer satisfaction, the more it increases the level of commitment.

In an era where companies use electronic data to get closer to the customer and machine learning exploits, it is easy for companies to offer more personalized advertising and service. The more the customer gives his/ hers detailed information, the more he/ she can get customized service. However, due to the recent changes within the international law, these activities are not that straightforward anymore.

While individuals personal information is easy to get and use, there has been improper information leaks and even contact trading between companies, which is illegal in most of the cases. European Commission regulated a law against misdemeanors, and to protect people´s personal data falling into the wrong hands, the General data protection regulation. GDPR came into effect in May of 2018 to ensure and reduce misdemeanors. (European Comission 2018)

1.3. Social media as a marketing tool

Companies might have big intentions towards social media. Getting the best out of SM, every company needs to define its goals – what are they seeking to achieve. An ideal end-situation would be that consumers became promoters of the brand. Aforesaid is also called the customer to customer business (C2C).

Like any other marketing tool, SM platforms are a great place to advertise but also to find new audiences. Although, choosing the right platform to market is critical, the company should conduct its marketing research, and find the platform where their target audience is.

Pew Research Center states that "*Facebook remains the most popular social media platform.*". By the end of 2016, approximately 79% of adults uses Facebook and only 32% use Instagram. From that 79%, 84% were in the age of 30-49, and these were all Americans. Same kind of research but of Instagram shows that 33% and 32% of Instagrammers were in the age group of 18 to 34. (Figure 2.) It can be stated, that between these two platforms the age range is quite broad. Companies should pay more attention to its target groups and the platforms they are using.

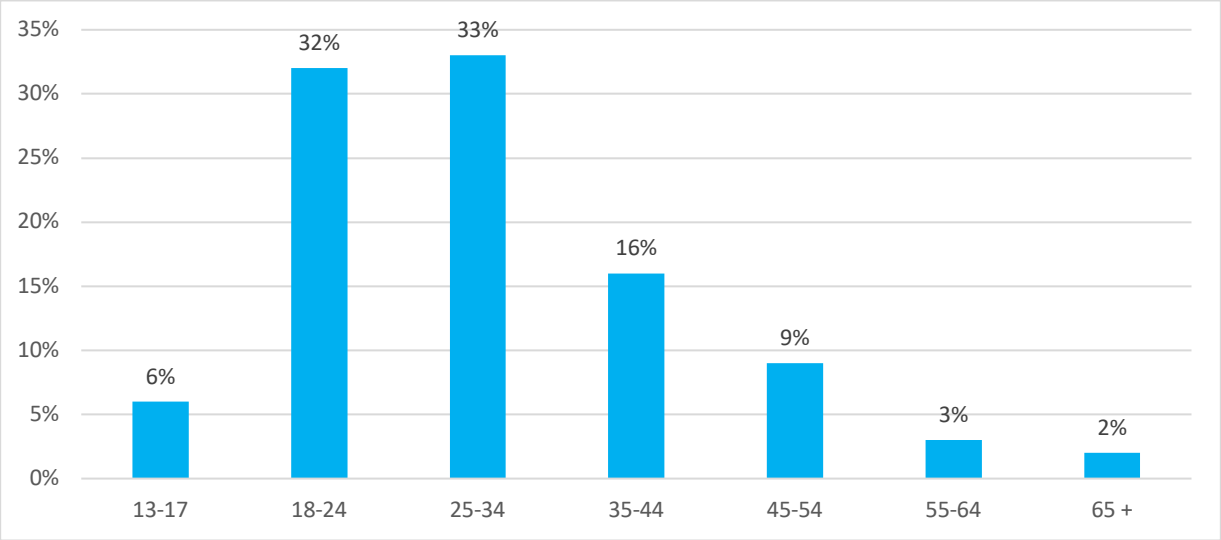

Figure 2. Distribution of Instagram users worldwide as of January 2018, by age group
Source: Statista (2019b)

When the right platform has been chosen regarding the target audience, the company should pay attention to the content it posts. The content should message and represent the type of the company, similarly to its brand image – what kind of themes and tones should be used and how to respond to criticism. With a strong brand image and C2C marketing under platforms like Facebook and Instagram forms brand communities. A community around the brand is one of the best kind of merit that a company can achieve nowadays. (Vestelin, 2014)

1.4. Brand communities

David Rogers The Executive Director of Columbia Business School's Center on Global Brand Leadership says in his book, The network is your customer: *" Like the swarming bees in a hive, we humans are linked together today by an invisible web of communications."*. This statement describes well today's society when it comes to communities and social media.

Throughout ages, human has had the ability to create communities for example the tribes that were born among Homo habilis, which eventually formed to be villages and cities as the time passed (Harari 2014). Or a more timely example would be the Harley Davidson motorcycle club, founded 116 years ago and still in operation (Harley Davidson , 2019). One can state that human species tend to create communities around sports or popular cultures, and the same applies to businesses and brands.

Brand`s promoters/advocates often form a tribe around the same interest – this is called a community. A working community requires a common interest and a means of communicating with one another. Nowadays, it is essential for companies to create a platform for these communities so that they can communicate and share their opinions and experiences. A brand should not try to control these communities but able activities among the promoters. (Vestelin, 2014)

The challenge for today's companies is to take the individuals of this target group into consideration, but personally. As in the previous chapter where the topic was social media as a tool for marketeers, in community creation the same applies. In several SM platforms, it is possible to detect communities in many ways. Likes, hashtags, tags, and groups are the most common hallmarks for communities in social media.

Many retail brand shares their customer's pictures in their official SM feed; this creates a bond between the customer and the brand. Also, this encourages other promoters to post pictures with the hashtags and tags to get to the brands feed. At the same time, the process mentioned above is community creation and a way of free marketing for the brand.

1.5. Gad`s 4D model

Thomas Gad introduced a model called the 4D brand. The model contains four dimensions for brands: spiritual, functional, mental and social. The main idea of the model is that every brand has these four dimensions which affects the consumers minds.

The spiritual dimension is the ideology that the brand represents. Not just the slogan the brand uses, but its acts like ecology and ethical decisions in the production. Functional is the product or service itself – the most crucial part of this is customer satisfaction. The mental dimension could narrate with saying *"Me, myself and I"* – with this dimension brand acts as a role model. It creates a brand personality that consumers admire. Lastly, the social dimension is a feeling based on the decisions that consumer makes. The brand creates a desirable image that makes consumers wanting to be a part of the brand community.

Observing at one of the worlds most famous brand, Nike. The first thing that comes in mind might be their slogan *"Just do it."* or the Swoosh-logo. Behind that image, one can detect the four dimensions. The functional are the Nike products. The spiritual is their ideology which is to bring inspiration and innovation to every athlete in the world. And if you have a body, you are an athlete (Nike 2019). The social and mental dimensions could attach in the way how Nike encourages everyone to move and be the best version of yourself. Nike`s brand personality is about confidence and athletism, which are desirable objectives among many. People who admire these features want to be more like Nike. More importantly, be part of its community. (Barbis 2012)

An active community is a merit for the brand. The brand sells itself and its customers promotes it actively. Communities' importance has highlighted in the era of social media more than ever before. It is evident that consumers are a part of a brands community in SM, or supports it by engaging with the brand.

Next part of the paper deepens into the brand engagement with four different kinds of companies. The purpose is to examine brand engagement in the company's point of view – how companies see brand engagement, and how much focus they give to it in their marketing strategies.
To get more detailed and comparative data, the interview focuses on four firms. NOMI, a Finnish tech startup, which intends to grow a massive community of fashion lovers from different style representatives. The second company is a Finnish retail company Fiorella shop which has a strong brand community. The third company is the Bonfire agency, which focuses on Business to Business influencer marketing. All these companies mentioned above operates on the internet. Additionally, to get a more comprehensive picture of the topic, the author chose a Finnish brick and mortar jewelry shop O.J Lindroos. The goldsmith and jewelry manufacturer is looking for a better social media presence and higher engagement with its customers. By choosing four operators in several fields, gives a more extensive overall understanding of the concept of brand engagement.

2. RESEARCH METHOD

In this chapter, the author demonstrates research methods such as the form of the research, data collection , data analysis, and the reliability and validity of the research. The study was conducted with a qualitative approach and was conducted to four different companies with interviews.

2.1. Planning the research

The purpose of this research is to find out how companies perceive the concept of brand engagement and what is social media`s role in that. Also, how do they include engagement in part of their marketing and branding strategy. The research questions are:

- How companies perceive brand engagement?
- Do companies consciously develop a community around their brand?
- How vast the impact social media has on brand engagement?

For the data collection and analysis, interviews are the most suitable choice regarding the topic. The interviews was choosed because it is essential to emphasize that a person must be seen as a subject in a research situation. Semi-structured qualitative interviews were used, which means that interviews had both pre-determined questions and also additional questions appeared during the conversations. Interviewees were allowed to raise issues and opinions self as freely as possible. (Hirsjärvi, Remes & Sajavaara, 1997:204-208)

The interviews were conducted via phonecalls and face to face meetings. Interviews were in Finnish since the researcher and interviewees shared a common language, still, in all discussions, English keywords were used to clear some phenomenon and subjects. All the interviewees also agreed that the interview could be recorded to help the researcher to access the interview later on.

In this qualitative research, the author uses content analysis. Content analysis is used to analyze texts or text-formatted material. Moreover, transcribed interviews could be analyzed using content analysis, like in this study. In the material-oriented content analysis, the material guides the analysis to the direction where conclusion can be made. The challenge for the researcher is, to be

frank to the material and to analyze the material without the theoretical knowledge of affecting the issues that might arise from the interviews. (Tuomi & Sarajärvi, 2009)

2.2. Reliability and validity of qualitative research

Haltia et al. (2013), stated that the researcher is a crucial tool in the research. While doing research, the researcher must question the validity and reliability of the research. Validity means the qualification of the research and the reliability, on the other hand, the consistency of the research. Validity is fair when the target audience and questions are chosen based on the research effect. Validity assessment usually focuses on the question of how well the research extract and the methods used therein correspond to the phenomenon that one wants to study. (Hiltunen, 2009)

In order for the qualitative research to be reliable, the reader should take into account the following factors: research reporters, researcher-informant relationship, duration of the study, data analysis, reliability of the study, ethics, and reliability, and the way reporting the study (Haltia and Nieminen, 2013). While planning the research, the author took aforesaid into account and used semi-structured interview base. The author wrote the interviews following the records and summed up the interviewee`s answers without changing the content that the reader can get the interviewee`s answers as realistic as possible.

3. RESULTS

This chapter is going to dive into the results of the research and go through the research topics one at the time. The author will illustrate the results with chart to provide the reader with a more clear picture of the factors that effects on brand engagement and the benefits of using social media as a marketing tool. The author formulated the questions based on the theoretical framework of brand engagement. The interviews were divided into three main themes which were: brand engagement, brand community and social media benefits.

3.1. Company introductions

To understand sitation in following chapters author provided short introduction about all the companies interviewed. Introductions below are from interviewed companies, based on interviewees description and each company`s website intoduction. The companies were chosen based on the field they operate, in the intention to get more variable and comparable data as possible.

NOMI aspires to be the very first thoroughly personalized online shopping experience, in the form of a platform. Their mission is to find the perfect products and automatically match them with the right customers with a style profiling tool. The registration process will identify each customer's style and then offers them a platform full of products entirely curated for them. NOMI has a technical solution for online shopping, and they are planning to create the worlds most significant online shopping community under one roof. Their challenge is to get customers to engage with their platform over the competitors like Zalando and Asos. Even if they have style profiling tool that works and that has shown 71,42 % success rate, the brand needs strong engagement within their customers.

The interview was held in their current office at Start-Up Sauna, Otaniemi, Finland. NOMI is a part of a startup community which offers startups consultation and office space. The interview was between the author, NOMI`s two co-founders; Nea and Ellen Harjanne, the NOMI sisters. Nea is the CEO of NOMI and Ellen works as a General manager. They commented that in such a small startup that they are, with four people, everyone is doing everything together, so the title does not tell anything at this point.

The Fiorella shop is a family company which was founded in 1994 in Helsinki, Finland. At first, it was a brick and mortar shop, but in 2010 they moved the business online. The Fiorella shop`s ideology comes from the women itself; they want to courage women to dress extraordinary, not toneless.

Patrick Lorenz, the CEO of the company, has taken Fiorella shop forward, not just with the online shop level, but one of the biggest online shops in Finland. The reason that the Fiorella shop is one of the research interviews is their brand community. The Fiorella shop holds high engagement within its customers. Their Instagram account "Fiorebels" has over 6000 active followers and their strategy is based on their customer's pictures which they "repost" and make accessible to shop straight from the picture. The interview was conducted via phone call and recorded. Patrick Lorenz, the CEO, and owner in the second generation tells how Fiorella shop sees brand engagement and narrates how social media has affected the company`s visibility and growth.

The thrid interview was with Bonfire Agency. Bonfire is a digital business media where the most exciting influencers of Finnish business field produces up to date content in the form of blog posts, videos, and podcasts. Consistent themes are; business life, such as management, marketing communications, economics, HR, ICT, digitalization, entrepreneurship, and law, for instance.

Bonfire Agency operates in the B2B field, connecting business influencers with companies. Their target audience is quite broad, from age 20 to even 65 who are interested in the subjects mentioned above and B2B business marketing decision makers. Bonfire has operated for a year now, and the company is in a growing phase. Co-founder and Marketing and Account Director, Maria Sillanpää narrated brand engagement and content marketing as a phenomenon and opened Bonfire Agency's activities regarding engagement. The interview was conducted via phone-call and was recorded for later use.

The last interview was with Olli Johan Lindroos, the owner and CEO of OJL jewelry. OJL is a goldsmith and jeweller brick and mortar shop in Finland, founded in 1976. It is already in second generation from father E. Lindroos to his son Olli Lindroos. The generation change was from 2009 to 2016, and the re-branding from E.Lindroos to OJL was in 2017.

The year 2019 is a big step to OJL jewelry, their store moved from 7th floor to the first floor in Stockmann department store in Helsinki. Even though they re-branded in 2017, they are now looking for an even more significant foothold in their industry and social media presence. The interview was conducted in Stockmann, Helsinki in their new business space and was together with author`s job interview for a digital marketing and communications for OJL.

3.2. Brand engagement in the case companies

Brand engagement seems to be a broad concept and how companies perceive it, depends on the company itself. Considering all the interviews, few common factors arised, and evidence for the theoretical part became verified. Brand engagement is the attachment between a brand and its customer; it has internal, external, rational and emotional levels. The following examples provides aspects of perceiving brand engagement with interviewed companies.

"Right now we are focusing on the service development that will get customers hooked and getting back to our platform. Although, we have social features which will able our customers to communicate with each other and share their style with others with a similar style. We believe that will be the ice breaker for engagement in our platform, and of course the unique style profiling tool that any other online shop does not have. We have a technical solution that eases the culture of online shopping and social features that brings customers together. All that, hopefully, bring a high engagement rate with our platform." - NOMI

"Brand engagement for us is that when our clients and influencers recommend us for others. Testimonials speak out better than any other way of proofing your brand. With these testimonials, Bonfire`s brand value has increased in the eyes of clients and prospects. Not to mention business value and benefits what comes with success. For us, inside the Bonfire, the phenomenon mentioned above has cleared our meaning of existence. " – Bonfire

"OJL is much more than a jewel, it is a personalized object of its own, which tells the plaintiff's story, is transformed over the years, it moves from generation to generation and continues to refine. Aforesaid, is how I describe our philosophy in OJL, brand engagement and company`s philosophy goes hand in hand together." - OJL

The examples above describe the relationship between the brand and the customer. Returning and loyal customers together with testimonials message active engagement. The customers activities after the purchase will tell how the company managed its offering. Testimonials and inbound leads will tell the future trend.

3.3. How brand communities are perceived and maintained

In all the interviews brand community and brand engagement showed a clear connection. When the author raised a question about brand community, and whenever companies develop them consciously the answers vary; however without changing the meaning that brand community consists of engaged customers and fans of the brand. The following examples are from all the interviews.

"We have noticed that almost every successful online shop brand have a community which consists of their loyal customers. It is essential for brand engagement to create a place where the customers always want to come back. One of the vital things is also the layout of the platform together with user-friendliness, texts, pictures, and colors have a major effect on how great prospects will spend time on one`s site. Every time customers come back that narrates engagement. " - NOMI

"Fiorella shop does not need so-called social proof with a massive amount of followers, but only the engaged customers' matter. What comes to the community, our mindset is that we want to create our customers the feeling that they are part of the Fiorella shop and they feel that they belong to Fiorebels community. Whenever a customer has created an emotional bond to a brand, it shows active brand engagement. The visibility we have grown by using influencer marketing but also with creating a bond between customers. How we develop our community is simple; we want to recognize and thank our customers by reposting their pictures on Instagram and even in our webshop. This way the customer rely on us, and we trust the customer." - Fiorella shop

"I could say we have a Bonfire community; it forms from our influencers, clients, and people who are interested in our business. One way to detect our community and active engagement is the testimonials but also leads that come from inbound marketing. One of the greatest things in Bonfire is that our clients and influencers want to develop our business everyone together, we get ideas and advice from them. " - Bonfire

"Well I guess we have a community in OJL, I have not thought it as the word community but engaged customers. Our engaged customers are families, loyal customers, returning families in the second and even third generations. " - OJL

Like in Thomas Gad`s 4D - model, the social dimension come true. Like said, the social dimension is based on a consumer`s feelings towards the brand, and when the brand has a desirable image that one can identify with, communities are formed. The desired customer is engaged one who wants to be part of the brand community and become from visitor to promoter/advocacy. Carr, (2013)

3.4. Social media`s impact on brand engagement

Based on the author`s observation on social media; at first consumers started using SM platforms for their interests. After that, companies started also creating social media accounts alongside traditional websites. In the 2010s social media took a vast foothold in everyone`s life and created new businesses, jobs, and even fields. How vast the impact social media has on brand engagement then.

The research raised interesting phenomenon regarding social media; All the interviewed companies stated that social media is a must. In one of the interviews, Lindroos described the difference between traditional brick and mortar shop and compared to social media`s impact nowadays. Lindroos also stated that if a company does not have a social media presence, they will leave behind and lose the competition. While with NOMI described social media as a marketing tool and a great place to reach the target audiences.

"Brick and mortar shop tells, affect and achieve the audience who visits there, it serves locally. Our philosophy and jewelry have a long way to reach the whole world, so far social media is the world's best way to reach people who are interested in us. Social media helps people find things, brands and places that they are interested in. In social media, we can tell our customers stories and create brand awareness. Our goal is to share our philosophy with many as possible. Without social media presence, we will leave behind." - OJL

"We will use mainly social media as a marketing tool and visibility — Instagram and Facebook in the first instance, but also blogs. Like already mentioned we have a broad target audience; we need to find all possible customers from different platforms. Our marketing research shows that the younger generation uses Instagram and older generation, Facebook. How we use SM, we will contact influencers with different styles and collaborate with them. We will need several style representatives to collaborate with, so we will reach wider audiences. Furthermore, digital marketing is the keyword nowadays to reach people as much as possible." – NOMI

"Indeed, SM is and will be our main channel when it comes to marketing. We believe in organic growth in social media; we do not want to use paid services to grow followers on Instagram for example. When half of your followers are robots or fake users, there is not engagement within the followers. We have gathered over 6000 active and engaged followers, and they have shown successful engagement rates in our statistics. Although, we are such a small company that there are not any marketing team. I have done all the marketing, but as I said, we do not have a clear strategy. In the future when we are expanding our business, then I will gather marketing and especially social media marketing team to develop our brand and community." – Fiorella shop

3.5. Difference in B2C and B2B in social media marketing

One of the research interviewees represents the business to business field, and the author wanted to raise the issue that separates B2C and B2B marketing from each other. The author asked the interviewer to describe the difference between B2C and B2B influencer marketing businesses. Moreover, give an example of the platforms that the B2B field uses mainly.

"With B2B influencer marketing the target market is more specific than in B2C, and it is also determined in advance. For us, finding the right influencer is then more straightforward and transparent. The main platform we are using is LinkedIn because we are seeking management-level policy-makers and field, related actors. In B2C influencer marketing, most common platforms are YouTube and Instagram for instance. Also, most of our influencers are nano and micro influencers and sometimes it is wise to boost the ongoing campaign with paid advertising to reach more audience." –Bonfire

Sillanpää emphasizes different social media platforms that should be choosed based on the target audience and preferred reach. Even when B2B influencer has a small number of followers compared to B2C influencers, their following is more engaged. The possibility to get a message for the right target group is more extensive with B2B influencers than with B2C influencers.

In the next chapter, the author deepens into the research findings and gather common factors together from all the interviews. Also, she compares the findings to the theoretical framework already introduced in the first part of the thesis.

3.6. Discussion

The thesis aimed to find out how companies perceive the concept of brand engagement and whether they develop a community around their brand consciously. Also, how vast the impact social media has on brand engagement. With four companies that operates in several fields, the author got qualitative evidence around the topic.

With all the interviews, it popped up an association between brand engagement and brand community. All the interviewed companies perceived these two concepts together in a way or another. Brand engagement is an emotional and social bond between the brand and the customer — the brand community forms from the brand`s stakeholders that bear emotional or social bond with the company. Social media, on the other hand, seems to be the place where the brand can be found and where the community operates.

For all companies that the author interviewed uses SM as a marketing tool and platform because of its broad reach and optimization opportunities to find the right and potential customers. With the help and power of social media, companies can form communities around their brands and maintain those.

Thomas Gad`s 4D model introduced in the first part of the thesis proved that brand has four dimensions - the spiritual dimension, the mental dimension, the functional dimension, and the social dimension. These dimensions affect consumers minds which gives a base for understanding the character and potential of the brand (Gad 2000). In the light of brand engagement, these

dimensions should take account when the company defines the words, and the image they want to be associated with its customers. Although the company should not control its image overmuch, customer`s behavior towards the brand tells and defines if the company is heading in the right direction.

According to Tsimonis et al. (2014), social media can strengthen a company's brand, and it can efficiently develop deeper relationships with customers. Based on the findings the author links SM and brand community firmly together. Like in the marketing mix, 4p`s - product, price, promotion, and place, social media seems to represent the place. In the customer point of view; social media is a place where people discover, like, follow and engage with brands. For companies, social media offers a place to advertise, to be visible, to inform and reach target audiences – more simply, it helps companies to strive for a bigger market.

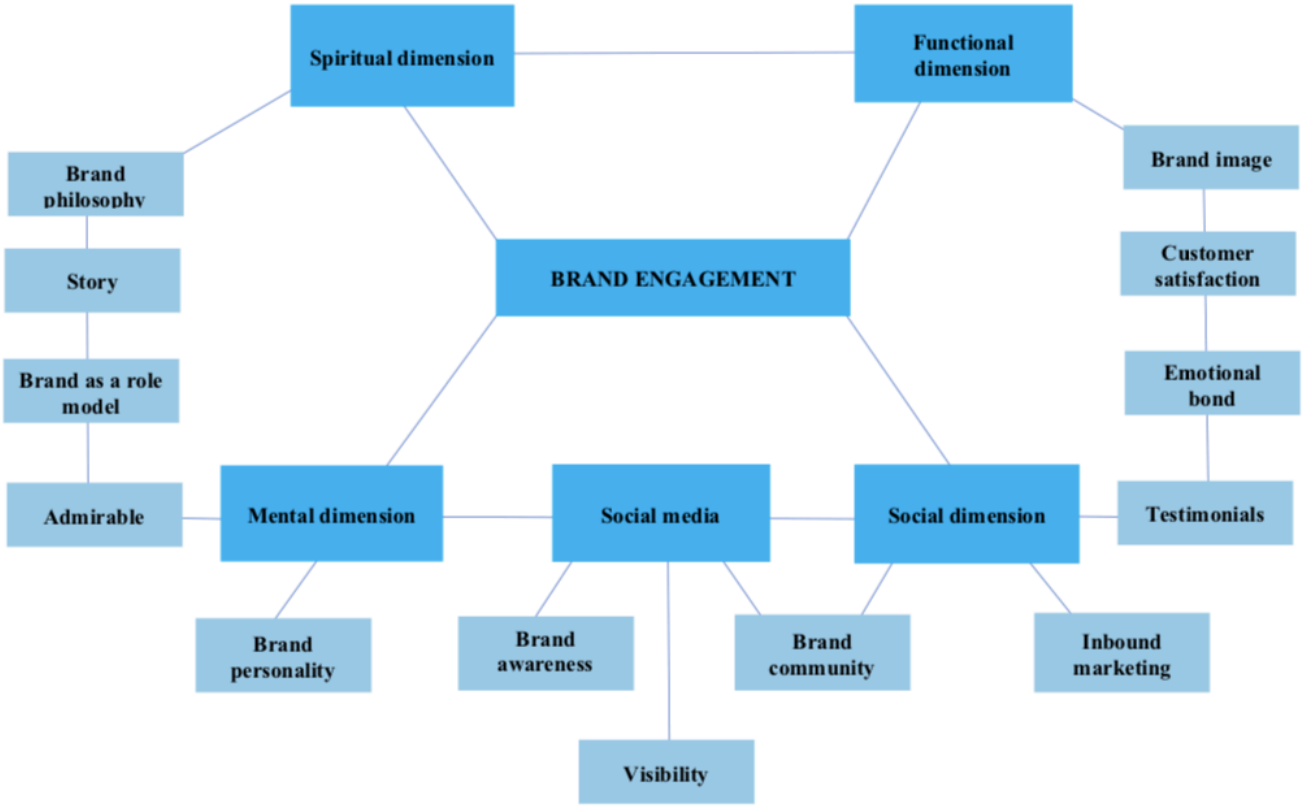

Figure 3. Modified version of Gad`s 4D-model
Source: Author

Figure 3 illustrates how the author links together Thomas Gad`s 4D-model and results from the research. Gad`s spiritual-, functional-, mental and social dimensions compounded together with keywords from interviews show the connection in this modified version of the model. With this

modified version The author wants to explain the connection between brand engagement and social media as clear as possible. When interpreting the model one should take account that all interviewed companies are from Finland and mainly operating in Finnish markets. The model is not directly comparable to international markets.

To meet the pattern one should move clockwise. The functional dimension pictures the product or service itself when the customer is satisfied with it, and with the brand, it automatically creates customers satisfaction and emotional bond with the brand. When the customer shares his/ hers opinion with other consumers in social media for instance, the social dimension of the Gad`s model comes into the picture.

The testimonial can be characterized as inbound marketing. Like said,in social media brands bring out themselves and their ideology. At this point, the figure reaches the mental dimension which visualizes the brand personality, which brands want to make as admirable as possible in the eyes of consumers. When the brand personality meets its philosophy, the circle closes to the last dimension. The spiritual dimension is the brand`s ideology and purpose of existence. All these crystallizes with the concept of brand engagement.

CONCLUSION

To conclude the thesis, one should contemplate brand engagement as a company-specific view. Every brand has its vision and mission and way to perceive the concept of brand engagement. Although the concept seems to be the same for most – loyal customers, returning customers, and inbound marketing, for instance, messages that the company has succeeded in branding. Nowadays social media is used as a tool for marketers to disclose and advertise. In the long-run social media presence leads to visibility and directly brand recognition and indirectly to sales growth. Social media can be perceived as the marketing mix`s - 4P`s, place. It is a place for companies to advertise, tell, and sell indirectly. In social media, engaged customers create communities around brands and follow them to be part of the brand.

In the beginning of this thesis, there was a hypothesis and an expectation about social media`s impact on brand engagement. While doing the research, it came clear that without proper social media presence it is almost impossible for companies to compete with their competitors. It is not enough anymore to possess a product or service that has different features, but be more present and transparent than its competitor. Social media enables the preferred presence and visibility. What comes to brand engagement, social media eases it. People have their mobile phones and laptops involved continuously with their everyday life, and the amount of time how much people use on social media every day is enormous. According to Digital Information World, 18 to 24 aged people use approximately three hours per day on social media. (Digital Information World 2019) Like said, social media ables wider audiences and also the time spent on brands, better than any other place.

The research topic was not directly limited, but there were not too many references in the connection between brand engagement and social media especially in Finland. Moreover, the topic was the much talked about in marketing and business blogs. The personal interest behind the research topic although encouraged to scan several sources which led to examine the future scenes of the topic. As mentioned, electronic commerce and social media able companies to gather data and then to use it for targeting and personalization. Although the customers show companies as a piece of data, one should member that behind the screen in social media there is always a human.

The research showed that brand engagement is the connection between the brand and the customer. The most loyal customers share their satisfaction and admire with others, usually in social media.

These testimonials and shares lead to inbound leads and community around the brand. Social media is the place where the brand exists, is visible and maintains its customer relationships in the form of a community.

In the future, companies should pay attention to the word "relationship". Excellent customer service and products may not be enough some day. Personalized services and products will take a foothold in the future. AI and ML are already able the customize, but what happens to engagement if everyone can take good care of their already engaged customers. Brands must remember the fact that in the end, the advertisements are for humans, even though there are algorithms, machines, and codes between marketer and the end consumer.

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APPENDIX 1

Websites of the interviewed companies

NOMI - https://www.nomi.shop/intro

Fiorella shop - https://fiorellashop.fi/

Bonfire - https://www.bonfire.fi/

OJL - https://ojl.fi/fi//

APPENDIX 2

NOMI interview:

Online shopping seems to be a very competitive industry nowadays, and competition for customers is hard. Until further notice, how a company such as NOMI can stand out from the crowd and get customers to engage with your brand when you are more an online shopping service than a shop? Moreover, how NOMI perceive the concept of brand engagement?

"We have vast target audience such as several style representatives. At this point, we have not done any marketing because our service is not live yet. Right now we are focusing on the service development that will get customers hooked and getting back to our platform. Although, we have social features which will able our customers to communicate with each other and share their style with others with a similar style. We believe that will be the ice breaker for engagement in our platform, and of course the unique style profiling tool that any other online shop does not have. We have a technical solution that eases the culture of online shopping and social features that brings customers together. All that, hopefully, bring a high engagement rate with our platform."

In this thesis, one of the research topics is a brand community. You mentioned that NOMI also has the social feature which brings the same style representatives together. Do you develop the community around NOMI consciously?

"Yes, we do. We have noticed that almost every successful online shop brand have a community which consists of their loyal customers. It is essential for brand engagement to create a place where the customers always want to come back. One of the vital things is also the layout of the platform together with user-friendliness, texts, pictures, and colors have a major effect on how long prospects will spend time on one`s site. Everytime customers come back that narrates engagement. "

Concluding that NOMI is an online platform, all the marketing activities will happen online. Which social media platforms you are going to use and how?

"Yes, we will use mainly social media as a marketing tool — Instagram and Facebook in the first instance, but also blogs. Like already mentioned we have a broad target audience; we need to find

all possible customers from different platforms. Our marketing research shows that the younger generation uses Instagram and older generation, Facebook.
How we use SM, we will contact influencers with different styles and collaborate with them. We need several style representatives that we reach wider audiences. Furthermore, digital marketing is the keyword nowadays to reach people as much as possible."

All in all, NOMI seem to be a brand new concept with the style profiling tool and social platform. What challenges are you expecting to occur after the platform is launched?

"There are many issues that we have taken into account while developing NOMI. The biggest one is the competition in the field of online shopping; there are so many competitors and major actors that dominate the field, we need to stand out and do better. Our trump card is the personalization in the platform than any other online shop has not created yet. Sure there are customized emails, but those do not delete the problems that people face while shopping. Right now our biggest challenge is to get customers to engage with NOMI. "

Fiorella shop interview:

To start with Fiorella`s brand, what kind of brand Fiorella shop is and how do you perceive the concept of brand engagement?

"Brand should be a continuum, and Fiorella shop sure is. Fiorella`s brand represents young women who want to stand out from the crowd. Like Fiorella, we are developing our company towards the international market; We have an opportunity to be one of the first ones from Finland heading outside the country. The difference between other Finnish actors and we are that we sell our products and products that we discover, our competitors do not. Point of tin, we stand out as a brand. Also, what comes to the brand engagement, we have noted that the direction which we are heading brings stronger engagement within our customers, they want to be part of this continuum."

One of the main reasons that the author wanted the Fiorella shop to be part of the research is your visible and active Fiorebel community. How do you develop and maintain the community?

"We believe in organic growth in social media; we do not want to use paid services to grow followers on Instagram for example. When half of your followers are robots or fake users, there is not engagement within the followers. We have gathered over 6000 active and engaged followers, and they have shown successful engagement rates in our statistics.
The visibility we have grown by using influencer marketing but also with creating a bond between customers. How we develop our community is simple; we want to recognize and thank our customers by reposting their pictures on Instagram and even in our webshop. This way the customer rely on us, and we trust the customer."

Assuming that social media is and will be Fiorella main marketing channel, how do you tend to develop your marketing strategy? Also, do you have a separate marketing or social media team?

"Indeed, SM is and will be our main channel when it comes to marketing. Although, we are such a small company that there are not any marketing team. I have done all the marketing, but as I said, we do not have a clear strategy. In the future when we are expanding our business, then I will gather marketing and especially social media marketing team to develop our brand and community."

When Fiorella shop started effective social media marketing and did you develop the community around Fiorella consciously?

" To be honest, we did not have any plan or strategy. With Instagram, we started many years ago, and moreover, we noticed the potential which comes with it. We had over 18 000 followers one year ago, but then we got hacked and started over. We are okay with it, Fiorella shop does not need so-called social proof with a massive amount of followers, only the engaged customers' matter.
What comes to the community, our mindset is that we want to create our customers the feeling that they are part of the Fiorella shop and they feel that they belong to Fiorebels community. Whenever a customer has created an emotional bond to a brand, it shows active brand engagement."

Bonfire Agency interview:

Earlier interviews have been the business to consumer online services, Bonfire though operates in the business to business field. How would you describe Bonfire`s activities?

"Bonfire Agency connects B2B companies with desired business influencers. We also produce videos, podcasts and webinars together with business influencers for our client companies. Even if the so-called business influencer does not have thousands of followers, they have a more specific audience in their social media accounts, which is more valuable for companies — quality over quantity."

Where Bonfire originated and why?

"To start with where the idea came from, a few years back me and Bonfire`s co-founder and CEO, Laura Pääkkönen noticed how potential content marketing was. All kind of companies started using it by conducting blog posts and videos. Suddenly there was much content but not the audience; people were not interested. Although, at the same time, experts from even bigger companies started to brand themselves and reached target audiences with their content on social media channels. These experts created personal brand themselves, companies that they worked for got the desired results and reach within the target audiences."
"Laura and I noticed that a lot of influencers such as personal brands that are followed and whose expertise is trusted also started to appear on the B2B side. We predicted that now would be a great time to open up the B2B influencer marketing industry because we had seen how successful, influencer marketing has been in the B2C side. So, we decided to set up Finland's first business

influencer media, Bonfire. fi that brings together the contents of some of Finland's most interesting business influencers."

You have influencers and companies as your clients, how you detect engagement among them and how do you perceive the concept of brand engagement?

"What comes to the brand and reputation, it is what people say about you when you are not in the room. There are activities that we can do to affect our brand image, like what kind of tone of voice we have or how we look visually. Brand engagement for us is that when our clients and influencers recommend us for others. Testimonials speak out better than any other way of proofing your brand. With these testimonials, Bonfire`s brand value has increased in the eyes of clients and prospects. Not to mention business value and benefits what comes with success. For us, inside the Bonfire, the phenomenon mentioned above has cleared our meaning of existence. "

How would you describe the difference between B2C and B2B influencer marketing businesses?

"With B2B influencer marketing the target market is more specific than in B2C, and it is also determined in advance. For us, finding the right influencer is then more straightforward and transparent. The main platform we are using is LinkedIn because we are seeking management-level policy-makers and field, related actors. In B2C influencer marketing most common platforms are YouTube and Instagram for instance. Also, most of our influencers are nano and micro influencers and sometimes it is wise to boost the ongoing campaign with paid advertising to reach more audience."

One of the topics in this thesis is also communities around brands, does Bonfire have a community and how can you detect it?

"I could say we have a Bonfire community; it forms from our influencers, clients, and people who are interested in our business. One way to detect our community and active engagement is the testimonials but also leads that come from inbound marketing. One of the greatest things in Bonfire is that our clients and influencers want to develop our business everyone together, we get ideas and advice from them. "

You mentioned that in a year Bonfire has had a vast growth rate, what kind of outlook you see in the future in B2B influencer marketing field?

" Podcasts and in general audio formats have raised popularity, and I believe that with those there are potentially even to grow more. For instance, people who listen to podcast, are genuinely

interested in the topic and show high engagement, not even advertisements bother when listening. Also, not only influencer marketing that has taken a foothold in digital marketing but more extended brand ambassador relationships with companies will be breakthrough. "

OJL interview:

What does brand engagement mean to OJL and how do you perceive it?

"OJL is much more than a jewel, it is a personalized object of its own, which tells the plaintiff's story, is transformed over the years, it moves from generation to generation and continues to refine. Aforesaid, is how I describe our philosophy in OJL, brand engagement and company`s philosophy goes hand in hand together."

Why do a brick and mortar shop head more and more to social media and what is your objective in digital marketing?

"Brick and mortar shop tells, affect and achieve the audience who visits there, it serves locally. Our philosophy and jewelry have a long way to reach the whole world, so far social media is the world's best way to reach people who are interested in us. Social media helps people find things, brands and places that they are interested in .In social media we can tell our customers stories and create brand awareness. Our goal is to share our philosophy with many as possible. Without social media presence, we will leave behind."

Does OJL have a brand community and how would you describe it?

"Well I guess we have, I have not thought it as the word community but engaged customers. Our engaged customers are families, loyal customers, returning families in the second and even third generations. "