



The multi-layered nature of the internet-based democratization of brand management[☆]

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ABSTRACT

The evolution of the internet, including developments such as Web 2.0, has led to new relationship realities between organizations and their stakeholders. One manifestation of these complex new realities has been the emergence of an internet-based democratization of brand management. Research about this phenomenon has so far mainly focused on investigating just one or more individual themes and thereby disregarded the inherent multi-layered nature of the internet-based democratization of brand management as a holistic, socio-technological phenomenon. The aim of this paper is to address this limitation through an investigation of the various socio-technological democratization developments of the phenomenon. To achieve this aim, a balanced and stakeholder-oriented perspective on brand management has been adopted to conduct an integrative literature review. The review reveals three key developments, which together form the essential parts of the phenomenon: (I) the democratization of internet technology, (II) the democratization of information, and (III) the democratization of social capital. The insights gained help to clarify the basic structures of the multi-layered phenomenon. The findings contribute also to the substantiation of a call for a new brand management paradigm: one that takes not only company-initiated but also stakeholder-initiated brand management activities into account.

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1. Introduction

The evolution of the internet, including developments such as Web 2.0, has led to new relationship realities between organizations and their stakeholders. One manifestation of these complex new realities has been the emergence of an internet-based democratization of brand management. Research about this recent phenomenon has to date mainly focused on investigating just one or more individual themes, for example, internet-based user innovation, collective intelligence, electronic word-of-mouth or online communities (see [Arnhold, 2010](#); [Burmann & Arnhold, 2008](#)). Minimal attention has been paid to the inherent multi-layered nature of the internet-based democratization of brand management as a holistic, socio-technological phenomenon. The present paper aims to address this limitation by investigating the multi-layered nature of this phenomenon through an exploration of its various socio-technological democratization developments.

When investigating the complex democratization processes researchers are confronted with the issue of conflicting conceptualizations. [Tuten \(2008\)](#), for example, defines brand democratization as “the

invitation to consumers to participate in creating and then experiencing a brand's meaning” (p. 176). Not only is this definition limited to organization–consumer relationships, and thereby neglecting relationships with other potentially relevant brand stakeholders, but it also implies that an organization has control over who it can *invite* to participate in the creation of a brand's meaning, which is not always the case. [Plunkett \(2011\)](#) conceptualizes the term brand democratization in a similar narrow, company-control-centric way by defining it as a “practice of allowing” (p. ii) product fans and interested consumers to participate in brand-related activities. This, again, appears to exclude the possibility that some consumers (and other stakeholders) might participate in brand-related activities, without necessarily being invited by the *allowing* organization. In contrast to these two conceptualizations, [Neisser \(2006\)](#) emphasizes that consumers cannot be controlled, for instance, in their new roles as online critics or reviewers. He defines brand democratization as a development that puts consumers increasingly in control: through the internet, consumers are increasingly enabled to take charge and transform their relationships with brands “from ordinary buyer to reviewer, inventor, designer, ad creator, champion or critic” (p. 40). Nonetheless, Neisser's approach also seems too narrow by focusing just on consumers. All three authors disregard the importance of brand stakeholders other than consumers in their conceptualizations.

While these authors focus their considerations on the concept of *brand* democratization, others suggest more explicitly that not only brands but also branding, in the sense of brand *management*, is being democratized ([Christodoulides, 2008, 2009](#); [Fournier & Avery,](#)

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2011; Hensel, 2008; Kemming & Humborg, 2010; Quelch & Jocz, 2007). Kemming and Humborg (2010), for example, conceptualize the democratization of branding as the “Technology-driven empowerment of consumers, such as the production of brand meaning by (micro) blogging, interaction in social networks or producing and disseminating brand advocacy” (p. 193). For Quelch and Jocz (2007), at least some of these internet-based processes have the potential to reduce or even circumvent the role of professional brand managers. Hensel (2008) acknowledges this as a “new era of brand management” by defining the key challenge for organizations now as finding a way to keep the balance between “guiding a brand and being guided as a brand” (p. 62).

Burmann and Arnhold (2008) offer their *user generated branding* approach as a response to this democratization challenge. Based on their research, they developed a managerial framework which conceptualizes user generated branding as “the strategic and operative management of brand related user generated content (UGC) to achieve [an organization's] brand goals” (p. 66). This approach allows the conceptual integration of stakeholders (i.e. users), instead of just consumers, and it also enables the conceptual integration of organization-initiated or organization-sponsored, brand-related UGC within a brand managerial context. But, due to its company-control-centric perspective, it falls short of enabling a conceptual integration of non-organization-initiated or non-sponsored, brand-related UGC (beyond the realm of integrative social media monitoring; see Burmann & Arnhold, 2008). This appears to be a crucial conceptual limitation for the present democratization context, considering that what consumers and other stakeholders hear or read online about brands, in terms of genuine, non-sponsored UGC, is potentially far more important to them than any sponsored or otherwise organization-initiated, brand-related content (Christodoulides, 2008). To overcome this limitation a conceptualization of brand management seems to be needed that breaks free from an industrial age, company-control-centric paradigm (Christodoulides, 2008, 2009) and moves towards a more balanced (de Chernatony, 2001; Gummesson, 2002) and also more stakeholder-integrating (Merz, He, & Vargo, 2009; O'Guinn & Muñiz, 2010) management perspective.

Such an outlook on brand management will be further discussed and conceptualized in the next section together with the need to adopt a socio-technological perspective on the internet-based democratization phenomenon as the point of departure for the present context. The aim of adopting this approach is to minimize the above mentioned issue of conflicting conceptualizations. The resultant definition is then used as a foundation for the investigation of the multi-layered nature of the internet-based democratization of brand management. The findings of this investigation are presented and discussed in the main section of the paper. Following the consideration of these results, the paper concludes with a discussion of the findings' wider implications but also limitations as well as potential future research directions. The paper's contribution is twofold. Firstly, it helps to clarify the basic structures of the multi-layered, socio-technological phenomenon consisting essentially of (I) the democratization of internet technology, (II) the democratization of information, and (III) the democratization of social capital. Secondly, it contributes to the substantiation of a call for a new brand management paradigm: one that takes not only company-initiated but also stakeholder-initiated brand management activities into account.

2. Conceptualizing brand management and its internet-based democratization

Brand management has been conceptualized from a variety of perspectives — most of them with an internal, external or balanced strategic orientation (Heding, Knudtzen, & Bjerre, 2009; Louro & Cunha, 2001). Since the purpose of this paper is to explore a relational phenomenon between organizations and their stakeholders, a balanced and stakeholder-integrating perspective has been chosen

as the most appropriate brand management orientation. From such an angle, *brands* can be construed not only as company-controlled but also as socially constructed entities (Muñiz & O'Guinn, 2001), socio-cultural phenomena (Berthon, Pitt, Chakrabarti, Berthon, & Simon, 2011), and/or complex social phenomena consisting of inter-related brand meanings, brand manifestations and internal as well as external brand stakeholders (Mühlbacher & Hemetsberger, 2008; Mühlbacher et al., 2006). Subsequently, the *management* of brands cannot be understood as consisting solely of organization-initiated or organization-sponsored processes. Rather, it needs to be understood as also entailing stakeholder-initiated activities that are not controlled by the organization.

Based on this societal perspective, brand management can be conceived as brand meaning management (Brown, Kozinets, & Sherry, 2003; McCracken, 2005), but compared to traditional views on meaning management, brand managers are not perceived as being able to manage brand meaning directly in their stakeholders' minds. They can only control — to a certain extent at least — the production of and access provision to certain brand manifestations, for instance, the manufacturing and distribution of products. The experience of these brand manifestations might then influence the stakeholders' creation, adjustment, or reinforcement of the brand meanings in their minds. Nonetheless, each person ultimately develops his or her own personal brand understanding based on various individual as well as socio-cultural factors. This rationale has led to the concept of brand meaning co-creation between an organization and its brand managers on one hand and its brand stakeholders on the other (Allen, Fournier, & Miller, 2008). Essential to the present argument though is the acknowledgement that, in the internet age, the power within this co-creation relationship has in many cases increasingly shifted away from organizations and brand managers towards their brand stakeholders. This is due to an unprecedented shift of resources availability regarding the creation of and access provision to brand manifestations.

In the pre-internet age, although word-of-mouth existed amongst consumers, organizations were generally considered the ones who set the brand meaning co-creation agenda (Berthon, Pitt, & Campbell, 2009). Organizations constituted the main authors in the brand meaning co-creation process since they were seen as the providers of the major tangible and intangible brand manifestations, such as products and promotions. The consumers' role within the co-creation process was at this time usually limited to experiencing — and creating meaning out of — what the authors had to provide.

However, empowered by the internet, consumers and other stakeholders have now become potentially more active (co-)authors, agenda setters and access providers when it comes to brand manifestations. They are therefore able to contribute to the co-creation of brand meaning at a previously unreachable level since the internet, and related technologies, provides them with an unprecedented availability of resources to access, produce and/or distribute brand manifestations themselves; thus supporting the contention that consumers — and other stakeholders — have “moved out of the audience and onto the stage” (Prahalad & Ramaswamy, 2000, p. 80). Beyond traditional word-of-mouth, they now have access to a broad variety of UGC platforms such as blogs and microblogs, social networking sites, wikis, and product review or video sharing sites. All these platforms potentially allow their users not only to enrich their own experience of a brand but also, for example, to express an opinion about it and therefore create a manifestation of the brand that can be experienced by others.

In this context, brand management can thus not only be conceptualized as brand meaning management but, more precisely, as brand manifestation management. This conceptualization entails (a) the creation of tangible as well as intangible brand manifestations; and (b) the control of access provision to these manifestations. The advantage of using such a conceptualization is that it allows researchers to move beyond traditional approaches towards an understanding of brand management

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