

Enhancing Brand Equity of Automotive Brands through Marketing Communications on Social Media

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ABSTRACT: Social media technologies such as; Facebook, YouTube, Twitter, and Instagram have proven to be perfect platforms for disseminating several types of marketing communications. Previous studies have demonstrated that these marketing communications on social media are significantly enhancing Consumer-Based Brand Equity (CBBE), however, researchers have not really focused on the differential effects of several types of marketing communications that are anchored by different social platforms in developing CBBE. Subsequently, the purpose of this study is to propose a framework that investigates the differential effects of social media marketing communications (social media advertising, social media sales promotion, social media interactive marketing and social media word-of-mouth) on CBBE of automotive brands. The findings revealed that Advertising, Promotion, and Word-of-Mouth have positive relationships with the CBBE of automotive brands. However, Interactive Marketing has an insignificant role in enhancing the CBBE of automotive brands.

KEYWORDS: Social Media, Marketing Communications, CBBE, Consumer Response, Automotive Brands

INTRODUCTION

This study is motivated by the increasing competition in the automotive industry (Brunello 2015). This competition is reflected through the complexity of decision-making process of automotive consumers. Automotive consumers have become extra-ordinarily active and highly involved in making purchase decisions (Mahfooz, 2015). Several factors are seriously taken into consideration in the process and most importantly, consumers rely on brand attributes and other brand assets of automotive brands to simplify their decision-making process (Hsieh, 2004). Thus, strong and successful brand equity becomes an important factor for automotive brands to differentiate themselves from competitors, ensure uniqueness and remain a tool for evoking purchase (Santoso & Cahyadi, 2014). Therefore, it is imperative to understand how CBBE can be enhanced through marketing communication efforts exerted through social media platforms.

CONCEPTUAL FRAMEWORK

This study proposed that social media marketing communications in terms of FCC (Social media advertising, social media sales promotions and Social media interactive marketing) and UGC (Social media WOM) have a significant positive effect on CBBE. The framework is proposed to explain the differential effects of social media marketing communications on CBBE. CBBE based on the consumer-stimulus response model is regarded as consumer mindset and perception. The proposed conceptual framework explains how social media marketing communications can significantly influence and enhance social media users' perception and mindset. Consumers' mindset is otherwise known as CBBE (Keller, 2009; Bruhn et al., 2012; Bruno & Dabrowski, 2014). Subsequently, the underlying objective of this present study is to establish the connection between consumers and brands through social media marketing communications and CBBE.

METHODOLOGY

Data were collected in this study through survey questionnaires administered to 544 automotive brand and social media users in Malaysia. The questionnaires were distributed to respondents who are the followers of either PROTON, PERODUA, TOYOTA or HONDA on social media. The four automotive brands are selected because they are the market leaders and the most popular automotive brands in Malaysia over the years (Ghani, 2012). Furthermore, Kormin and Baharun (2016) justified that these four selected brands have the most predominant presence on various social media platforms such as Facebook, YouTube, Instagram and Twitter in Malaysia.

A cluster sampling technique was employed to select one city from each of the five geographical regions in Malaysia. As such, one major city was selected to represent each cluster/region depending on the cosmopolitan characteristics of the city. Accordingly, Penang was selected to represent the Northern Region, the Central Region was represented by Kuala Lumpur in this study, the Southern Region was represented by Johor Bahru and Kuantan represented the East Coast while Kuching represented the Borneo Islands. To ensure randomness in the sample selection, a random sampling selection technique is employed to determine the number of sample from each of the selected cities. The random sampling procedure recommended by Cohen, Manion, and Morrison (2000) was employed in this study. This was done by listing down the 5 cities (Penang, Kuala Lumpur, Johor Bahru, Kuantan, and Kuching) on a separate sheet of paper which was then folded and placed in a bowl. The names of the cities were shuffled and picked for 800 times. The number of times a city was picked, was then recorded and therefore was the total number of samples that were drawn from the cities.

FINDINGS

The findings of this study revealed that social media marketing communications in terms of user-generated contents and firm-created contents have significant relationships with

developing CBBE of automotive brands. In specifics, a positive and significant relationship is established between Social Media Advertising and Social Media Promotions as the representations of firm-created contents and CBBE of automotive brands. Similarly, Social Media Word-of-Mouth is found to be significant in enhancing CBBE of automotive CBBE. Meanwhile, this study could not establish a significant relationship between Social Media Interactive Marketing and CBBE. The implications of these findings are that the marketing communications that were generated on different platforms of social media, including Facebook, YouTube, Instagram, and Twitter have significant impacts on CBBE in terms of brand awareness, hedonic brand image, functional brand image and brand sustainability. Also, the contents and reviews that are posted on brand pages of social media by consumers as conceptualized by Social Media Word-of-Mouth are found to be impactful on the consumers' perception and the mindset of brand equity of automotive brands.

In general, the findings presented in this research provide insights for brand managers on the importance of different types of marketing communications and the implications of social media as the platforms for disseminating brand-related communications for managing and enhancing the acceptance of their brands. The theoretical implications of this research are that the findings presented in this paper highlight the significance of social media communications in marketing and brand management. Most important, the study shows how brand-related communications and interactions between brand and consumers can enhance consumers' acceptance, shape consumers' perception and mindset towards a brand. This argument is in line with the observation of Keller (2009) who has maintained that brand-related communications on social media platforms can have the greatest effect on the perception of a brand especially when brand managers can ignite involvement and maintain positive engagements with their consumers on social media platforms. Meanwhile, the practical implication of this study is that this research

highlights the significance of social media marketing communications. With regards to the interactive features and the ubiquitous nature of social media platforms, the possibility of a daily and frequent encounter, engagement and feedback between consumers and brands are increased. These subsequently, increase the level of brand awareness in terms of recall and recognition, improve positive image of the brand and ultimately shape the attitude of the consumers towards the brand. Therefore, this study recommends that brand managers of automotive brands should continue their employment on social media platforms as an important effort for building and maintaining their brand equity. Also, marketing communications, such as advertising, promotions, and word-of-mouth should be revered as important communication strategies for improving and enhancing consumers' acceptance and perceptions of their brands.

CONCLUSIONS

This paper determines the differential effects of social media marketing communications on the development of CBBE for automotive brands in Malaysia. Specifically, the study examines the roles of Social Media Advertising, Social Media Promotion, Social Media Interactive Marketing and Social Media Word-of-Mouth on the development of CBBE. As such, the study contributes to the body of knowledge on social media effect, marketing communications, brand management and consumer behavior. On the other hand, the study also proffers important practical recommendations to marketing communication practitioners, brand managers and marketers in Malaysia to maximize the potentials of social media marketing communications in enhancing the images of their brands. Most specifically because social media's popularity continues to increase among Malaysians, marketers and brand managers should take note of the fact that Social Media Advertising such as videos posted on Facebook and YouTube; Social Media Promotion; offering coupons, discounts and so forth are the most

important marketing efforts that can be exerted to enhance their brand equity through social media platforms. Furthermore, Social Media Word-of-Mouth which revolves around consumers' reviews, comments, and homages posted on social media constitute a significant part of brand-related communications which can improve how brands are perceived positively and by extension, enhance brand equity.

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