Master's thesis

MANAGING BRAND-CONSUMER RELATIONSHIPS ON SOCIAL MEDIA BRAND COMMUNITIES TO FOSTER BRAND LOYALTY

Tommi Peräkorpi

2018

1st Supervisor: Professor Sanna-Katriina Asikainen
2nd Supervisor: Professor Olli Kuivalainen
Abstract

Author: Tommi Peräkorpi
Title: Managing brand-consumer relationships on social media brand communities to foster brand loyalty
School: School of Business and Management
Master’s Program: International Marketing Management
Year: 2018
Master’s Thesis: Lappeenranta University of Technology
106 pages, 4, figures, 3 tables, 1 appendix
Examiners: Professor Sanna-Katriina Asikainen
Professor Olli Kuivalainen
Keywords: Brand management, brand-consumer relationship, brand loyalty, brand community, social media, online brand community

This study aims to contribute to the research of brand management on social media brand communities (SMBSc) by investigating how brands could improve their relationships with their community members. The study also focuses on how brand loyalty in these communities could be fostered, and briefly what kind of benefits could arise for brands. Brand loyalty is a well-investigated phenomenon in academic literature and its relation to relationship building has been established. However, there is still a lack of knowledge about what exactly brands should be doing on their SMBCs to build better relationships and loyalty. The dynamic nature and the fast development of social media instill a research gap and a constant need for contemporary studies in the field of brand management on social media.
This study offers a framework for managers to utilize to improve relationship and loyalty building in their respective communities. The results were conducted by gathering relevant theory from previous academic literature and by interviewing social media experts who manage or are affiliated with their brands’ SMBCs. The study recognizes six most imperative elements of relationship building: activity, storytelling, co-creation, transparency, need recognition, and value alignment. Furthermore, six important elements of loyalty building are relationship quality, commitment, participation, trust, satisfaction, and identification. The results emphasize that these are the areas that brands should at least focus on when building relationships and loyalty in their brand communities. Also, it’s noteworthy to mention that relationship and loyalty building are very much interconnected.
Tiivistelmä

Tekijä: Tommi Peräkorpi
Otsikko: Brändi-kultuttaja suhteiden hallitseminen sosiaalisen median verkkoyhteisöissä ja lojaliteetin kasvattaminen
Tiedekunta: Kauppatieteellinen tiedekunta
Maisteriohjelma: Kansainvälinen markkinointi
Vuosi: 2018
Pro Gradu -tutkielma: Lappeenrannan Teknillinen Yliopisto
106 sivua, 4 kuvaa, 3 taulukkoa, 1 liite

Tarkastajat: Professori Sanna-Katriina Asikainen
Professori Olli Kuivalainen

Avainsanat: Brändi johtaminen, brändi-kuluttaja suhde, brändi lojaliteetti, brändi yhteisö, sosiaalinen media, sosiaalinen median verkkoyhteisö

Tämän tutkimuksen tavoitteena on tutkia miten brändit pystyisivät parantamaan suhteitaan asiakkaidensa kanssa brändien sosiaalisen median verkostojen yhteisöjen kautta. Tutkimuksessa keskitytään myös lojaliteetin rakentamiseen ja lyhyesti minkälaisia hyötyjä näistä koituu yrityksille. Brändi-lojaliteetti on tutkittu ilmiö kirjallisuudessa ja sen yhteyttä suhteiden rakentamiseen on myös tutkittu. Tästä huolimatta, kirjallisuudesta ei täysin selviä mitä brändien tulisi tehdä yhteisöissään parantakseen suhteita ja lojaliteettia. Sosiaalisen median monimuotoisuus ja nopea kehitys luovat myös tarpeen jatkuville tutkimuksille.

# Table of Contents

1. INTRODUCTION .................................................................................................................. 6 
   1.1. Research questions and objectives ................................................................................. 6 
   1.2. Literature review ........................................................................................................... 7 
   1.3. Theoretical framework .................................................................................................. 8 
   1.4. Key concepts and definitions ......................................................................................... 13 
   1.5. Delimitations ................................................................................................................ 14 
   1.6. Research methodology .................................................................................................. 16 
   1.7. Structure of the thesis .................................................................................................... 18 

2. MANAGING BRAND-CONSUMER RELATIONSHIPS ON SOCIAL MEDIA BRAND COMMUNITIES TO FOSTER BRAND LOYALTY ........................................................................................................ 21 
   2.1. Brand communities ....................................................................................................... 21 
      2.1.1. Traditional brand communities ................................................................................. 21 
      2.1.2. Social media brand communities (SMBCs) ............................................................ 24 
      2.1.3. Characteristics of brand management on SMBCs .................................................... 26 
   2.2. Building relationships on SMBCs .................................................................................. 28 
      2.2.1. Relationship quality ............................................................................................... 29 
      2.2.2. Brand community consumption ............................................................................. 32 
      2.2.3. Value creation practices ......................................................................................... 39 
      2.2.4. Anthropomorphism .................................................................................................. 41 
      2.2.5. Brand identity .......................................................................................................... 42 
      2.2.6. Brand identification ............................................................................................... 43 
      2.2.7. Storytelling and co-creation .................................................................................... 45 
   2.3. Building brand loyalty on SMBCs .................................................................................. 47 
      2.3.1. Loyalty through community participation ............................................................... 48 
      2.3.2. Loyalty through relationship quality and trust ........................................................ 49 
      2.3.3. Loyalty through community commitment ............................................................... 50 
      2.3.4. Loyalty through attachment and identification ....................................................... 50 
      2.3.5. Loyalty through satisfaction .................................................................................... 52 
   2.4. Benefits of managing relationships on SMBCs .............................................................. 53 
      2.4.1. Benefits of brand-consumer relationships on SMBCs ............................................ 53 
      2.4.2. Brand loyalty benefits ............................................................................................ 55 

3. RESEARCH METHODOLOGY ............................................................................................... 58 
   3.1. Qualitative research ...................................................................................................... 58 
   3.2. Data collection method ................................................................................................. 61 
   3.3. Data analysis method ................................................................................................... 63 

4. EMPIRICAL FINDINGS .......................................................................................................... 64 
   4.1. SMBC management and goals ....................................................................................... 64 
   4.2. Relationship building on SMBCs .................................................................................. 67 
   4.3. Brand loyalty on SMBCs .............................................................................................. 78 
   4.4. Benefits of SMBCs ........................................................................................................ 81 

5. CONCLUSIONS AND DISCUSSION .................................................................................. 84 
   5.1. Summarized results and conclusions ............................................................................ 84 
   5.2. Managerial implications ................................................................................................ 88 
   5.3. Theoretical contributions .............................................................................................. 93 
   5.4. Limitations and future research .................................................................................... 94 

REFERENCES .......................................................................................................................... 96 

APPENDICES ............................................................................................................................ 105
Appendices

Appendix 1. The interview questions

List of figures

Figure 1. Theoretical framework: Building brand-consumer relationships and loyalty on SMBCs.

Figure 2. Brand community triad

Figure 3. Customer centric model of brand community

Figure 4. Framework for relationship and loyalty building on SMBCs.

List of tables

Table 1. List of the main academic literature used in the research.

Table 2. Five Sources Model

Table 3. List of the interview participants.
1. INTRODUCTION

Social media has become an important marketing platform for companies during the recent decade. More and more firms are investing resources in order to attract consumers and to interact with them through managing brand communities on social media (de Vries, Gensler, & Leeflang, 2012; Munnukka, Karjaluoto, & Tikkanen, 2015). Brand communities can provide multiple beneficial tools for companies for example, to find out various things about their consumers and their behavior, like lifestyles and needs (Bagozzi & Dholakia, 2002; Brogi, 2014; Enginkaya & Hakan, 2014; Harris & Dennis, 2011). Brand communities offer companies an opportunity to interact with consumers by opening up a dialogue between the brand and the user. Brand communities offer plethora of benefits also for the consumers. They enable a platform for self-expression and social interaction, as well as a channel to get information about a brand that they admire (Coelho, Rita, & Santos, 2018). However, an imperative question remains - how the interactions inside different communities convert into relationships and how these relationships can be nurtured for the better?

The growth of social media network users sees no halt. In 2018, there are over 2,5 billion active social media users worldwide, majority of them using multiple platforms. The biggest social media platform is Facebook with 2,2 billion users. Other major platforms, especially in terms of brand communities, are YouTube with 1,5 billion users, Instagram with over 800 million users, and Twitter with over 300 million users. On average, a global social media user spends approximately 135 minutes per day on social media and about 58% of American consumers have daily interactions with brands on social media (Statista, 2018). These facts make social media an important marketing tool for companies to build and manage brand communities.

Plethora of marketing channels and the ever-increasing number of campaigns has made the market space extremely cluttered and consumers have learned to filter out commercials. Hence, many marketers believe that one answer to tackle this is are brand communities, which are widely believed to be lucrative and prevailing (Algesheimer, Dholakia, & Herrmann, 2005). This means that in order to establish brand communities on social media networks and to manage them efficiently, brands
need to know how to nurture relationships with the consumers within the community. Brand communities combined with social media platforms provide a great tool for brands to build relationships that would turn out to be beneficial and to lead positive outcomes like brand loyalty. Different studies have shown the potential of brand communities in increasing brand loyalty and improving the relationship quality between the brand and the consumer (Habibi, Laroche, & Richard, 2016). However, how brands are managing these communities and what actions they are taking to build relationships and to foster brand loyalty is not yet well established in the literature.

Managing brand communities and incorporating social media marketing into companies’ marketing strategy, however, is not easy. It comes with many challenges as consumers have gained foothold and power within the platforms. Henning-Thurau, Hofacker, and Bloching (2013) describe the social media environment as chaotic and refer it to the game of pinball. Also, what makes social media platforms interesting is their fast and constant development. This changes the way the users consume different platforms and how companies can utilize the platforms to their advantage.

1.1. Research questions and objectives

The goal of this research is to investigate relationship building from the perspective of brand-consumer relationships and how brands can manage these relationships and foster brand loyalty on social media brand communities. The aim is to provide reader an overview of the theory behind the subject and through the empirical part explore what brands are doing on SMBCs. Hence, the research hopes to clarify the topic and to give managerial recommendations to improve relationship building and ways to foster brand loyalty between the brand and the consumer. The main research question is:

*How to manage brands in social media brand communities (SMBCs) to build relationships with the consumers and to foster brand loyalty?*

The main research question is opened up to three distinct sub-questions to better clarify the topic. The first sub-question focuses on the relationship building side of the
topic. After the relationship building side of the topic is investigated, the second sub-question dives into the brand loyalty. Now when the main areas of the topic are covered, the third sub-question explains why building and managing relationships with consumers is important and what are the benefits that result from the improved relationship quality and brand loyalty.

**SUB-RQ1: How are brand-consumer relationships cultivated on SMBCs and how can brands manage these relationships?**

**SUB-RQ2: What are the methods of building brand loyalty through brand-consumer relationships on SMBCs?**

**SUB-RQ3: What benefits arise from managing relationships on SMBCs and from brand loyalty on SMBCs?**

The research aims to touch on the topic areas of each question in a logical order as the thesis proceeds. After the empirical part is concluded, the final chapter of the thesis analyzes the results and the answers to the questions are summarized.

### 1.2. Literature review

This chapter focuses on discussing prior academic research in the respective research field. Emphasis is on social media and brand community literature, as well as customer relationships and brand management from the point of view of brand loyalty. Understanding the previous studies, thus forming an overview of how the subject has been tackled in earlier academic literature enables finding possible research gaps that would need deeper analysis.

The adoption of social media for organizations has become vastly discussed phenomenon and social networks have proven to be beneficial for many organizational functions, such as sales, marketing, advertising, PR, and HR. (Chung, Andreev, Benyoucef, Duane, & O'Reilly, 2016; Aggarwal, Gopal, Sankaranarayanan, & Singh, 2012). Social media, however, has been mostly studied academically from the perspective of users rather than from the point of view of management (Chung, Andreev, Benyoucef, Duane, & O'Reilly, 2016). Therefore, there is still a research gap and a lack of comprehension of how social media can be used as a strategic tool
for the management (Parveen, 2012). Another challenging aspect in terms of social media is its continuous and fast progression. This combined with social media’s relative newness in business and academic research makes it an interesting topic area to investigate. Alarcon et al. (2018) performed a thorough mapping of different social media and marketing related topics that were researched during 2014-15 in academic literature. The study found that main methods for investigation were descriptive studies of social media as a marketing tool. Some of the studies go deeper into investigating topics, like brand perception. However, few of these studies have direct relationship to marketing. Killian and McManus (2015, 539) recognize the same research gap – even though social media has gained popularity as a channel for brands, there is little research of how companies can implement it into their marketing strategy. Their research found how different companies are using social media for marketing communications and discovered four recurring strategies: “relationship management”, “news gathering”, “creativity, and “entertainment”. The study, however, doesn’t focus specifically on building brand loyalty and trust through brand-consumer relationships on social media. The scholars also recommend further empirical investigation on topic due to constantly evolving nature of social networks.

Social media has made managing brands a challenging task. Social platforms enable much wider information sharing between the users, thus organization’s messaging about the brand is more like co-creation with the audience rather than traditional way of communication where organizations had more control over the brand and the image they wanted the audience to perceive (Gensler, Völkner, Liu-Thompkins, & Wiertz, 2013). Scholars widely recognize that in order to build brand loyalty, first the brand needs to establish a trusting relationship with the consumer. (Chaudhuri & Holbrook, 2001; Chiu, Huang, & Yen, 2010; Harris & Goode, 2004; Hong & Cho, 2011; Kim, Chung, & Lee, 2011; Zhou et al., 2011). Some scholars have also recognized that social communities have a positive impact when building trust with consumers (Ba, 2001; Walden, 2000). Laroche, Reza Habibi, and Richard (2013) showed in their study that by improving the brand community, the brand can strengthen the community feel and relationships with customers, which in turn leads to increased brand loyalty and trust. Labrecque (2014) went deeper into investigating brand-consumer relationships through parasocial interaction theory. The study found that brand’s openness on social and perceived interactivity can foster relationships
with consumers and build brand loyalty. The research was conducted as a quantitative study with consumer focus. Therefore, even though the study suggested methods to foster relationships between brands and consumers, it still lacked managerial practices. Gamboa, and Goncalves (2014) argue that companies have mostly utilized social networks as a tool to create brand awareness rather than brand loyalty. Their research found that loyalty could be increased through trust, customer satisfaction, perceived value, and commitment. Similarly to Labrecques (2014) research, the study had consumer focus rather than unveiling what brands are doing to foster loyalty in online communities. The study also focused solely on Facebook, therefore not having a holistic view of different networking platforms. As previously mentioned, platforms can differ greatly and have different managerial implications.

Brand communities have received quite a lot of attention in the past research. Comprehension of brand communities is important because they have formed the foundation for communication between consumers and brands and eventually social networks (Gensler et al., 2013). Muniz and O’Guinn (2001) introduced the first models for brand communities. This model focused on the triad between customer, customer and the brand in offline context. Later on, McAlexander, Schouten, and Koenig (2002) broadened the concept by adding additional dimensions into the model, including product, company and more customer centric focus. Eventually, as social media started to gain popularity, it also started to penetrate online brand community literature. Further development of social media sites lead into fusion with brand communities forming social media brand communities (SMBCs) (Brodie et al., 2013; Wirtz et al., 2013). Social media extended the possibilities for communication between consumers and the brand. Social networks have made information sharing between community members easier, thus the influence users can have to each other’s brand choices has increased, and so has brand loyalty (Casaló et al., 2010; Laroche et al., 2013). According to Habibi, Laroche, and Richard (2014), social media is an ideal infrastructure to manage brand communities. However, there is not much research in prior academic literature about how brand communities are established and managed on social networks. Due to the differences in information sharing and platform infrastructures, the prior literature on online brand communities doesn’t fit well with the new features of social media brand communities (Habibi et al., 2014). Therefore, new research is needed to study brands in social media brand
communities. According to Lin, Wang, Chang, and Lin (2017), brand community literature has mostly been divided into two different streams. First stream focuses on investigating community characteristics and how they impact the attitudes that the consumers have against the community and the brand. Second stream of studies focus more on the value creation side of the communities.

Brand loyalty in brand communities has been covered in academic literature rather extensively (Habibi et al., 2014). However, most of these studies were performed before the social media era and therefore, in the context of offline brand communities or online communities in their infancy. Brand communities on social media haven’t been investigated nearly as thoroughly (Habibi et al., 2014). Wirtz et al. (2013) touched the subject of brand management and loyalty in online brand communities but mostly focused on consumer engagement. The results support online community governance and the study gives managerial implications but only briefly related to building brand loyalty. Kuo and Feng (2013) studied interaction characteristics within online brand communities and how they affect the perceived benefits the members may have, as well as community commitment. The results show that commitment in the community correlates with brand loyalty. The study briefly discusses also managerial implications. Laroche et al. (2012) studied if brand communities in social media have a positive impact on how value is created in communities and also to brand loyalty. Their research found that SMBCs could improve brand loyalty within community members through management practices. They also emphasized brand trust in the value creation process and its importance in improving brand loyalty. Luo, Chang, and Liu (2015) created a model, which proposed value co-creation practices to build successful online brand communities in social media and how it’s linked to building brand loyalty. Their study found that value co-creation between users and the brand improve the brand community, which in turn affects positively brand loyalty through community commitment.
Table 1. List of the main academic literature used in the research.

<table>
<thead>
<tr>
<th>Authors</th>
<th>Research Title</th>
<th>Research Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Davis et al. (2014)</td>
<td>Conceptualizing the Brand in Social Media Community: The Five Sources Model</td>
<td>Qualitative</td>
</tr>
<tr>
<td>Fournier (1998)</td>
<td>Consumers and their brands: Developing relationship theory in consumer research</td>
<td>Qualitative</td>
</tr>
<tr>
<td>Gensler et al. (2013)</td>
<td>Managing Brands in the Social Media Environment</td>
<td>Qualitative</td>
</tr>
<tr>
<td>Habibi et al. (2016)</td>
<td>Testing an Extended Model of Consumer Behavior in the Context of Social Media-based Brand Communities</td>
<td>Qualitative/Quantitative</td>
</tr>
<tr>
<td>McAlexander et al. (2002)</td>
<td>Building Brand Community</td>
<td>Quantitative</td>
</tr>
<tr>
<td>Park &amp; Kim (2014)</td>
<td>The Role of Social Network Websites in the Consumer-brand Relationship</td>
<td>Qualitative/Quantitative</td>
</tr>
<tr>
<td>Popp &amp; Woratschek (2017)</td>
<td>Consumers’ Relationships with Brands and Brand Communities – The Multifaceted Roles of Identification and Satisfaction</td>
<td>Quantitative</td>
</tr>
</tbody>
</table>

Based on this literature review a conclusion can be drawn that even though previous research has shown that organization’s actions can have positive impact on brand loyalty within SMBCs, the research doesn’t reveal that well what kind of actions companies are taking to build these relationships that would foster brand loyalty between company and the users. Majority of the previous research focuses on investigating brand communities and their effects on consumers through quantitative studies and perhaps only briefly giving managerial implications. Lesser part of the
studies takes managerial actions as the main focus by investigating actions of companies. This combined with the fact that the social media landscape is constantly evolving and that the older brand community literature can’t always be directly applied to social media environment proves a need for further research regarding managerial perspective of building brand loyalty on SMBCs.

1.3. Theoretical framework

The theoretical framework (Figure 1) illustrates the key concepts found in the theory as well as their connections to each other. The context of the research is to study relationship and loyalty building between brand and consumers in social media brand communities. The framework places relationship building as a focal point for the study as it is an imperative factor in building loyalty and eventually the benefits that arise for brands from social media brand communities. The vertical arrow between the brand and the consumer demonstrates the interaction required from both parties in the relationship building effort, which is essential in relationship building as all of the parties included are required to put effort into the relationship for it to be fruitful. The different squared boxes in each pivotal element portray the most important building blocks or results for each element.
1.4. Key concepts and definitions

This section defines the most focal concepts that the reader needs to comprehend in order to better understand the study as a whole. Also, because some of the concepts can be defined in multiple ways, this section enables the reader to understand the definitions they way that is essential specifically for this research.

Social media

The development of Web 2.0 paved the way for the manifestation of social media. This enabled a new way for the Internet users to share information. Kaplan and Haenlein (2010, 60) define social media as: “a group of internet based applications that builds on the ideological and technological foundations of Web 2.0, and it allows...
the creation and exchange of user-generated content.” This definition emphasizes the collaborative manner that social media is managed. The content within social media applications can be created and modified by the users, hence making them active participants in the platform instead of just passively consuming content (Laroche et al., 2013; Kaplan & Haenlein, 2010).

**Social media brand community (SMBC)**

One of the first and the most adopted definitions of a brand community comes from Muniz and O’Guinn (2001, 412). They define a brand community as: “a specialized, non-geographically bound community, based on a structured set of social relations among admirers of a brand.” By this definition brand communities can either operate as geographically concentrated to different locations or in the space of the Internet. Brands can also have multi-channel operations where the community is for example based online but the brand organizes different events offline where community members can participate. Social media brand communities (SMBCs), however, operate mainly within the boundaries of different online social networks. Thus, they are a combination of brand communities and social networks (Jiao et al., 2017). A brand can operate on multiple platforms simultaneously or focus on being present on just one or two platforms. The size of a community can vary greatly depending on the presence the brand has been able to gather on different social networks. SMBCs can be established by fans or by the brand itself. This study considers SMBCs that are established by a brand and where consumers then join and participate.

**Brand-consumer relationship**

Brand communities consist of different relationship types between the parties involved within the community and the relationships between each party. Usually the different parties are broken down to brand, product, customer, marketer, and focal customer. Thus, brand-consumer relationship in the brand community literature can be regarded as one relationship dimension within brand communities (McAlexander et al., 2002). Prior literature recognizes managing the relationship between the brand and the consumer important, as a strong relationship is linked to purchase behavior,
shield against negative information, word-of-mouth advocacy, and sacrifices for the brand, as well as many other benefits (Batra, Ahuvia, & Bagozzi, 2012). Hence, brands have started to invest more into cultivating brand communities and the relationships that brands have with consumers (Tsai & Pai, 2012).

**Brand loyalty**

Brand loyalty can be described as a sense of attachment that the consumer feels towards a brand or a company. Brand loyalty can appear in a consumer in many ways, like behavioral loyalty, which can for instance mean consumer’s purchase behavior over other brands (Kotler, Armstrong, & Frank, 1989). Aaker (1991) recognizes brand loyalty as an emotional attachment towards the brand and it has six dimensions: willingness to repurchase, switching cost, satisfaction rate, preference over the brand, price premium, and commitment to brand. Hence, increased brand loyalty can lead to many benefits for companies, like positive word-of-mouth and improved cross-selling rate (Griffin, 1996). This research doesn’t exclude any certain manifestation of brand loyalty but considers brand loyalty as holistic phenomenon.

**1.5. Delimitations**

The research is narrowed down to discuss only the relevant topic areas that serve the purpose of the research questions and the objectives. As brand management and brand communities are such broad concepts, the study has to eliminate several areas within these subjects in order to focus on what matters most for the study.

Brand communities are continuously evolving and ever since the social media era, the progress has been rapid and the way consumers communicate with brands is constantly changing. This study focuses on investigating brand communities within social media networks and specifically communities that are managed by the brand. Therefore, offline brand communities and communities managed by fans or consumers are eliminated from the study. Of course, prior community literature that has investigated offline communities will be touched upon in this study as well, as long as its relevant to the research. Also, because of the fast evolution and relative
newness of the social media era, there are not that many contemporary studies that
would discuss the topic in a way that would be directly linked to this study. Therefore,
prior brand community literature has to be applied to the modern social media context.

This study focuses on the brand-consumer relationship and how it can be improved
in social media brand community context. However, as this research shows, a brand
community consists of multiple parties, which often are interconnected and thus
affect each other. Hence, other relationships in the community can't be completely
ignored. Therefore, if other relationships in the community have an impact on the
relationship building inside the community, these theories can also be briefly
discussed.

In terms of brand management, the research discusses only how relationship
building in the brand communities fosters brand loyalty towards the brand that
manages the community, as well as what actions brands are taking in these
communities to achieve relationships with the consumers that would improve brand
loyalty. Other aspects like how relationships would impact for example; brand equity
or brand attributes are not discussed unless they are within prior literature linked to
brand loyalty. The same applies to brand relationship literature. Aim is to keep the
focus on relationship building inside brand communities. However, understanding
certain literature prior the social media era is important to lay the foundation for
relationship building in social media brand communities. Therefore, some focal
relationship literature is touched upon in the study even if it's not directly related to
the online community context. But like mentioned, often these older studies can also
be applied to social media context.

Due to the nature of the research, the empirical part eliminates certain angles of the
research. The companies interviewed for this study are large MNC’s and operate in
the B2C industry. This is important as the study aims to investigate brand
management and relationship building between consumers and the brand in online
community context. Hence, geographical restrictions are not applied and relationship
building between businesses is not discussed. Of course as mentioned earlier, as
long as prior literature is seen relevant to the study, it can be mentioned in the
research. This means that any shortcomings for the lack of contemporary social media literature or the nature of the empirical part will be compensated by combining relevant areas from prior literature and from the findings of this study. This way, the research can provide best possible managerial recommendations based on all relevant areas surrounding the study.

1.6. Research methodology

In order to understand how brands can build brand-consumer relationships on brand communities and what actions brands are exactly taking in their communities to fulfill this, the research methodology is conducted by using qualitative methods. Representatives from different MNC’s and from different managerial positions are interviewed to get in-depth revelations related to the topic. Focus is on interviewing staff that are in someway working with the brands’ online communities, this includes, for example, community managers. The interviews are semi-structured, so that the questions lead the conversation to central topics but still keeping the conversation open-ended. This way the interviewees don’t feel limited and any important insights won’t be missed. The study’s research methodology is explained more thoroughly in chapter 3.

1.7. Structure of the thesis

This chapter explains the structure of the thesis, so that the reader can get a clear understanding of the different sections before diving in to the main sections of the research. The first chapter and its sub-sections already gave the reader an introduction to the topic and set the research questions for the study. The literature review provided an overview of different academic literature that had focused on the topic area before. After this, a theoretical framework was illustrated to better clarify the upcoming theory sections and its most important aspects. Furthermore, the chapter provided definitions of a few focal key concepts.

The two main chapters of the study (chapters 2 & 4) discuss the theory behind the topic and the empirical part of the research. The chapter three, in between these two
main sections, dives in to discuss the research methodology behind the thesis. Chapter two aims to provide the reader with an overview of the main theoretical contributions that are most imperative for the study. This chapter is divided into four main sections that proceed in the same order as the research questions. First the reader is introduced to different brand communities and their management. Understanding the foundations for brand communities is important in order for the reader to really grasp an idea of what communities consist of and what they mean for the study. The second section consists of theory behind relationship building on brand communities. The section discusses several different topic areas that were seen important for the research. After this, the next section focuses on loyalty building on brand communities. This order was important for the study, not only because how the research questions were set, but because in order to build loyalty, most often there needs to be a good relationship between the brand and the consumer before loyalty can be accomplished. Thus the loyalty chapter demonstrates several factors that help build brand loyalty through brand communities. Finally, different benefits are discussed that might rise for brands from managing brand communities.

Chapter three, explains theory behind qualitative research, as well as discusses the data collection methods and how the data was analyzed for this study. Therefore, after reading this chapter the reader has a better understanding of the ways that the research was conducted to provide results in the latter parts of the study.

Chapter four then lays out the data that was gathered and analyzed through the interviews that were conducted for this study. This chapter as well follows the same order as the research questions set for the study. Thus, the first set of questions discusses some general areas around brand management in social media networks and brand communities. After this, the next set of questions dive deep into how brands are building relationships in their communities. The next section discusses brand loyalty building and how the brands that participated in the study build loyalty in their communities. The final set of questions focus on what kind of benefits brands are getting from managing their brand communities.
The final chapter of the thesis concludes the research by providing conclusions and discussion around the topic. Firstly, the chapter opens up by summarizing answers for the research questions that were set in chapter one. After this, managerial implications are discussed and a framework is illustrated to better offer brand managers tips about how they can build relationships and loyalty on their social media brand communities. Finally, some theoretical contributions are discussed, as well as some ideas for future research around the topic.
2. MANAGING BRAND-CONSUMER RELATIONSHIPS ON SOCIAL MEDIA BRAND COMMUNITIES TO FOSTER BRAND LOYALTY

This chapter of the research includes the theory part of the study, covering all the main areas from the literature related to the research questions set earlier. The theory part is divided into four sections. The first section (2.1.), explains theory behind brand communities. After this, chapter (2.2.) discusses the relationship building side of the study. Third chapter (2.3.) covers the loyalty building side of the research and finally, section (2.4.) introduces the reader to some benefits that stem from brand-consumer relationships and loyalty on SMBCs.

2.1. Brand communities

This chapter addresses the brand community literature in order make sense of what brand communities are. Understanding the foundations of brand communities and their features is important in order to be able to conceptualize relationship building and brand loyalty within modern SMBCs. Below the research forms a better understanding of brand communities, brand communities on social media, and lays foundations and characteristics for managing brands in these communities.

2.1.1. Traditional brand communities

In its inception, the concept of a brand community was developed to answer two problematic relationship-marketing questions that marketers faced. One problem was to solve the dilemma of managing personal relationships with customers. One-to-one relationship with a customer can be beneficial for both parties due to the highly personal nature of the relationship. This kind of relationship management, however, is very costly and makes the whole practice inefficient (Iacobucci, 1994; Muniz & O’Guinn, 2001). Therefore, brand communities try to solve this problem by ramping up the efficiency of managing relationships with consumers. The brand community can operate per se, on the behalf of the management by for example, offering assistance for the consumers. Another problem that brand communities help marketers to unravel is consumer behavior. Brand communities help marketers to
better understand the behavioral aspects of the consumers by offering a platform to study the consumers and to gather data (McAlexander et al., 2002).

According to Muniz and O’Guinn (2001, 412), Brand communities have three distinct features that make them recognizable. These features are “shared consciousness”, “shared rituals and traditions”, and “sense of moral responsibility”. Shared consciousness means that the members of the community feel like a group and the community separates them from those outside the community. Rituals and traditions depict the history of the brand and how it affects the culture of the community by presenting itself by for example, symbolic acts and gestures. This can for instance be specific jargon that is recognizable by the community members and is widely used within the community. Sense of moral responsibility explain the meaning of the brand community and tie it to greater good by focusing on improving the wellbeing of the members and the community as a whole, as well as the obligations the members have towards the society (Muniz & O’Guinn, 2001). A successful brand community needs to have these three elements but in order for them to matter, consumers first need to feel connected to the community and that the community is relatable for them (Algesheimer et al., 2005). Habibi et al. (2016) found in their research that brand managers should most importantly focus on promoting the shared rituals and traditions of the community. They found out that when the shared consciousness dimension is too developed, the community members don’t engage as much in sharing positive word-of-mouth outside the community as they would otherwise (Habibi et al., 2016).

Aside from these three features, one way to explain brand communities are the different relationships that can be formed within them. In their inception, the earlier models of brand communities considered only the dyad of relationships between the consumer and the brand. After this, the model (figure 2) by Muniz and O’Guinn (2001) became widely accepted model to depict brand communities as it expanded the dyad to also include the relationships between the consumers inside the community, not just the brand. Muniz and O’Guinn (2001, 412) define a brand community as “a specialized, non geographically bound community, based on a structured set of social relationships among admirers of a brand”.
McAlexander et al. (2002, 38) on the other hand, define a brand community “a community that is made up of its entities and the relationships among them”. The customer-centric model by McAlexander et al. (2002) developed the concept of brand communities even further by focusing on all the parties within the community and making the customer a focal part of the model. The model (figure 3) recognizes four different relationships inside the community: customer-product, customer-brand, customer-company, and customer-customer (Habibi et al., 2014). This model of brand communities has been widely accepted and researched in the brand community literature. In this research we focus on investigating relationship building in brand communities but chiefly the focus is on the brand-consumer element of the relationships within communities, which can be said to be the traditional relationship dyad of brand communities (McAlexander et al., 2002).
However, other parties in the brand community still can't be disregarded. Other relationships are still vital inside the community and they are all interconnected, thus affecting each other (Habibi et al., 2016). Therefore, a brand community is an interconnected web where all the parties function together, each of them forming a building block of the community. This is what it eventually comes down to when considering the relationship aspect between a brand and the consumer. In order to build a strong relationship with the consumer, the consumer needs to feel as being a part of a greater whole, which means that all of the parties in the community matter (Habibi et al., 2016).

### 2.1.2. Social media brand communities (SMBCs)

Social media brand communities (SMBCs) came to be as social media sites and brand communities started to blend together due to the rising popularity of different social media networks (Brodie et al., 2013). Social networks provide plethora of marketing advantages for companies compared to traditional marketing methods. These benefits could be for example, lower cost and better communication with the consumers (Kaplan & Haenlein, 2010). Research also recognizes SMBCs in assisting building relationship quality and loyalty within consumers especially when the consumer’s recognize the benefits of partaking in a brand community and if a brand can offer these benefits. (Park & Kim, 2014).
Due to the fact that earlier brand community literature was written prior the social media era, some scholars argue that the nature of brand communities in social media platforms is different compared to earlier community models (Habibi et al., 2014). However, the three pillars of a brand community (shared consciousness, rituals and traditions, and sense of obligation) still prevail in social media brand community context. Conversely, brand communities have gained a lot of attention in research literature preceding the social media era and they are overall reasonably well understood. Brand communities connect people, brands and consumers in many different ways and can hence be considered as the predecessors to SMBCs making brand community literature and its principal findings important when it comes to comprehending SMBCs (Gensler et al., 2013).

Despite of overlapping features when comparing older models of brand communities, Habibi et al. (2014, 155) recognized in their study five dimensions that separate SMBCs from the traditional brand communities. These five dimensions are: “social context”, “structure of brand communities”, “scale”, “content and storytelling”, and “myriads of affiliating brand communities”. Social context makes SMBCs unique compared to traditional communities, as social communities are not tied to a location. People in the communities can also meet offline but the natural structure of these communities is based online, which also offers the members a channel to gather a lot of information about the community members quickly. The structure of SMBCs is looser and doesn’t convey the kind of hierarchy as traditional communities perhaps did. SMBCs are also much larger because they can gather members more easily due to the ease of access and that they are not tied to a specific location. This can be a good or a bad thing for brand managers because larger communities can reach more people but they can also be more difficult to manage. Storytelling is a lot different and the way that the members can interact with each other via different kind of content and also react to this instantly. Lastly, because starting a community as a brand is very easy and the costs of upkeep are relatively low, the number of brand communities has exploded. Also due to this reason, many brands have multiple communities and sub-communities for their brands (Habibi et al., 2014).
Despite of these differences, SMBCs are similar in many ways to more traditional brand communities as the foundations for joining and the concept of a community remains the same. However, some researches recognize that in traditional brand communities the members tend to have greater affection towards the brand and being a member of the community usually means more to the members on an individual level. Where as on social media brand communities the community feeling can be more fickle and more casual when community members aren’t as committed (Algesheimer et al., 2005). This is understandable since social networks have massively increased the number of brand communities and consumers often follow and engage with multiple brands online. Also, the number of members in online communities often far succeeds the number of members in an offline community. This makes connections on SMBCs less structured and the members might have difficulties with connecting with other members because of the massive number of members and that they are not necessarily as prominent as they would be in traditional brand communities where interaction happens offline (Habibi et al., 2014; Habibi et al., 2016).

The interaction and communication between the different parties within the brand community only grows on social networks compared to more traditional brand communities. This means that on social networks the consumers are linked with the brand in broader network context (Kozinets et al., 2010). This resonates for example, to word-of-mouth communication, which has a greater impact on social networks due to the range that the message can be carried over the network (Trusov, Bucklin, & Pauwels, 2009).

2.1.3. Characteristics of brand management on SMBCs

The dynamic nature of social network landscape has changed the way that brands are managed online. One of the biggest factors influencing this is the power that consumers have gained and the ways that they are involved in the marketing communications through different online platforms. Consumers are now part of telling the brands’ stories through the ease of sharing experiences online to other people. This is a pivotal aspect that brands these days need to manage in order to
successfully build a brand online (Gensler et al., 2013). More traditional way of brand management considers the brand identity as an asset owned by the brand and something that is tightly in control of the brand manager, which is then messaged to consumers through different marketing activities (Keller, 1993). With social media, brand management has become more complex.

The share of voice gained by consumers has resulted to the fact that brands cannot entirely control the brand messages that they wish to portray to the audience. Nowadays, consumers are part of telling the brand-stories. Even if a brand wouldn’t be present on social networks and therefore not have their own brand communities, consumers can still share their own opinion about the brand to other users and this could greatly impact how others view the brand. This raises multiple points that brand managers need to assess when it comes to managing brands online. Firstly, managers need to understand how social media impacts their brand. Social media can affect brands in different ways and not all brands are as gravely impacted as others. Even though the consumers’ share of voice has increased and they have a decisive role in telling brands’ stories, brands aren’t entirely on the mercy of what consumers say about them. Managers need to realize how to control and stimulate positive consumer generated brand messaging and also prepare and learn how to react to criticism. If utilized correctly, brands can leverage consumers messaging on social networks to their advantage (Gensler et al., 2013).

It is clear that brands cannot control what people say about them online but instead of just passively monitoring what people say about them, brands can try to steer conversation to areas that they desire by for example, promoting certain user-generated content. Relationships between brands and consumers are one factor that define if people will generate their own brand stories and what will they say about the brand, thus cultivating and managing these relationships is important for brands (Gensler et al., 2013). User generated content and storytelling is discussed more in chapter 2.2.7.

The importance of managing relationships within SMBCs grows even greater because of the network-oriented approach. As mentioned earlier, managing one to one relationship with a single customer is important but because of the nature of
social networks, managing relationships extends also to the social circle of that individual consumer and this is something that brands need to take into consideration. Consumers can be influenced by their social circle or they can influence others. This applies also even if the consumer isn’t necessarily a customer of the brand. The person can still have a significant impact on his peers and how they feel about the brand; hence this is something that brand managers have to keep in mind (Gensler et al., 2013). The brand community can consist of people with different agendas and relationship levels with the brand. Not all of the people are extremely enthusiastic about the brand. Some are in the brand community for other reasons, like to get deals, offers, or information (Schau et al., 2009; Sung et al., 2010). This is something that brand managers need to consider. The people in the community have different needs and expectations and the community managers need to respond to these different needs accordingly. The reasons for participating in an online community are discussed in chapters 2.2.2. - 2.2.3.

The dynamic nature and complexity of social networks makes brand management extremely challenging. Authors Fournier and Avery (2011, 194) referred to brand management on social media as “open-source branding”. This conveys the collaborative nature of the platforms discussed and the transparency a firm has online in an environment where users can freely spread their own idea of the brand to other users. According to Fournier and Avery (2011), a brand can adopt different management styles online where on the other end brand can be more passive and focus on listening and responding, or a brand can take a lead and be more active in the community, hence using the different features of social media platforms to their advantage. Singh and Sonnenburg (2012, 190) conversely refer brand management on social media to “improv theater”, where actors and the audience collaborate closely to produce the play. This metaphor is another remark signaling the collaborative nature of social media.

2.2. Building relationships on SMBCs

This chapter discusses different theories regarding building relationships with consumers through brand communities. Focus is on brand-consumer relationships
and social media brand communities, however, older relationship and brand community theories are also touched upon since they provide valuable insights for relationship building on modern social networks. Theory discusses what has been found in prior academic literature to have an influence on relationship building. Managerial implications are also provided but mostly they are discussed later on in the research in chapter 5, where theory and empirical findings are connected.

2.2.1. Relationship quality

As with any relationship between different parties, whether it’s between people or with people and brands, in order for the relationship to thrive, it needs nurture from both sides. As Fournier (1998, 365) mentions in her article: “Brand relationship quality evolves through meaningful brand and consumer actions, as per the reciprocity principle on which all relationships are grounded”. This means that relationship is a two-way street that needs to be managed and in which all parties have needs that must be fulfilled. As social media platforms have become a major communication platform for consumers, they have grown as of an importance for brands as well to serve as a channel to build relationships with consumers (Hennig-Thurau et al., 2010).

Fournier (1998) and her study was one of the groundbreaking researches to explain the relationship quality between a brand and a consumer and how this relationship is formed. The relationships and their existence can be viewed from different angles, which depict how consumers interact with brands and why. Some of these reasons are more functional and some reasons have deeper psychological and emotional factors behind them. All of the reasons, however, serve a purpose of filling a different need of the consumer. The different foundational dimensions found in the study were “love and passion”, “self-connection”, “commitment”, “interdependence”, “intimacy”, and “brand partner quality” (Fournier, 1998, 366). Multiple studies have recognized the importance of understanding the factors of the quality of the relationship between a brand and a consumer to understand consumer-brand relationships on social media context and how it’s linked to other behavioral results like word-of-mouth or brand loyalty (Hudson, Huang, Roth, & Madden, 2015).
Fournier (1998) found in her study that brands and their marketing efforts play a big role in how they are able to develop relationships with customers and how they feel about the brand. For instance, using spokespersons or ambassadors for a brand can be extremely effective in terms of making consumers feel more favorably towards the brand. Using a person for the face of the brand humanizes the brand and in turn gives it a face. This is something that consumers appreciate when forming a relationship with a brand. However, it is important the person representing the brand is in congruence with the brand and its values, hence being a good fit for the brand. Strong marketing performance enables the brand to act as an active member of the relationship and thus, fulfill the needs of the other party of the relationship. Brands need to take an active role in managing the relationship (Fournier, 1998). As a relationship partner, the brand has to fulfill certain needs of the consumer to ensure high relationship quality. Firstly, the consumer needs to feel positively about the relationship. This means that the consumer for example, feels respected and that the brand values the relationship. Secondly, the consumer needs to feel that the brand is there for him/her. This indicates the activity of the brand in the relationship and that the brand is there when the customer needs it to be. Thirdly, mutual respect and that the brand applies to the “rules” of the relationship. Fourth requirement is that the consumer can trust the brand to deliver what is needed during the relationship and that it will not turn its back to the relationship. Finally, the brand needs to be accountable for the relationship and fulfill its duty as a partner. (Fournier, 1998).

Social penetration theory notes that consumers strive to strengthen the relationship with a brand or other party if they see that the relationship is beneficial for them (Altman & Taylor, 1973). There are many beneficial factors that can drive the consumers’ will to strengthen the relationship with the brand. Park and Kim (2014, 461) explain in their article that the benefits can be divided into two dimensions – “utilitarian” and “experiential”. Utilitarian benefits are more functional that provide the consumer things like information and offerings that can save the consumer money. Experiential benefits are linked more to emotional needs, which can be things like social connection and enjoyment. For brand managers this means that in order for the consumer to want to engage and pursue a relationship with the brand, they need
to pursue offering these benefits, which in turn encourages consumers to stay in the relationship with the brand (Park & Kim, 2014)

One thing that consumers look at when building a relationship with a brand online is how invested the counterpart is in building the relationship. Perceived relationship investment means to what extend the brand is willing to make effort to establish a strong relationship with the consumer. This can include taking time to personally connect with the consumer on a dialogue or offer things. When consumers feel like the brand is invested in the relationship, they respond the same way by for example, engaging and participating in the online community. Enjoyable interactions then can make the consumer feel more favorably towards the brand and strengthen the relationship (Park & Kim, 2014). Also, when the brand makes an effort to build the relationship with the customer, this makes the community members to open up more in the community, participate, and share content, thus they become more emotionally attached to the community (Park & Kim, 2014). This is also linked to the theory of reciprocity, in which a person feels the need to return a favor to the other party that has previously done a favor for them (Cialdini, 2007). In a brand-consumer relationship context this means that if consumers feel like the brand is invested in the relationship, they will do the same. Therefore, the reciprocity principle can help in creating stronger relationships with the consumers (Park & Kim, 2014; Porter & Donthu, 2008).

It’s also noteworthy to realize that the relationship quality with the brand is connected to the consumer’s relationship quality with other parties within the community, as per figure 3. In order for the relationship with the brand to be strong, the consumer has to have established good relationships with other elements of the community as well. This affects how strong the brand-consumer relationship through the brand community at the end turn out to be (Habibi et al., 2016; Algesheimer et al., 2005). Thus brand managers should focus on improving the consumers’ relationships with other elements of the community for the brand to reach their goals regarding the brand community (Habibi et al., 2016). Habibi et al. (2016) also found in their study that the consumer-company relationship dyad isn’t that important when it comes to the relationship quality that the consumer builds with the brand community. They suspect that this could be because the company representatives in often very large
communities aren’t in that pivotal role; the discussions are often left for between the users. Thus some brands purposefully shy away from interrupting too much the conversations between the community members (Fournier & Avery, 2011; Habibi et al., 2014).

### 2.2.2. Brand community consumption

When building relationships with consumers through SMBCs it is important to understand the consumption patterns of consumers and to clarify why people interact with brands online. This will unveil what brands need to focus on when trying to enhance relationships with their customers. Davis, Piven, and Breazeale (2014, 468) introduced a five sources model, which recognizes different reasons behind the motivations for consumer participation in online communities. The model assists brands in finding ways to improve their brand communities and the relationships with their customers. The dimensions in the model are: “functional”, “emotional”, “self-oriented”, “social”, and “relational” (Table 2). The model found similarities to Fourniers (1998) study of brand relationship quality, however, the study by Davis et al. (2014) was conducted specifically in social media context. Their findings are discussed in detail below.

**Table 2. Five Sources Model (Davis et al., 2014).**

<table>
<thead>
<tr>
<th>Functional</th>
<th>Emotional</th>
<th>Self-oriented</th>
<th>Social</th>
<th>Relational</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Problem solving</td>
<td>• Personal problems</td>
<td>• Self-actualization</td>
<td>• Experience exchange</td>
<td>• Co-creation</td>
</tr>
<tr>
<td>• Inquiries</td>
<td>• Recognition</td>
<td>• Self-perception enhancement</td>
<td>• Community attachment</td>
<td>• Personalization</td>
</tr>
<tr>
<td>• Information</td>
<td>• Explore</td>
<td>• Self-branding</td>
<td>• Link building</td>
<td>• Transparency</td>
</tr>
<tr>
<td>• Evaluate</td>
<td></td>
<td></td>
<td>• Social interaction</td>
<td></td>
</tr>
<tr>
<td>• Access to deals</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The functional dimension suggests the purposeful use of social media, for example, to find out about a product or to ask the brand a question. For functional usage of social media, the reasons for engaging with a brand can be divided into five motivators: “to solve problems”, “to send specific inquiries”, “to search for
information”, to evaluate the service before purchasing”, and to gain an access to a brand’s special deals and giveaways” (Davis et al., 2014, 471). Social media makes it easy and effortless for consumers to get the information they need from a brand and many consumers prefer to contact the brand via social media due to its convenience compared to more traditional ways of communicating. This means that brands need to be able to provide information on social media and to be responsive within the community in order for the consumers to be able to engage with the brand the way they need to. Nowadays consumers expect a swift response from the brand for the consumer’s inquiries and feedback (Aksoy et al., 2011; Davis et al., 2014).

Park and Kim (2014), however, found in their study that functional benefits, like promotions and offers don’t play a part in increasing the relationship quality between the brand and the consumer. Despite of this, it could very well be that even though functional benefits don’t necessarily strengthen the relationship, they still are benefits that the consumers look for and appreciate when participating in an online community. Also, most of the brands offer functional benefits in their online communities, hence, this could be something that the consumers are accustomed to and even expect. Instead of just focusing on providing short-term functional benefits for the community members and thus keep them engaged, brands should focus on building long-term commitment that would bring more lucrative results in terms of relationship building (Park & Kim, 2014).

The functionality applies also to the usage of the product/service. Whenever the consumer has strong ties to the usage of the products of the brands for example, it’s linked to the daily routines of the consumer; the relationship quality is often strengthened. This also leads to commitment, where the consumer appreciates the brand and recognizes the loyalty towards the brand (Fournier, 1998). It would be expected that the usage of the brand’s products and other interaction in offline context also translate to the relationship quality building in online context.

**Emotional brand consumption**, which is driven by the emotional connectedness the consumer feels towards the brand and further reinforced by pleasant interactions. Depending on the emotional needs of the individual consumer, the emotional connection with the brand can grow strong if the brand community can answer the
needs of the consumer (Morrison, & Crane, 2007). The emotional consumption dimension can be further separated into three different sub-categories: “alleviating personal problems situations”, “feeling privileged, recognized, and valued by a brand”, and “escapism and satisfaction of curiosity” (Davis et al., 2014, 472). People feel joy when they can contribute and to communicate with the brand and other community members, especially if their contribution gets recognized within the community. Pleasant interactions make the consumer feel more favorably towards the brand and the community as a whole. Entertainment is also a huge part of how much consumers engage with a brand. Brands need to be entertaining and actively to produce new content online and to stay up to date. (Davis et al., 2014)

Moreover, SMBCs offer consumers a channel to express themselves and a safe way to explore and to become a part of a community, as well as to feel connected to other people with similar interests. Social media is a channel for the consumer to express their ideal-self, rather than necessarily expressing their actual self. People experience and consume SMBCs in different ways and can change depending on the experience communicating with the brand or community, as well as more deeply rooted personal traits. Different consumption styles create a challenge for the brands as poor experiences may result in a negative feeling about the brand (Davis et al., 2014). One method of strengthening the ties between the members of the community and their investment in being involved in the community is by the brand encouraging them to share their experiences and try to have an emotional impact to their peers (Park & Kim, 2014).

**Self-oriented brand consumption** refers to the lifestyle and the goals of the consumer and the way that this conveys itself on SMBCs environment. Self-oriented dimension can be further broken down into three different elements, which are “self-actualization”, “self-perception enhancement”, and “self-branding” (Davis et al., 2014, 473). Davis et al. (2014) found out in their study that especially self-actualization is a big part of the way the users consume SMBCs. It’s about communicating with the brand and other community members and about learning new things through different interaction methods. Furthermore, it’s about reaching one’s potential from learning and also about expressing and sharing their values with like-minded individuals and with the brand. Hence, most of the time it is important that the brand
and the community is aligned with the consumer’s personal values, interests, and beliefs because this usually means stronger engagement with the brand community (Davis et al., 2014; Schouten, 1991). Sometimes this is not the case though, sometimes just the interactivity factor and a chance to co-create is enough for the consumer and it’s not that important that the brand isn’t aligned with the sense of self and values of the consumer. But in general, the more connected the consumer feels with the brand and the community, the better for the relationship building (Hoyer et al., 2010; Ponsonby-McCabe & Boyle, 2006).

SMBCs and social media as a whole not only provide a platform for the consumers to express themselves, but also to develop their identity. Consumers can self-brand themselves through different brands on social media by showcasing their interests and expertise (Davis et al., 2014). The idea of what the brand represents to the consumer enables the user to build their own identity online through different activities inside the community and this is closely linked to how other members of the community react to the content as well. Fournier (1998) found similar links between the consumer’s identity and linkage with the brand. Relationships with brands help the consumer to define who he/she is and gives the ability to express own identity and self-worth through the products/services.

Even though this study mainly focuses on the relationship between the brand and the consumer, the social brand consumption aspect of the five forces model helps to understand the importance of community building through the relationship between the users within the community. Communication with other members in the community is important for the sake of social interaction and for enhancing the community experience. There are four different aspects that drive social value for consumers from interacting with their peers within the community. These aspects are “experience exchange”, “community attachment”, “building links”, and “social interaction” (Davis et al., 2014, 474).

These different aspects bring value to the consumers in different ways. Not only can community members share their own experiences to be heard, but also to help other community members. Connections within the community also drive consumption patterns and service evaluations. This means that people value the opinions of
others in the community. Connectivity to other and building relationships is one of the key factors in a community. However, Davis et al. (2014) also found in their study that the experiences within the community are linked with how well the consumers feel connected to the brand. Therefore, the ability to be social and to connect with other members of the community through sharing experiences, engaging with content, giving feedback etc. is an important factor when considering the linkage to the relationship building with the brand.

**Relational brand consumption** is the main dimension when considering this study because it focuses on the relationship between the brand and the consumer and what kind of interaction consumers expect or prefer with the brand. Consumers want to communicate with a brand on a human level and expect brand personality (Aaker, 1997; Davis et al., 2014). The dimension is separated into three different aspects, which are “co-creation of the service offer”, “the desire for personalized brand interaction”, and “the desire to know the real people behind the brand” (Davis et al., 2014, 475). The focal aspect of the relationship is that it’s personalized and the consumers want a strong relationship with the brand. They want to know the real people behind the brand and to interact with the brand through co-creation, which could in turn enhance the relationship (Davis et al., 2014).

People value real interactions with brands and even though social media platforms are tools to connect via online, the human aspect is still important for consumers. Also, expectations for a swift response and personalized service have increased due to the nature of the platforms. Brands are always expected to be online and to help the consumer. This leads to people also wanting to co-create with the brand because it creates value for the consumer and further provides the consumer with relevant brand experiences (Christodoulides et al., 2012; Davis et al., 2014).

Davis et al. (2014, 476) further recognize in their study different kind of relationship types that the consumer may have with the brand. These relationship types are “fickle”, “obliged”, “pre-existing”, “emerged”, and “casual”.

**Fickle relationship** type, as the name suggests, can fluctuate a lot based on the prior interaction that the consumer had with the brand. Quality of the interaction can
quickly change the quality of the relationship, which makes the relationship highly unstable and sensitive to brand relevance (Davis et al., 2014).

**Obligatory relationships** usually happen because the brand drives communication to social media instead of offline communication. This is very common these days, for example, in banking or telecommunications industry. In this relationship type the consumer doesn't necessarily want to interact with the brand online but might be forced to due to the lack of other means of communication. This may hamper the relationship but can still bring value to the consumer in the form of increased service level and ease (Davis et al., 2014).

**Pre-existing relationship** type suggests that the relationship between the consumer and the brand has been already formed in offline context and is now transferred to online community context. Transition to a SMBC relationship can further strengthen the relationship by enforcing the prior relationship quality that the consumer had with the brand, which can for example, lead to an advocacy (Davis et al., 2014).

**Emerged relationships** are relationships that are formed in an online context, meaning that the consumer hadn’t established a prior relationship with the brand before touching base with the brand online. This may indicate that the relationship is not as strong as pre-existing relationships. However, if the consumer feels deeply connected to the brand, the relationship can be the further developed in online context, which can lead to positive brand interactions like liking, co-creation, and other positive brand engagement (Davis et al., 2014).

**Casual relationships** are highly linked to the nature of the company and its services. Casual relationships are less frequent interactions that happen between the consumer and the brand, which often means that the relationship between the user and the brand is not as strong. However, even if the brand’s community might indicate more casual type of relationship, the relationship can be developed stronger if the community can answer to the user’s other consumption habits and needs described above. For instance, if the consumer can express his/herself through the community, the relationship can be strengthened despite of the casual relationship with the brand (Davis et al., 2014).
All these community consumption patterns and relationship types described above indicate how brands can build relationships with consumers or what things to focus on to strengthen the relationships based on what things are important to consumers (Davis et al., 2014). This ensures that brands are able to build an active online community around their brand. Consumers want to connect with the brand on a personal level and to know people behind the brand. This helps the consumer to feel connected to the brand (Breazeale, 2009). This means including transparency cross-functionally throughout the company. Often brands just show the most prominent people of the brand but it’s important to include also the less visible members who are still vital in creating the brand to what it is. The social aspect of the community is also important because after all, the community is a network of like-minded individuals where people can communicate with other members. Brands need to focus on improving these things by facilitating a community feel through co-creation, interactivity, and putting out relevant content. Consumers like to interact with the brand and to be an active partner in creating content with the brand. This is something that brand managers have to tap into (Breazeale, 2009). However, the content is not the only important thing when consumers look for brand communities. Consumers also pay attention to the relevance of the brand, which can show through the number of likes or followers (Pentina et al., 2013; Davis et al., 2014). This means that brands should also focus on growing the communities to build relevance.

Investing on social media channels and their management is vital to make sure that the right community feel exists to make the users to want to participate online and for them to be able to fulfill the different consumption goals that they have. Davis et al. (2014) recommend that the brand itself manage the brand community instead of letting a third party to take control of managing the community. Keeping the community management in-house enables the creation of right community-feel and usually this way the brand can also respond more swiftly to the consumers’ questions or to react to the content they have shared in the community in a personalized manner that is also aligned with the brand voice. This interaction is fundamental when enhancing the relationship between the brand and the user (Davis et al., 2014).
As mentioned in the consumption styles above, users consume SMBCs to express themselves and to build their own identity. Therefore, brands need to promote this to permit the user to do this with different engagement possibilities. Promoting engagement and acting as a kind of moderator to invigorate conversation between users within the community are just couple ways to boost engagement. The more users feel that they can discuss with like-minded individuals and a brand, the more they trust the community to express themselves, the more active the community turns out to be (Davis et al., 2014). Social media users are glad to engage with brands and to be part of brand communities as long as they get value from the community and can fulfill their needs (Jahn, & Kuntz, 2012).

2.2.3. Value creation practices

Similarly to brand community consumption, value practices demonstrate how the consumers are participating in an online community to create value for themselves and to others members, as well as to the brand behind the community (Schau et al., 2009). These practices are important to recognize as they are linked to relationship building between the different elements in the community and thus affect the welfare of the community, relationship with the brand, and also to unveil what brands need to focus on when building a community to strengthen the relationship with the community members (Habibi et al., 2016). All of the value creation practices are also linked to the relationship quality, as well as loyalty and how the brand community users view the brand as a relationship partner (Algesheimer et al., 2005). Luo et al. (2015) also recognized that the value creation practices below are linked to community commitment and loyalty. According to Habibi et al. (2016, 295), the value creation practices are separated into four different categories: “social networking”, “community engagement”, “impression management”, and “brand use practices”.

Social networking practices are related to the relationship management that happens between the members of the community. This includes how the members create relationships between each other and nurture them. Social media platforms are great facilitators for this since they allow the members to interact with each other in many different ways, like viewing profiles, liking and commenting each other’s
content, and to further engage in deeper conversations. How much community members engage in networking with other members is linked to how well the user feels connected to the community and to the brand (Schau et al., 2009; Habibi et al., 2016).

**Community engagement** describes the level of engagement that the user has towards the community. This could be linked to documenting and sharing how the community members use the brand’s products, which may lead to deeper level of communication amongst the members. Engagement in the community, especially when it comes to content creation, requires more from the user in terms of effort, hence this value creation practice also requires that the user has strong feelings towards the brand community. The engagement has to be meaningful for the user and be matched to the identity of the user (Schau et al., 2009; Habibi et al., 2016, 2014; Zaglia, 2013).

**Impression management** refers to which extent the brand community member is willing to protect the image of the brand and the community to those outside the community. This kind of behavior leads to for example, positive word-of-mouth and overall standing up for the brand. For a user to spread positive messages about the brand obviously requires great devotion to the community and a strong sense of belongingness. Social media offers a great platform for users to spread messaging that would be favorable for the firm (Schau et al., 2009; Habibi et al., 2014; Algesheimer et al., 2005).

**Brand use** practices explain how the users of the brand try to make the most of the brand’s products/services. This includes helping other community members by providing tips on how to use the products to the fullest. Here again social media provides an excellent platform to ask questions and for the members and the brand to answer these and to deliver value to the rest of the community (Schau et al., 2009; Habibi et al., 2014, 2016).

Out of these four value creation practices brand use and impression management provide more tangible results for the members and the brand, where as social networking and engagement focus more on long-term development of the community
and its members. Therefore, Habibi et al. (2016) encourage brands to focus more on building the latter two, especially because the constant development of social media platforms and their still relative newness. Brands should focus on building relationships with consumers that would in the end lead to loyalty towards the brand (Habibi et al., 2016).

2.2.4. Anthropomorphism

From the perspective of relationship building, it is extremely important that the consumers see the brand as anthropomorphic. This means how human-like the brand is considered to be, for example, in terms of what kind of human characteristics and behaviors the consumers think that the brand has or represents, if any (Bartneck, Croft, & Kulic, 2009; Hudson et al., 2015). Hudson et al. (2015) tested whether or not this factor has an impact on the relationship quality and to what extent. The basis for anthropomorphism is that social connectedness is one of the basic needs for humans and needed for relationship building. One dimension of anthropomorphism is its analogical nature, which means that it’s linked to the cognitive process and human characteristics, like trustworthiness. Anthropomorphism can also be deeper in which it’s linked to behavior of how objects are viewed. This is linked to consumer’s ability to view brands, as they would possess human-like characteristics (Kim, & McGill, 2011).

Hudson et al. (2015) found that anthropomorphism is linked to the level of interaction that consumers show towards brands on social media. When consumers consider the brand to have human characteristics, they interact with the brand more on social media and thus deeper relationship can be formed. In general, consumers that interact with brands online have deeper relationship with these brands than those who interact less. This further demonstrates that brands that are able to engage their consumers online have an advantage in relationship building (Cruz & Mendelsohn, 2010; Hertzfeld, 2015; Neff, 2012). Hudson et al. (2015) argue that it would be wise for brand managers to establish anthropomorphism before trying to engage consumers online because it is an important antecedent to building relationships between a brand and a consumer. Consumers that view brands as human-like are more likely to engage with them (Rauschnabel & Ahuvia, 2014). To accomplish this,
brands could try for example, to give the brand a nickname, use visual images, or first person tone when speaking of the brand (Hudson et al., 2015).

Social response theory recognizes that people perceive brand communities in similar way as people and places, meaning that this affects how people respond to this specific entity, in this case a SMBC. Noteworthy is also to recognize that the relationship built with a brand community often resonates to the overall brand and vice versa. This being especially true when people recognize the brand having same characteristics as the brand community (Reeves & Nass, 1996; Brown et al., 2007).

2.2.5. Brand identity

The usage of SMBCs is all about social interaction between the different parties within the social network. One theory that has gained popularity among researches in studying relationships between brands and consumers within brand communities is social identity perspective (He et al., 2012; He and Li, 2011; Kim et al., 2001). The social identity theory is accompanied by two concepts - brand identity and consumer-brand identification.

Brand identity is all about differentiating brands from one another. They are characteristics that the consumer identifies the brand having. Consumers seem to favor brands that they find having strong brand identity and brands that seem distinguishable from other similar brands. These brands are noted in being trustworthy because they are considered more vulnerable and prone to fulfilling their promises to the customers (He et al., 2012; Harris & Goode, 2004). The social identity theory recognizes consumers defining their own personal identity and social groups, as well as brands serving as a tool for defining and expressing one’s identity. Therefore, brands that are seen in having strong identities can help consumers in satisfying their own efforts of self-identity expression (He & Li, 2011). Hence, brand identity is considered important when it comes to building relationships between the brand and the consumer (Dessart et al., 2015; Laroche et al., 2013).

The openness of social media platforms and the relationships in them make brand management on social networks challenging. The perceived brand identity is affected
by the lifestyles of the brand’s consumers and consumers alter the perception that they have of the brand. Thus, the connections on social media and the stories told about the brand will affect the brand’s social identity. This adds to the complexity of brand management on social networks (Naylor, Lamberton, & West, 2012).

2.2.6. Brand identification

Consumer-brand identification is one of the most fundamental drivers when considering the relationship building with a brand and a consumer (Popp & Woratschek, 2017). When a consumer strongly identifies with a brand, he/she finds similarities between the brand and him/herself. Consumer-brand identification portrays how strong the relationship with the brand or the brand community is and also how strongly the consumer feels that he/she is part of the community (Algesheimer et al., 2005). The identification can happen both, with the brand and the brand community (i.e. other community members). Often times they are also in connection with each other and influence each other. Therefore, identification is also an important factor when it comes to the success of brand community and that the community performs on a level that the brand desires, and that it delivers the outcomes that the brand wishes for (Marzocchi et al., 2013; Algesheimer et al., 2005; Bagozzi & Dholakia, 2006). When a consumer identifies strongly with a brand, there is a feeling of unity and belongingness. Thus, identification is intensely linked to the psychological state of the consumer (Lam et al., 2013).

Consumer-brand identification can be separated into two different perspectives regarding its occurrence. One being personal level perspective, which manifests itself as how the consumers express their personality, including values and beliefs (Bhattacharya & Sen, 2003), and the other being social perspective, which constitutes as the tools that the brand provides for communicating consumer’s aspirations and self-status (Tuškej, Golob, & Podnar, 2013).

The consumer’s perception of the brand is important when building relationships with consumers on social networks and when deciding on the communication strategies. The ties that the consumer feels towards the brand can impact the way that the consumer interacts with the brand and how deep of a relationship can be build.
Brands that are considered more human have a positive impact on the brand attitudes and thus, also to the brand performance (Puzakova, Hyokjin, & Rocereto, 2013). Aggarwal and McGill (2012) talk about different social roles that the consumers can assign to the brand. This social role defines how deeply the consumer feels associated with the brand. The research divides brands as partners and brands as servants. Brands as partners are considered as friends or even family members and these kinds of brands have more influence over the consumer. Brands as servants have more superficial and infrequent relationship with the consumer and are seen only as acquaintances. The way the consumer perceives the brand should obviously affect the management style and how the brand chooses to interact with the consumer. Brands also need to understand what are the things that eventually decide how deeply the consumer feels connected to the brand to further improve stronger relationship building between the brand and the consumer (Aggarwal & McGill, 2012).

Recognizing the importance of consumer-brand identification in relationship building, brands should focus on improving their identity to provide something that the consumers can attach to, and not use brand communities just to respond to basic, functional needs. This can be accomplished by investing in image campaigns and trying to establish values and to stand for something that the consumer can relate to. Identification may have a long-term impact for the brand-consumer relationship if the consumer can strongly identify with the brand (Haumann et al., 2014; Balmer, 2008; Popp & Woratschek, 2017).

According to Algesheimer et al. (2005), identification with the brand supersedes the identification with the brand community. The reason for this is that often times the consumer first recognizes the brand itself and the symbolic features that it offers the consumer. After the identification with the brand, the consumer can choose to seek to find other people who share their support for the brand and find this through the brand’s community. When the consumer has already identified with the brand it makes it easier for the consumer to identify with the brand community as well (Algesheimer et al., 2005).
2.2.7. Storytelling and co-creation

In case user-generated brand storytelling has a positive impact on brand, firms need to be able to manage user-generated content to their advantage and furthermore to understand what sparks consumers in taking the initiative on social networks to spread their own opinion about the brand. Also to recognize what kind of stories these are and how different network characteristics affect storytelling (Gensler et al., 2013). Different studies have recognized plethora of various motivators that play their part in initiating creation of user-generated content. For example, Muntinga, Moorman, and Smit (2011) found in their study that the more entertained the consumers are, the more inclined they are to generate content or react towards the brand in other ways that are allowed by social media platforms. Other motivators that researches have found are expression of self-identity (Schau, & Gilly, 2003), need to connect to others (Phelps et al., 2004), and empowerment (Labrecque et al., 2013).

Encouraging consumers to participate in a brand community is an important factor considering strengthening the relationship between the brand and the consumer.

Brand co-creating content with the consumers enables building a collective community and it also enhances the relationships between the parties within the community (Luo et al., 2015). To spark co-creation the brand managers can for example, ask questions, do quizzes, contests, poll questions, and so forth. Social media networks offer plenty of tools to co-create with the users (Gamboa & Gontcalves, 2014).

Research also recognizes many ways to spark positive storytelling, which in turn could favor the brand. Brands should encourage storytelling in some settings by providing community members with something to talk about. Research shows that consumers like to create content and this messaging can fortify relationships within the community (Muniz & Schau, 2007). Brands can encourage community participation and storytelling by providing the community members needed tools and align their own material with brand’s identity so that the members would be inclined to talk about the brand. This could for example be a certain “us versus them” approach or any other viewpoint that fits well with what the brand represents (Muniz & Schau, 2007). Also, recognition, not only by the community peers but the brand
that is managing the community is important to spark consumer involvement within the community (Jeppesen & Fredriksen, 2006).

Important factor of managing online communities and the content generated is to monitor closely what users say about your brand. This accounts especially material that could hurt the brand or material that is inaccurate. Wrong information about the brand could endanger the relationship between the brand and the consumer. Rarely customers distinguish information provided by the brand and another party. Users also tend to quite hastily trust on information provided by an anonymous source online (Davis et al., 2014).

When managing brand stories, Gensler et al. (2013, 251) recognize three dimensions that the brand managers need to consider and master to successfully coordinate through own, brand generated stories and user-generated content about the brand. These three dimensions are “content”, “channel”, and “space”.

Regarding content on social media, brands need to recognize to what extent the firm should be pushing their own content and messaging on the social networks and when to rely more on user-generated content. In some cases, actually reducing own content, the brand can generate better results by leaning more towards content created by users. Kuksov, Shachar, and Wang (2013) found in their study that some brands could improve their brand image by straying away from publishing own content because the content may be contradictory from the user-generated content. Also, the public often views user-generated content more reliable and clear. Authenticity of the message is often an important factor when considering the persuasiveness of the message. If the messages are contradictory, the authenticity factor may be hampered and in result, weaken the brand (Gensler et al., 2013). It’s a challenge for brands to juggle between deciding how much to let the community members to participate in the content creation and how much control the brand wants to maintain. It’s important to make sure that the community members feel like they are an important part of the community but still for the brand to maintain control over the community (Davis et al., 2014).

When choosing which social media channels the brand should use to promote brand stories, Smith, Fischer, and Yongjian (2012) found in their study that Facebook and
Twitter are better for talking with consumer than some other channels, like YouTube where consumers aren’t that used to seeing branded content. However, channel of choice could differ between brands, depending on for example, the market, firm, and consumer characteristics (Gensler et al., 2013). It’s also noteworthy to mention that customer preferences and how they use different channels change over time. Also, when using multiple channels, the sequence of the different messages seen by the consumer might affect the experience and the perception of the brand.

Brand management on social media networks is challenging especially for global brands because customers may hold a different image of the brand depending on the country and the strategy that the company has. Brand communities are universal, so a challenge to brand managers is how to keep brand messaging consistent on all the spaces (Gensler et al., 2013). Of course, often brands occupy multiple brand communities depending on the location.

Electronic Word-of-Mouth (eWOM) is another form of communication that brands can utilize to spark positive messaging and consumer storytelling within social networks. Research finds different reasons behind why consumers use eWOM. One reason is the interaction aspect with their peers. Another one is care for other consumers. Thirdly, consumers use eWOM to boost their self-worth and fourth, when they respond to economic incentives (Hennig-Thurau et al., 2004). Brands may use different methods to try to motivate consumers to spread eWOM that would benefit the brand. Studies show that the way brands produce content online and the type of content affects whether consumers react to this. Entertainment factor seems to be important for consumers in terms of choosing to engage with content, as well as vividness and how interactive the content is.

2.3. Building brand loyalty on SMBCs

As noted before, brand loyalty can be defined in many ways and it can include multitude of behavioral outcomes that make the consumer act a certain way towards the brand. But as a broad concept brand loyalty means that the consumer feels more favorably towards a certain brand for whatever reason, and hence the consumer is more likely to commit to the brand and rebuy the brand’s products consistently over
time despite of situational alternations (Oliver, 1999). Also, a truly loyal customer recognizes that there are perfectly good alternatives in the market, but they still choose the products and services of the company that they are loyal to, even though they might get a better price or a better product elsewhere (Sinek, 2009). But of course, as we are about to see in this study, loyalty can display itself in other ways too, not just as a buying behavior. One especially important aspect when it comes to loyalty behavior in social media context is word-of-mouth. A loyal customer is often willing to spread positive messaging about the company and since social media era, word-of-mouth has grown its importance because words spread easily across the platforms. Brand loyalty is considered to be extremely important for company’s success and long-term sustainability (Keating, Rugimbana, & Quazi, 2003).

2.3.1. Loyalty through community participation

Brand community literature has found out that participation in communities can lead to higher loyalty towards the brand. Participation in a community makes the consumer more knowledgeable about the brand and decreases uncertainty (Ba, 2001). Participation in an online community is shown to increase attachment to the community by creating emotional feelings towards the brand. When the participation increases, the brand has a better chance to turn visitors into community members, and when the engagement increases these members will contribute more and some of them will turn into true evangelists for the brand (Casalo et al., 2010). To achieve this, Casalo et al. (2010) suggest different managerial approaches.

Firstly, brands should aim in making the community as cohesive as possible. This would increase communication between the members and make the members more committed. For example, the brand could engage the community by asking them questions or promote offline meetings for the community members (Casalo et al., 2010). Secondly, the brands need to build the community around answering to the different needs of the consumers and the reasons why they are members of the community. If the company is able to respond to the needs of the consumers, the consumers will in turn participate more in the community (Casalo et al., 2010; Flavián & Guinalíu, 2005). Thirdly, brands should constantly analyze the community regarding how the community changes and the needs of its members. This is vital
when considering the long-term fertility of the community. Fourthly, brands should promote their communities and make them an important part of the brands communication to show consumers that the communities have value and to increase the knowledge of the consumers about the communities (Casalo et al., 2010; Wang, Yu, & Fesenmaier, 2002).

2.3.2. Loyalty through relationship quality and trust

Research has found that there is a link between brand relationship quality and loyalty. In fact, studies like (Habibi et al., 2016) recognize relationship quality between the brand and the consumer being the main driver that can spark loyalty in the consumer. Brand loyalty shows itself for example, in a form of buying behavior. Some research recognizes that those consumers who have a strong relationship with the brand are willing to pay more for the brand’s products and services (Algesheimer et al., 2010; Rayruen & Miller, 2007; Thomson et al., 2005; Elliot et al., 2013). Online brand communities can strengthen loyalty because the relationship with the brand is further developed. This is especially true when the consumer already has a strong relationship with the brand, which leads to the consumer joining the brand’s online community (Park & Kim, 2014).

Trust is tightly linked to loyalty building. When the consumer feels like his/her expectations are met, this results in them trusting the brand and to believe that their expectations are also met in the future. Trust is then linked to risk and safety factors. Loyalty towards the brand increases when the consumer can trust the brand without worrying it delivering its promises by meeting the expectations (Gamboa & Goncalves, 2014).

When consumers trust the brand, they share information and interact more with people within the community. These formed relationships have an impact in the way the members feel about the brand and the community. These emotional connections then help the brand in loyalty building. The consumers feel like they have more benefits in being a part of the community, hence staying loyal to the brand (McAlexander et al., 2002; Casalo et al., 2010). Managing virtual communities and
trying to build interaction between the community members is important when considering building loyalty.

2.3.3. Loyalty through community commitment

When a consumer commits to a brand community, they value the relationship. Commitment to a community enables loyalty building and behavioral actions that comes with it (Jang et al., 2008). Commitment is tightly linked to relationship building and emerges when there is a healthy, nurtured relationship between the parties and the relationship is valued (Morgan & Hunt, 1994; Jang et al., 2008). Therefore, consumer’s commitment to the community increases when he/she values the relationship. When the community managers are able to create positive reinforcement for participation in the community and the community members feel positively about their interaction with the brand and the other community members, this in turn leads to stronger commitment (Kang et al., 2007). Therefore, Jacoby and Chestnut (1978) consider commitment being an antecedent for loyalty and something that is necessary for loyalty building. It’s possible also for improved commitment to make the community members value the community more and to feel more favorably towards the brand (Jang et al., 2008). Community commitment can display itself in multiple ways, such as participation in the community and helping other community members by answering their questions and solving their problems. This in turn also creates values for other community members (Jang et al., 2008).

2.3.4. Loyalty through attachment and identification

In some cases, the consumers who have established a relationship with a brand community and feel loyalty towards the brand have strong incentives to remain a part of the community and to stay loyal. Switching brands can cause dissonance for the consumer. Moreover, leaving the brand community would affect the relationships of the consumer, as he/she is not able to engage with the members in the same manner as before. These relationships often strengthen the loyalty towards the brand and the community, as well as the correlation between the loyalty feeling for the brand and the community (Algesheimer et al., 2005; Bagozzi & Dholakia, 2006).
When a consumer strongly identifies with the brand, the consumer will receive emotional benefits, which in turn further encourages the consumer to stay loyal to the brand because switching to another brand or brand community would lead to losing these benefits. Chapter 2.2.6. discussed consumer identification with the brand and the community and it being a core driver for relationship building. Several studies show the link between brand identification and loyalty (Homburg et al., 2009; Kuezel & Halliday, 2008; Haumann et al., 2014). Hence, a consumer with a strong identification towards the brand and/or the community reinforces loyalty (Popp & Woratschek, 2017). Also, when identification with the brand is strong, the consumer is more open to support the brand and its agenda, thus showing loyalty-like behavior (He & Li, 2011; Ahearne et al., 2005).

Simon Sinek (2009) talks in his book “Start with why” about what kind of brand communication consumers respond to the best. People respond better towards “why” companies do what they do, rather than “what” or “how” they do it. According to the author, this is also linked to loyalty behavior. The reason why people respond better to “why” is because when the company’s “why” is linked to the consumer’s belief-system and values, the consumer has a more concrete reason to buy from the company and moreover, to become loyal to the company (Sinek, 2009). Also, a person’s decision-making is largely done within the limbic brain, which controls the person’s feelings and emotions. When a company addresses “why” they exist, i.e. what is their mission and vision, this responds more towards the limbic brain, rather than the neocortex, which controls rational side of the brain and therefore, is more prone to the “what” and “how” of the company (Sinek, 2009). Applying this to social media context, as discussed in chapter 2.2.2, a consumer has different needs when participating in an online community. Some are more functional needs, and some are more emotional. Thus, in order to spark loyalty within the community members, applying Sinek’s theory, it would be better to respond to the emotional needs and really build the image of the brand towards “why” the community and the brand overall exists. The functional side of offers and other similar benefits are important, but doesn’t necessarily create loyalty-like behavior (Park & Kim, 2014). This is also linked to the importance of consumer-brand identification that was discussed earlier in the research.
The size of the community could also be a factor when considering how connected the members feel toward the community and any loyalty behaviors that may occur. Some research has found a correlation between group size and loyalty. According to Robert Dunbar, people have a capacity in managing social connections and the maximal size of a group for human connections is around 150 people in order for a person to be able to emotionally handle the connections. The same seems to apply to group loyalty. The smaller the group, the easier it is to manage loyalty within a group. In order to maximize community feeling and the possibility for the group to spread word-of-mouth, it would be optimal to keep the community size under 150 people (Gladwell, 2000). If this theory would be applied to social networks, it would clearly be a disadvantage for large social media brand communities. Smaller social media groups might enable tighter community feeling, which in turn could correlate positively with brand loyalty as well. From this a conclusion could be drawn that the more personal a brand can be with each user and that the user would feel connected with each other as well, the healthier the community would be and deliver a positive result in terms of brand loyalty.

2.3.5. Loyalty through satisfaction

Customer satisfaction is another antecedent for building loyalty. Gamboa and Goncalves (2014) found in their study that customer satisfaction was the most important factor when building loyalty among consumers. When a customer is satisfied, they are inclined towards buying more and recommending the brand to peers. Satisfaction is linked to the expectations that the consumer has prior to the purchase. If these expectations are met, the consumer feels positively about the brand. Brand communities on social media have shown to reinforce the satisfaction and the relationship between the brand and the consumer. However, they won’t carry the weight all alone. The consumption experience needs to be positive also for loyalty behavior to occur. For brand managers this means that in order for the consumers to meet the expectations set for the brand and its products, they need to be ready to swiftly answer consumers’ questions on social media because the support received on social media is part of the consumers’ expectations for product/service experience. Slow response rates have been linked to dissatisfaction.
among consumers. This also means that the brand needs to be honest and transparent when it comes to its services. Many other community management factors are also linked to satisfaction. For instance, it’s important that the content published on the channels is relevant for the community members (Gamboa & Goncalves, 2014).

2.4. Benefits of managing relationships on SMBCs

Successfully built and nurtured relationship between the brand and the consumer serves both parties equally and provides value. In best case scenario the relationship leads to greater satisfaction for the consumer, as they are able to fulfill their needs by participating in the online community with a brand and a like-minded community that they are attached to. Conversely, the brand gains more information about their customers and how they can better serve their needs, as well as the benefits that may result in improved loyalty and lucrativeness (Hudson et al., 2015).

Different studies have shown that a good, well-maintained relationship can lead to multiple benefits for the brand, like increased brand trust, brand loyalty, customer satisfaction, product innovation, positive word-of-mouth etc. (Algesheimer et al., 2005; Bagozzi & Dholakia, 2006; Hauman et al., 2014; Stokburger-Sauer et al., 2012). This study focuses on discussing benefits that arise for brands through brand communities, relationships and more specifically brand loyalty, which like mentioned is only one of the positive outcome of a strong relationship.

2.4.1. Benefits of brand-consumer relationships on SMBCs

The relationship quality is shown to increase over time through continuous interactions between the brand and the consumer. This long-term commitment and interaction leads to lowered risk for the consumer as he/she learns more about the brand and products hence lower consumption risk. This also leads to strengthened trust, which is beneficial for both parties – the brand and the consumer (Hudson et al. 2015). Listed below are some of the many benefits that arise for brands from well-managed brand communities.
**Word-of-Mouth**

Having a strong relationship with community members can display itself in multiple of beneficial ways for the company. When the user is emotionally invested in the community, this can lead to positive word-of-mouth. This is especially true when the relationship quality is reinforced by continuous interactions on the SMBC. This results in spreading positive messages and speaking favorably on the brand’s behalf to other community members and peers (Park & Kim, 2014).

Improved relationship quality results in the community members in being more open, sharing information, and positive word-of-mouth. Through social networks brands have an access to a lot of data and customer feedback which the company can then in turn use to improve the marketing efforts (Park & Kim, 2014). Through positive WOM spread the brand can acquire new customers and community members, which is another major benefit that stem from increase relationship quality and loyalty (Popp & Woratscheck, 2017). Positive word-of-mouth is important because in general consumers tend to trust opinions and recommendations shared by their peers more than if it would be shared by a brand (Brown et al., 2007).

**Brand loyalty**

Multitude of studies recognize the link between relationship quality and brand loyalty (Habibi et al., 2014, 2016; Algesheimer et al., 2005; Stokburger-Sauer, 2010) as well as the relationships formed within the community create an environment where loyalty is possible to be nurtured (Algesheimer et al., 2005; Bagozzi & Dholakia, 2002; Habibi et al., 2014). As mentioned before, loyalty can portray itself in many different ways that are beneficial for the company, like increased buying behavior and word-of-mouth. Managers should focus on improving relationships within the brand community to create favorable settings for loyalty building (Stokburger-Sauer, 2010). Brand loyalty and its benefits are discussed further in chapter 2.4.2.
Community commitment and engagement

Committed customers are willing to make effort to extend the relationship with the brand and the brand community. This is extremely important in relationship marketing and for a brand to reap long-term benefits from brand communities. When members of the community are committed, they also become more attached to the community (Kuo & Feng, 2013).

A brand community that responds to the needs of the consumer described in chapter 2.2.2., as well as strong identification leads to the users being active and present in the community. Self-expression and social contact is important for people and a successful brand community allows this by providing a platform to accomplish this (Jang, Olfman, Ko, Koh, & Kim, 2008). It goes without saying that an active and fruitful community is extremely important for a brand in order to achieve the goals linked to the community, whether it is to boost sales and loyalty, to gain visibility for the brand or any other community related goal (Jang et al., 2008).

Customer satisfaction

Brand community that answers the needs of the consumer is able to generate satisfied customers that are happy to participate in the community. When the user perceives the brand as a qualified relationship partner, the user is able to engage with the community more by trusting the brand and the community and build value. Satisfaction is also linked to loyalty, which is affected by how involved the user is with the brand, the benefits received and the perceived switching costs (Dagger & David, 2010).

2.4.2. Brand loyalty benefits

Some of the benefits that arise from the relationships on SMBCs between the brand and the consumer, like positive word-of-mouth, overlap with the benefits of brand loyalty. This is understandable as a positive relationship is most often an antecedent to brand loyalty. Loyalty is a key factor in any type of relationship marketing (Jang et
Generally brand loyalty can be divided into attitudinal and behavioral loyalty (Hasan et al., 2011), and furthermore to oppositional loyalty (Kuo & Feng, 2013). All of these loyalty dimensions are discussed below.

**Attitudinal loyalty**

As the name suggests, attitudinal loyalty refers to the changes in the consumer, which makes him/her feel differently, more favorably about the brand. Thus it’s linked to affective and cognitive elements of brand loyalty. Attitudinal loyalty can present itself for example, as positive word-of-mouth but at the end, for a brand it would be beneficial if the loyalty would show itself also in a more tangible form, like purchase behavior (Hasan et al., 2011; Khan et al., 2015). When attitudinal loyalty presents itself, the consumer wants to continue the relationship with the brand because of the perceived value. But because the loyalty is only attitudinal, it doesn’t guarantee that it will lead to behavioral outcomes that would benefit the firm. However, attitudinal loyalty is still very valuable for the brand as it helps the brand to spread positive messaging about the company, which may change the image and the perception of the brand in the minds of the consumers for the better. This in turn can lead to increased behavioral outcomes. Hence, attitudinal loyalty can be considered as an antecedent for behavioral loyalty and mandatory for building long-term, true loyalty within consumers (Boora & Singh, 2011; Hasan et al., 2011).

Attitudinal loyalty also helps the brand to keep the customers longer because of switching costs that the consumer may feel when changing the brand. Also, the resistance for competitive brands is increased even if they would provide superior product/service. Even though, attitudinal loyalty doesn’t show in purchases, it can still show as purchase intention and readiness to pay higher price for the brand’s products (Cheng, 2012). Social media and attitudinal loyalty go well together, since social media platforms enable a great way to spread positive messaging to a wide audience. This makes loyalty building through brand communities so important for brands because the platform for word-of-mouth is constantly present.
Behavioral loyalty

Unlike attitudinal loyalty, behavioral loyalty refers to direct tangible outcomes that result from the consumer’s loyalty toward the brand, meaning the consumer acts upon the loyalty. Most often this is linked to buying behavior and repeated purchase from the firm, but other benefits include things like increased retention rate, frequency of purchasing, and longevity. Therefore, behavioral loyalty is what is usually referred to when considering loyal customers. Like mentioned earlier, behavioral loyalty is tightly connected to attitudinal loyalty. Behavioral outcomes, like repeated purchase further feeds the attitudinal loyalty increasing the cognitive loyalty and intention to purchase among other attitudinal loyalty features (Hasan et al., 2011; Boora & Singh, 2011). Therefore, the two loyalty types co-exist, leading from the cognitive decision to actual buying behavior (Hasan et al., 2011; Akin, 2012).

Oppositional Loyalty

Oppositional loyalty refers to how the brand user feels towards the competition of the brand. Meaning, high oppositional loyalty would mean that the consumer feels negatively about the competition and is willing to defend his/her brand and even engage in negative word-of-mouth towards the opposition (Kuo & Feng, 2013). Oppositional loyalty can be common in brand communities, especially if the brand has clear competition. Community members often aside with their brand of choosing and consider the opposition as rivalries to the brand and the community (Kuo & Feng, 2013). Those who participate more in the community are shown to feel stronger oppositional loyalty. With community commitment becomes stronger sense of belongingness, which further strengthens the community feeling and need to protect the brand from the competition (Carlson, Suter, & Brown, 2008). The oppositional loyalty can differ depending on how strong the loyalty feeling is within the consumer and thus present itself in many ways. But many times oppositional loyalty leads to boycotting the rivalries’ products, in some cases even if the rivalries products would be superior. Also, a strong sense of defending the brand, recommending the products and bad-mouthing the competition is linked to oppositional loyalty (Muniz & O’Guinn, 2001; Muniz & Hamer, 2001; Kuo & Feng, 2013).
3. RESEARCH METHODOLOGY

This chapter focuses on explaining theory behind a qualitative study, which was chosen as the empirical method for this research as it enables to perform in-depth interviews to figure out managerial practices within the topic area. After qualitative research theory is clarified, the data collection and analysis methods are discussed to explain how the data for this research was collected and how it was analyzed.

3.1. Qualitative research

Van Maanen (1979, 520) describes qualitative research method as “an array of interpretive techniques, which seek to describe, decode, translate and otherwise come to term with the meaning, not frequency, of certain more or less naturally occurring phenomena in the social world”.

Qualitative data is most often open-ended and it’s related to time and space domain. Qualitative research fits exceptionally well to study managerial dilemmas because there is a need to solve the process rather than a structure. Also, qualitative research method provides a rational and intuitive approach to knowledge, which makes it even more fitting for this research area. Thus, qualitative studies are often used in the field of marketing as well as management studies. Like in this study, the aim is to gain deep understanding of managerial practices in an organization. This is exactly what qualitative data aims to unveil. The goal is to gain an in-depth understanding of the phenomenon that is studied. This requires accumulation of data and by diving deep; it needs to provide as detailed description of the events as possible (Patton 1980; Carson et al., 2011).

Furthermore, as the aim of a qualitative research is to gain in-depth understanding of the phenomenon, it differs quite a lot from quantitative research methodology. Qualitative research often aims to answer the questions “why” and “how”, where as quantitative study on the other hand aims to clarify “what” and “how many” questions. Thus the methods for research also must differ. To gain understanding of the phenomenon and why and how it occurs there is a need for in-depth knowledge of
the situation, in which the activities and understanding the behavior of the subjects are more valuable than specific measurements. Hence, qualitative research offers input regarding the deep reasons behind the phenomenon. Conversely, quantitative research aims to compare results with the gathered data points and to recognize differences and similarities, and to make generalizations based on these (Carson et al., 2011). In quantitative research the data pools are thus often much larger because a large sample size is many times needed to make generalizations. To reach large sample sizes, one of the most basic methods is to use questionnaires. In qualitative study the sample size can frequently be smaller because like mentioned earlier, the aim is to gain deep understanding. Qualitative research offers plethora of different research methods to access data. Interviews are one of the most common methods to conduct a qualitative study. The reason for this is because they offer a path to dwell deep into understanding the problem.

Qualitative data gathering can be conducted in multiple ways, most common ones being observations, in-depth interviews, content records, conversational records, and focus group discussions (Carson et al., 2011). Patton (2002, 211) further narrows down the methods to in-depth and open-ended interviews, direct observations, and written documents. This research conducted in-depth, open-ended interviews with company representatives where the researcher was present to guide the interviews to stay within the realms of the appropriate questions and themes.

The basic designs of qualitative research separate horizontally two dimensions, which are a cross-sectional study, and on the other end longitudinal study. The main distinction between the two is the number of empirical subjects used for the research. In the longitudinal study the researcher returns to the field more than once to study the same subjects over a longer period of time. This is to study changes that can occur during the field over time and to capture how this changes the data gathered. These kinds of studies, however, are quite rare in qualitative research. Cross-sectional studies are more common. In these studies the researcher usually touches base with the subjects only once, for example, in a form of an interview. Vertically, qualitative studies can be separated into case studies and comparative studies. In case studies the research question limits a lot what is studied and what is considered as the case can vary a lot too. Cases can be persons, communities, companies etc.
Comparative study, as its name suggests, is aimed to perform comparisons across different fields or subject areas. In a comparative study, it’s very important to distinguish the dimensions for comparison and to take into account the context in which cases are set. Most of qualitative studies are combinations of these four dimensions (Flick, 2011). This research is cross-sectional and has elements of a case study as one subject or case is interviewed only once and based on this data the data analysis and conclusions are made.

The phases of qualitative research can be separated into two sections, which are simplification of the findings and solving the puzzle. The first phase, simplification of the findings can be further divided into two sections. The first step aims to find out what’s relevant for the study from the gathered sample. What’s essential should be everything that responds to the framework of the study and to the set research questions. This way all that is not necessary for answering the research questions is filtered out and also, the sample size becomes easier to handle. The second phase of simplification of the data is to connect the relevant observations by linking them together. The aim is to accumulate the findings under one observation or at least narrow them down to a few observation topics. To reach this, the researcher needs to find a common theme or to establish a set of rules that would apply for the whole data. Basically this means that the researcher find a common phenomenon or commonalities from the data that could be unified across the data. For instance, in interviews the answers vary but the researchers goal is to find what’s common in all the interviews despite of different answers. Those answers that keep repeating in different interviews can thus be considered as reliable. (Alasuutari, 2011, 30-34)

The second stage of qualitative research, solving the puzzle, means that the researcher then interprets the phenomenon based on the data analysis and the clues and hints it provided. In qualitative research, when the researcher then interprets the clues and hints from the filtered data, it is common to refer to the rest of the research or other literature. The researcher can also choose to gather quantitative data to further back up the findings. (Alasuutari, 2011, 30-34)

One might argue that the validity or trustworthiness of qualitative research is weak because a lot of the results are under the interpretation of the researcher. Carson et
al. (2001, 67-68) suggest that the validity of a qualitative research is dependent on three dimensions, which are “credibility”, “dependability”, and “conformability”. Validity of the research is linked to these three dimensions, as well as rigorous assessment and linkage to the theory of the research. Thus, the validity of the study is dependable on firstly, the researcher needs to assess and interpret carefully the findings of prior theory, literature, frameworks, or similar. Secondly, there is a need to justify the usage of the empirical method used in the study and make sure that it is fitting for the research. Thirdly, the data needs to be analyzed carefully and to make sure that it’s related to the significance of the study, as well as linked to the findings of the theory (Carson et al., 2001). Hence, the validity of the data is tightly linked to the context, theory, and the skills of the researcher. Because so much is dependent on the context, the settings and the respondents, as well as their answers, it’s difficult for a single study to generalize any findings to apply across the field. The researcher should aim that the results are applicable and that they can be further studied, but usually generalization of the findings require multiple researches to be conducted. Furthermore, aside from making sure that validity is established, it’s extremely important that the study is transparent by explaining why the interpretations and conclusions were made. (Carson et al., 2001).

3.2. Data collection method

The data was collected by interviewing four different manager level, or social media brand community experts in their field. The interviews were conducted via Skype and the interview questions (Appendix 1) were sent to the participants before hand via email, so that they could better prepare for the interview and to provide more accurate answers for the questions. The participants manage and control the respective brands’ social media brand communities and thus are a credible source to deliver expert-level answers to the questions within the realm of the research. Each interviewee represents different MNC’s and all of them manage, or at least have experience in managing multiple brand communities, and thus may have deep understanding of different kind of communities. This is important for the sake of the research since different management methods may prove to be successful in some communities, and not in others. This ensures the overall understanding towards the
goal of the research as providing managerial practices for companies to utilize on social media brand communities. Some of the interviewees (table 3) manage brands on a global scale, where as some in a more local sense, meaning that the material is localized in the brand communities based on for example, language, and product offerings depending on the certain market. Furthermore, the MNC’s operate in the B2C industry selling different kinds of consumer goods, depending on the company. The participants also manage different number of brands and brand communities. The interviewees and their companies were kept anonymous to be sure that any sensitive information or strategies aren’t revealed, which however was unlikely due to the nature of the questions. However, the companies and the interviewees were still decided to be kept anonymous to encourage participation and to ensure that the participants wouldn’t have any barriers in answering the questions freely.

Table 3. List of the interview participants.

<table>
<thead>
<tr>
<th>Name</th>
<th>Role</th>
<th>Markets</th>
<th>SMBCs managed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participant A</td>
<td>Community Manager</td>
<td>B2C Global</td>
<td>1 Brand 4 SMBCs</td>
</tr>
<tr>
<td>Participant B</td>
<td>Social Media Consumer Specialist</td>
<td>B2C Global/Local</td>
<td>25 Brands 100 SMBCs</td>
</tr>
<tr>
<td>Participant C</td>
<td>Social Media Coordinator</td>
<td>B2C Global</td>
<td>1 Brand 2 SMBCs</td>
</tr>
<tr>
<td>Participant D</td>
<td>Community Manager</td>
<td>B2C Global</td>
<td>1 Brand 4 SMBCs</td>
</tr>
</tbody>
</table>

The interviews were open-ended, where the researcher lead the interviews asking the questions and making sure that the interviews were running smoothly and within given time limits. The questions were formed based on the theory literature and more importantly to provide answers to the research questions. Thus the questions were divided under four different categories: general, relationship building, brand loyalty, and benefits. This way the themes followed the same pattern as the research questions and the theory part. General question were aimed to provide answers around what kind of communities the participant manages. The relationship theme was emphasized by it including most of the questions because it was seeing as the
most important theme area around the research topic. After this the participant was asked about loyalty related questions and finally what benefits arise for them from relationship building and loyalty on SMBCs. Altogether there were 20 questions and the time reserved for the interviews varied from 45 minutes to an hour. The interviews were conducted during August 27 – September 7, 2018.

3.3. Data analysis method

After the data collection, the data gathered was analyzed. All the interviews were recorded to make sure that the researcher could return to the interview to get insights and so that all the answers were accounted for. Three of the four interviews were conducted in English and one in Finnish. The Finnish interview thus needed to be translated into English to ensure seamless integration with the rest of the interviews. After this, all the interviews were turned into transcriptions on paper, so that nothing important was missed from the answers. This also enabled to better use the interviews during the analysis and recommendations section in the research. Also, this aided the researcher in recognizing what was relevant for the research and what wasn’t. The interviews were then organized theme by theme to help the researcher to find commonalities and generalizations within the answers, as well as to link the themes to the prior academic literature in the theory section. All these stages aimed to ensure seamless data analysis to make sure the researcher could make calculated interpretations based on the data and that these interpretations and carefully made generalizations are valid.
4. EMPIRICAL FINDINGS

This chapter will discuss the findings that arose from the empirical part from interviewing different brands and their representatives. The findings are linked to the prior theory literature that was covered earlier in the research. The aim of this chapter is to continue the congruency set throughout the research. The chapter follows the same order of themes as the rest of the study. Meaning, the research questions, the theory section and the interview themes all follow the same order to ensure a seamless reading experience.

The first section of this chapter discusses general brand management around SMBCs including what channels the brands are using, and what does managing these communities mean for them and what they wish to get out of having brand communities. The second section focuses on revealing the relationship building side of the brands. This section is the broadest one as it’s considered to be the most important one to reveal how brands are building relationships with consumers in their brand communities. The relationship-building theme was emphasized in the theory section and in the interviews, as it is the centerpiece of the research, as well as the most important aspect in the research questions. As the theory part already concluded, relationships in brand communities are often antecedent for loyalty building. Without a well-managed relationship, it’s difficult to reach brand loyalty. The third section discusses the loyalty building and what it means for the brands. The fourth section briefly touches upon what benefits arise for companies from managing brand communities on social media networks.

4.1. SMBC management and goals

The interviews started by asking general questions about the participants’ brands and social media channels. The reason for this was to figure out what social media networks the participants prefer in terms of brand management and community building, and also to find out what does brand management on social media mean for these brands. Hope was to also get clarification on what kind of goals or aspirations the brands have for managing these brand communities on social media. These
kinds of questions were to reveal the researcher more about the brands’ community backgrounds and to understand in the beginning of the interview what the participants consider as brand management for their brands on social media. These questions then set the tone for the questions later in the research that were aimed to dive deeper into relationship building and loyalty on SMBCs.

All of the interview participants manage their brands on the biggest and the most prevailing social networks. This is no surprise as all the brands that participated are B2C brands. This means that they need to use platforms where their audience is the most present and where they can be reached. This often means the biggest platforms that have been able to accumulate strong user-bases. Thus the same major platforms were brought up in the interviews. All of the brands manage their communities on Facebook and on Instagram. Also, three participants mentioned YouTube as one of the platforms for their brand communities. These three social networks stand as the biggest platforms regarding the user-base (Statista, 2018), thus it’s no surprise that brands are targeting these platforms. Other social networks mentioned were Snapchat and Twitter. Although, it’s not just about the platform size that matters, the participants recognized that they need to be where their own target audience is. This doesn’t necessarily mean the largest platforms. Participant A also mentioned the relevance related to platform algorithms that are constantly changing. For example, currently Instagram is much more relevant for brands regarding pushing reach for organic content compared to Facebook.

“The main thing is to try out which channels work best for you and of course what channels are best in reaching your target audience.” – Participant A

All of the interview participants actively manage their communities. For the participants this means being active daily in the communities and fostering them through different community management tactics and strategies. For different participants, the most important management activities differed, but generally they were along the same lines. Also, if a participant manages different communities, and especially brands, the management styles differ depending on the brand and a community, as well as in what social media network the community is. All of the participants, however, clearly emphasized the importance of actively managing the
communities. Being interactive in the communities was seeing extremely important. For the participants this meant things like, monitoring the comments under their content, responding to questions and comments, monitor when the brand gets tagged on content, and also going through the direct messages where the members of the communities can engage in more direct conversation with the brand. Being active in the community shows the members that the brand cares about them. These kinds of interactions can really improve the relationships.

“One way we can do community management is by using simple and sweet comments to make the community members aware that we see them and appreciate them for interacting with us.” – Participant D

Most of the participants also mentioned posting content as a part of active community management. Some brands prefer posting daily where other brands post less frequently. It really depends on the social network and the overall strategy of the brand. Posting more frequently might open up an opportunity for more conversations as well as the audience has fresh content to react to and to engage with.

Different goals can greatly vary depending on what brands want to focus on when managing communities and eventually how brands form and execute their strategies in community management. The interviewees raised quite many different goals but the overall goals could be clearly divided into two schools of thought. Other half of the participants wanted to focus on more tangible goals regarding the communities. This meant for them growing the channels and generating sales. Theory placed an importance on growing the channels, since they make the community more relevant (Pentina et al., 2013; Davis et al., 2014). For the other half, more important was the fact that the community would be vibrant and that the communities would offer the brand a platform to engage and to talk with the consumers. This viewpoint also focused more on the value creation for the member and that they receive what they want out of the communities. Both aspects were important for all of the participants but there was clearly an emphasis on one of the two. The goals might also differ depending on which brand’s channel is being managed and on which social network.
“Obviously we also want our communities to grow and to be active. To reach these goals we need to be active in the communities as well, and to put out content that the audience would enjoy and engage with.” – Participant A

“Well, we of course want to grow our communities, but more importantly we want people to get something valuable from the community.” – Participant C

To reach these different goals that are set for the brands, the participants overall agreed with the methods and each participant provided similar answers. The most important themes that rose for reaching the goals were firstly actively being present in the community. So this meant things like monitoring comments, answering questions, and delighting the members with responses. Secondly, it’s also important to publish content regularly and also monitor what kind of content works. This leads to the third factor that came up, which was the brands needing to understand the customer to be able to know what kind of content would resonate with the audience. As McAlexander et al., 2002; Iacobucci, 1994; Muniz and O’Guinn, 2001 mentioned in their studies, brand communities offer an opportunity for the brands to engage with the customers and further more, to understand them by studying the customers and gathering data. Similar interests were raised in the interviews. Having the consumer in mind was important factor in reaching the goals that were set for the brands. Most of the participants also mentioned the importance of trying different things and see what works the best.

4.2. Relationship building on SMBCs

The second theme the interviews dived deeper into the relationship building side of the research. The aim was to get an understanding of what brands think of relationship building in their communities and how they build these relationships. As mentioned before, this section in the interviews was emphasized because it was seen as the vital section regarding the nature of the research. Wide variety of questions aimed to approach the topic from different angles and to enable deep and extensive responses from the interviewees.
The first question aimed to understand why people join brand communities and what can a brand do to bring more people into their communities. All of the participants started by noting the importance of the consumer being interested in the brand or at least the category that the brand is in.

“First and foremost, the consumer has to have a real interest in the category that you’re talking about.” – Participant D

“I think you have to be a fan of the products and the brand for you to have a reason to look up the brand on social media.” – Participant C

Thus real interest in the things that the brand talks about or that the space it’s in is a reason for a person to join a community. Therefore, one doesn’t necessarily have to be a fan of the brands’ products. Sometimes the interest in the category is enough.

“People will join the community, not even necessarily because of the brand, but because of the content that responds to their interests” – Participant B

Secondly, some of the participants mentioned that the consumers might join a community because of different informational needs. They want to be informed about the brand and the products, and to stay in the loop regarding the industry. Also one mentioned the need to discuss and to join a conversation with like-minded individuals that share similar interests. These two needs, according to Davis et al. (2014) refer to the functional benefits where the brand answers the pragmatic needs of the consumers, like answering their questions or providing information about products, as well as the social needs of the consumer that respond to the basic human need of connecting with others.

“I believe that people want to naturally communicate and to engage in conversations with each other, so if you really like a brand, then through a brand community you can discuss things with people who share the same interests as you” – Participant C

In terms of growing the communities and to get people to join the communities, the interviewees mentioned similar things. The most stressed point was knowing your
customers and the audience base, as well as being customer-centric. By knowing the audience, the brand is more capable to produce content that the audience would enjoy and thus join the community and come back for more. Secondly, another important thing raised again was the activity in the community. Things that were mentioned related to activity were just overall being present and reacting to the questions, comments, and feedback from the audience. Activity also meant being active in publishing content and trying out different things. Thirdly, half of the interviewees mentioned co-creation and the brand growing together with the members. This means that the brand enables the users to participate in the content creation and overall creating the brand. Fourthly, half of the participants also emphasized the importance of consistency and being patient in building the communities. Growing a community takes a lot of time and the brand needs to be strategic in creating and publishing content and seeing what kind of things work best and in which channels.

The second question of the relationship theme asked the participants about how important they see that brands are building relationships with the consumers in their brand communities and how they can better build these relationships. This question is directly related to the main research question of the thesis. It was important to see how the brands feel about relationship building in communities and how they could achieve stronger relationships in general before diving deep into more detailed questions.

By no big surprise, all of the interviewees agreed upon the importance of relationship building with the consumers in their brand communities. However, the different reasons that the participants brought up about why relationship building is important varied quite a lot. One thing mentioned was customer satisfaction and it leading to favorable things, like word-of-mouth. Also, good relationships make the member more invested in the brand, which in turn makes the brand bigger part of the user’s identity. Another thing mentioned was that when the relationships are good, this leads to long-term health of the community where the members participate a lot by being active and engaged with the brand. These points about identity, satisfaction, and participation were all found in theory to be important elements for relationship building.
building in brand communities (Gensler et al., 2013; Gamboa & Goncalves, 2014; Laroche et al., 2013)

In terms of how the brands can build stronger relationships, the participants’ answers related around two different themes, which were content creation and community management tactics. All of the participants placed importance on content creation. One of the participants also mentioned co-creation as a way to improve the relationships because it would make them participate more and therefore make them more invested in the community.

“We need to post relevant content that matters to their [community members’] life and adds meaning, so we can’t just publish rubbish content for the sake of publishing.” – Participant D

Despite of brand being active in the community, the participants shed light on multiple other brand management methods in the form of community management tactics that they use to create stronger relationships with the community members. As mentioned earlier, the brand has to engage with the community members. This means responding to comments they leave under the brand’s posts and when they send direct messages. A few of the participants also mentioned that the brand should go beyond this, meaning looking at content outside the community that consumers tag the brand in. So engaging with users when they don’t necessarily expect it. This can surprise them and create extremely positive feelings in the consumer and which can then translate towards the brand.

“To build relationships, I think the brand needs to constantly be active and be present in the community, answer questions, and to be on the same level and part of the community, instead of just being an authority that owns the community and not knowing what’s going on in the community.” – Participant B

One participant also mentioned the importance of the need of the brand not just to be active in the community but also to be quick to response to the questions and comments. This shows the members that you’re active and that the community and its members are important to you. Sometimes it can be challenging especially if the
community is large. But, for example, the participant mentioned that the brand should 
be present especially on the time of posting and then monitor the comments and 
questions that come in. Especially for larger communities the comments can come in 
abundance straight after when posting the content. Another important factor that was 
noted by one of the interview participants was that the brand needs to be active and 
own the space outside the community. This means that the brand doesn’t just 
manage their own communities and engage with conversations there, but goes 
outside the community to engage with other relevant content and influencers. 
According to the participant this way the brand can be more relevant in the industry 
by for example, leaving comments under certain influencer, which will then be seen 
by different users of the social network. This is another way to build relationships in 
the social network. Sometimes building reach, i.e. how many people see your posts 
can be hard organically. Thus one participant also mentioned paid posts as an 
importance of reaching more people and hence being able to deliver the brand’s campaigns and messaging to a wider audience.

The next question asked how important the interviewees saw that the community 
member shares the same values and beliefs as the brand/brand community and how 
could a brand better communicate these values to their audience so that they could 
attract similar minded individuals. In the theory literature, an individual sharing the 
same values as the brand was seen extremely important when building brand communities. When a consumer shares the same values as the brand and its community, this kind of consumer can turn out to be extremely active community members and advocates for the brand (Marzocchi et al., 2013; Algesheimer et al., 2005; Bagozzi & Dholakia, 2006).

Every interviewee emphasized the importance of the values of the brand and the 
consumer being in congruence. Some of the participants recognized a connection 
between advocacy and values, so if a person shares the same values as the brand, 
they are more likely to talk about the brand and suggest it to peers. One participant 
also mentioned that sharing same values provides a shield against a person being 
dissatisfied with the brand and sharing negative word-of-mouth. Another participant 
linked values to how invested a person is in the brand community and how active 
they are in participating, as well as how much the content resonates with the
audience. Thus all of the participants recognized the importance of a brand having and communicating their values. This is something that the theory also recognized as of an importance, since strong identification with values can have a positive long-term impact on the relationship (Haumann et al., 2014; Balmer, 2008; Popp & Woratschek, 2017).

“Sharing the same values is most likely connected to how active the person is in the community. This of course helps in the relationship building, since the values are the same, the person listens more what the company has to say and reacts more to the content.” – Participant C

The interviewees mainly suggested that communicating the brands’ values happen through carefully planned content strategies and knowing your audience, plus monitoring what they are saying. The brand should know its values and what it stands for in order for it to be able to message these values to an audience. This means that the values are clear across all functions in the company. The brand knowing its values is extremely important when trying to connect to consumers and when building loyalty (Sinek, 2009). One of the participants also mentioned that it’s important that the brand stays consistent in what they believe in, otherwise they might confuse the customers. Also it was noted that the brand should be as authentic as possible because being authentic and real the customers listen more what you have to say and buy into your stories. This is related to anthropomorphism that was discussed in the theory literature. When a brand is being authentic and showing their human-side, people are easier to create a connection with the brand, thus build stronger relationships (Kim, & McGill, 2011). Consumers expect brands to have strong identity and the human aspect is still important for the consumers even though the platforms are online (Christodoulides et al., 2012; Davis et al., 2014). This is something that the interview participants also recognized.

“All the content we do should be aligned with the brand voice and the things that we want to represent.” – Participant A

Although, two of the participants also emphasized that the brand should listen to the customers and what they are saying as well as the different trends that are coming
up. This doesn’t necessarily mean changing what you believe in but listening what is important for your audience so that you can better tailor your products and services for them. So the brand should focus on gathering data across social that could then in turn be used to learn about the customers and their values.

“The better you know them [customers], the better you can respond to those values that are important to them.” – Participant C

The next question aimed to answer what the participants thought that are the different needs and wants of a consumer regarding brand communities, as well as what brands can do to fulfill these different needs of the brand community members.

The most important needs that came up in the interviews were the different functional needs of the consumer. A few of the participants suggested that people want to be informed about the new products. People whom are fans of the brand like to be informed about the brand and see what’s going on with the brand. Another thing that came up was the social needs, so the need to engage in conversations with like-minded individuals. Thirdly, one participant also mentioned the need for self-expression and the need to express himself/herself through the brand. This leads to the fourth point, which came up in the interviews. The members want different ways to express themselves and to be part of creating content. Reflecting these different insights to Davis et al. (2014) Five sources model, the participants recognized all of the same categories as in the model, except the emotional needs of the member weren’t really touched upon.

One way that frequently came up regarding how brands can respond to these needs was knowing you customers, and also to understand that they have different needs. Recognizing who your customers are and what they want out of the community is extremely important so that the content and services can be tailored for them. One participant mentioned that the members have different needs regarding the usage of the brand’s products, so the brand community needs to answer to the needs of all these customers and provide something for everyone. Social platforms offer plethora of ways to co-create with the consumers and they are different depending on the social network. A few of the ways that came up in the interviews were competitions,
Instagram Story campaigns, and encouraging members to submit content by being supportive.

“There are a lot of those co-creation stories. It’s about finding relevant moment to get in there and to invite our consumers to create.” – Participant D

After this, the next questions aimed to unveil what makes people to participate in the communities and to engage with the brand’s content, and how could brands encourage participation and engagement. Most of the participants stressed again the activity in the community on behalf of the brand as well as good content strategy. Great content makes people engage with it and sometimes even share it further making it go viral. For this, some participants highlighted the importance of trial and error. Trying out different things and seeing what sticks with the audience is important. In this case, it’s important to gather data and learn from that. Social networks enable brands to accumulate a lot of data over time, which can then provide valuable insights for the brand. When you know your audience, you know what kind of content they react to the best. All of these participation methods were mentioned by Casalo et al. (2010) in the theory section. They suggested different managerial approaches to increase participation, including brand activity, trying out different things and analyzing results, as well as promoting the channel through content and answering to different needs of the members.

“I think social is the channel to try things out and see how consumers react and change the strategy accordingly.” – Participant D

“It’s about listening to the data and analytics and to see what’s working and what’s not… we’re always a work in progress, so we never stop listening to the data.” – Participant D

What kind of content works the best depends a lot on the brand and there is no simple answer. Like the participants mentioned, the brand needs to try out different things and see what works for their audience. But in general, few things that were mentioned in terms successful content were content that is shocking, controversial, funny, entertaining, valuable, and/or relatable. It was also mentioned that people tend
to participate the more they like or are enthusiastic about the brand. Also, when other members are active, this is contagious and makes other people participate as well. Here a few participants emphasized the brand being active. The community managers need to show the way. When the brand is being active, the community members are active too. This means that the brand needs to be present in the community and engage in the conversations and ask questions. This relates to the relationship quality theory by Fournier (1998). The relationships have to be nurtured from both sides. If the consumer doesn’t feel like the brand is invested in the relationship, it’s hard for the consumer to trust the brand and to become involved in the community.

“You as a community manager need to lead the conversation. This means being active in the community and present for the members. If you’re not active in the community, why should they be?” – Participant A

But it’s not enough that the brand is always in the community leading conversations. In best-case scenario the community members would engage in conversations organically and also with each other. This would enable an active and cohesive community that would help in relationship and loyalty building. As noted in the theory, social networking was one of the value creation practices for the members in brand communities, which affects how connected the member feel to the community and to the brand (Schau et al., 2009; Habibi et al., 2016). Thus the next question asked the participants how important they see that the members in the community engage with each other and how could a brand help to foster this.

Most of the interviewees noted that the brand has to lead to way. The brand needs to be active in the community by liking, commenting, and by asking questions. When the brand is active, it can lead to the members following the example and engage in conversations with each other too. As one of the participants noted, building a cohesive community where people would engage in conversations takes time. Another participant emphasized the importance of the members being active and helping each other too. This means that the members are invested in the community and feel like there is something valuable for them. It was also noted that it would be beneficial if the conversations of the brand extend outside the community. To achieve
this brand should be active across the network and not just with their own community. This would mean for example, searching industry related topics and trends that the brand could participate in with different methods enabled in the social networks.

As shown before, content is extremely important for brands on social media, and it can be considered the most vital tool of how brands can message about themselves and spark conversations online. Without great content, a brand can’t really have an impactful presence on social media. Hence, the next question aimed to understand what kind of storytelling works for the brands.

In this question the participants gave a wide variety of different answers. This was understandable as what kind of content and storytelling works depends a lot on the brand and their audience. A few participants mentioned again the importance of measuring past content and campaigns. Trying out different things and then adjusting the content strategy is important to find out what works best for the brand. Even if some kind of content works for someone else, it doesn’t mean it works for you. One person also noted that video content allows the brand for much more creative storytelling than image content. This has been an industry trend and many social networks are turning more into supporting video content. However, also was noted that video content often doesn’t perform as well as image content in terms of engagement. One of the participants suggested that video requires more tuning in from the audience and as people scroll down the feed quickly, still images require much less attention from the user and thus perhaps can accumulate larger engagement. It was noted that the brand should still try different kind of content and storytelling.

“I think it’s important to produce a wide variety of content and not just stick to one category.” – Participant A

One participant also mentioned the importance of competitions and other co-creational methods for them in terms of storytelling. The brand wants to include the members of the community into the story telling. This was also seen as an important factor in the theory literature when building relationships in the community. Theory
showed that people on social media like to create content with the brand and by having the opportunity to create content can help fortify the relationship and feel more connected to the community (Luo et al., 2015; Muniz & Schau, 2007). One participant pondered what kind of content works for them and on social media in general in terms of successful storytelling. The interviewee suggested motivational storytelling and talking about something that the audience can relate to.

The last question of the relationship building theme asked the participants if they thought that the community size has a factor in how well relationships can be build in the community. This is an interesting topic as both, large and smaller communities both can have their own benefits. The participants seemed to favor smaller communities in terms of relationship building. In theory literature it was also noted that smaller communities can offer better means for being personal and large communities being more chaotic where forming relationships isn’t necessarily that easy (Habibi et al., 2014; Habibi et al., 2016). Most of the interviewees brought up the chance of being more personal in smaller communities than larger ones.

“The smaller the community, the easier it is to manage and to respond to people’s messages and to engage with the content they put out. You can also answer to more direct messages and more quickly, which gives a really good impression of the brand and that we care. So it [community size] definitely has an impact on how personal a brand can be with the audience.” – Participant C

One participant noted that it also depends on the platform. For example, Instagram makes it way easier to find content that people has tagged the brand in and also to respond to people. Also, another participant brought up that when a smaller community is more cohesive and personal, it also enables the brand to better use micro-influencers to reach an audience beyond the brand’s own community. Micro-influencers can have a really tuned in and loyal following that really listen to what they have to say, which would help brands in promoting themselves. It was also noted that the communities in social media could be extremely large, which hinders how personal the brand’s can be with the members and answer their questions. This is problematic, since people on social media expect brands to be online and answer their questions quickly (Christodoulides et al., 2012; Davis et al., 2014).
brand, if you’re able to answer consistently and quickly do questions and comments, this can really boost the reputation of the brand by meeting the consumers’ expectations. It was also mentioned that smaller communities are often more authentic compared to larger ones, and have more genuine follower base.

4.3. Brand loyalty on SMBCs

The third theme of the interviews focused on brand loyalty and how it shows itself on social media, as well as how could a brand create more loyal customers on their social media brand communities.

The first two questions aimed to understand what does brand loyalty mean to the participants and how does the loyalty present itself. Understanding what did the participants consider as loyalty was important when making sense of how relationships and brand communities could impact loyalty-like behavior in consumers.

For all of the participants, brand loyalty meant similar things, for example, purchase behavior, long-term commitment, as well as positive word-of-mouth. One participant mentioned that loyalty makes people spread good things about the brand and this is what a brand should aim for, since it makes it easier to spread the messaging of the brand, as well as acquire more customers as people have a tendency to listen to their peers for recommendations. Another participant placed an extreme importance to word-of-mouth because these loyal customers have the power to affect their families and friends and their purchase behavior, and also their opinion of the brand. According to the theory, word-of-mouth can be considered being a part of attitudinal loyalty of the consumer, meaning the consumer’s feelings about the brand change for the better (Hasan et al., 2011; Khan et al., 2015). Attitudinal loyalty is especially important on social media since the networks offer an easy platform to spread positive messaging about the brand.

“Brand loyalty to me means that the consumer is thinking of you first whenever buying products from this category and not necessarily even thinking of other alternatives, so the purchase decision becomes kind of automatic. It also means
long-term commitment, so you stick to the same brand no matter what.” – Participant A

One interviewee also mentioned the responsibility that comes with a loyalty. When a brand has been able to create a loyal follower base, they also trust the brand. So if a brand for some reason breaks this trust, the consequences can be severe. This means that brand can’t neglect their followers no matter how loyal they may be, but to continuously nurture the community.

The next questions asked whether the participants thought that community members have the tendency to be more loyal than regular customers who are not part of the brand’s community but still are familiar with the brand and buy their products. This question aimed to unveil more about how the participants saw the influence of brand communities as a tool to build stronger brand loyalty.

All of the participants agreed upon that the people that are in the brand community have a tendency to be more loyal towards the brand than a regular consumer. The most stated reason for this was that the person has an interest to join the community because he/she already likes the brand and their products, thus more likely to turn into a loyal customer. Meaning, if a person joins a brand community, that person must really like the brand. Although, one of the participants noted that of course a person could join a community and not care that much about the brand. They could have another agenda to join the community, for example, to gain information, discounts, or if they just like the content of the brand (Schau et al. 2009; Sung et al. 2010). But in general, the participants agreed that if a person joins a brand community, they have a real interest towards the brand and thus are more likely to show loyalty-like behavior.

“Once you’ve managed to gain a regular customer into a community member, the community member is going to be a stronger advocate because they actually see the brand values as part of their own and that will empower that community member in being an kind of an advocate on behalf of the brand.” – Participant D
It was also noted that when a brand has been able to acquire a customer as a part of their community, they are more invested in the brand as well as more prone to the brand’s messaging. Thus once a member is part of a community, the brand has a lot more ways to influence the customer that would nurture loyalty.

Once it was established that the participants all agreed that social media brand communities could very well create loyal customers, the next question intended to find out different ways that the brands could then do in their brand communities to foster loyalty.

Here, the answers to the questions differed quite a lot and the participants saw different things affecting the loyalty in their brand communities. One of the participants emphasized customer satisfaction as an antecedent for building brand loyalty in brand communities. In theory literature, Gamboa & Goncalves (2014) mentioned satisfaction being the most important factor when building loyalty because when a consumer is satisfied, their expectations are met and they are likely to buy more and recommend the brand to peers. Also it was mentioned that the more satisfied the members are, the more invested they are in the community, which could then in turn lead to the members feeling more connected to the brand. This could also build greater loyalty.

“I think when they [community members] are happy with the brand community, they are more happy with the brand overall, which in result would lead to greater loyalty.”

– Participant A

A brand could achieve greater satisfaction in the community by answering different needs that the community members have, as well as delivering the promises that the audience expects from them. This requires again knowing the community members, so that the different needs and expectations they have can be answered for. Other than this, the brand needs to answer to the community’s questions, engage with the community, and create good content.

Another participant noted that building loyalty is extremely long process, which brands can forget since social media gives the illusion that everything can happen
really fast. Thus brands should be consistent in managing their communities and be present and active daily, and eventually these efforts would lead to loyalty. One participant stressed the importance of co-creation and creating different kinds of experiences for the community members. Co-creation and participation in the community was also seen in the theory literature as an important part when building loyalty. Participation creates stronger attachment and emotional feelings towards the brand (Casalo et al., 2010).

“I think especially with this day and age it’s about lifestyle marketing and that’s how brands are fostering the loyalty to consumer. It’s about brand taking the initiative to want to reward me as a consumer with different kinds of experiences and not just products.” – Participant D

The interviewee emphasized different kinds of storytelling and that the members are taken to be part of telling the brands’ stories. When members are included in the storytelling, this can really delight them and make them feel like they are a part of the brand. This could be done for example, via inviting the followers to create content and then publishing this content in various ways in the brand’s social media channels. The brand could also create competitions, which would invite participants to submit their creations related to the brand. The brand could also do different initiatives to go outside the online environment and to establish different kinds of offline events for the community. These kinds of efforts could really make the members more invested in the brand and create more long-term relationships that would lead to loyalty.

4.4. Benefits of SMBCs

The final theme of the interview tackled the topic of different kinds of benefits that arise for brands from managing their own brand communities on social media, as well as what are the most important benefits and what kind of benefits the brands are looking for.
The first question addressed what the participants thought are the advantages that they are getting from having brand communities. The most common answer revolved around getting the brands’ voice heard and having an audience that is prone to listen. Having an audience that listens was linked to driving better sales, which was important for all of the participants. By having a social presence, the brand can better push their products and showcase different offerings. But as one participant noted, social media is usually only one touch point in the sales process. By seeing content on social media, it can influence the consumers’ purchase behavior but the decision to buy can come later. Thus the last touch point for purchase might not be social media but the content the brand published had an impact on the final purchase decision that came later for example, in an offline store.

Another benefit that was mentioned was that brand communities offer a platform to be close to the consumers and to learn about them. Brand communities offer an infrastructure to engage with the consumers in a convenient and creative ways that would then lead to stronger relationships with the consumers. One participant also mentioned that sometimes they might get some good ideas from the brand community members that end up influencing the business.

When asked what benefits the participants thought were most important ones for them, two different themes came up. Firstly, all of the participants emphasized sales because at the end, the social media brand community is a part of the brands’ marketing strategies that has a goal of influencing positively to the company’s profitability. But even though profits were seen important, the interviewees suggested that it might not the most important thing when it comes to managing brand communities. Another thing that all of the participants mentioned in one way or another was the interaction factor and that the communities offer a platform to engage with the consumers. Most of the interviewees mentioned the importance that the members feel like they are getting value from the community and that they are satisfied. Brand communities would offer a way to create experiences for the customers that would then in turn lead to greater satisfaction and loyalty. Theory showed that when the consumers feel like they are getting value from the relationship with the brand, they are willing to put more effort into the relationship. Thus it would
be beneficial if the community members were satisfied (Altman & Taylor, 1973; Park & Kim, 2014)

Finally, the interview participants were asked what kind of benefits they would like to get from the communities more. This was important to realize as to understand what way the brands would like their brand communities to evolve. Two of the things that came up were sales and loyalty, as well as hope of the members being more involved in the community, which could then lead to stronger loyalty.

Regarding sales, one participant emphasized the wish to turn more fans to actual customers through social media. Many of the networks, like Instagram, are turning more sales driven with different promotion and buying options. This participant also noted the measurement factor. By having a clearer link between the social network and sales, the brand could better measure how does the brand community and other actions on social contribute to sales.

A few participants also mentioned that they would like to get the members more involved in the community and to create content and overall to be more active. These kinds of actions could lead to stronger loyalty as the members would be then more invested in the community and be a bigger part of it. Related to this, one interviewee also mentioned value creation and answering the needs of the consumers. When the members feel like their needs are answered and that they are satisfied with what the community has to offer for them, this could as well lead to greater loyalty.
5. CONCLUSIONS AND DISCUSSION

The final chapter of the thesis provides a concise entity regarding the findings of the earlier chapters by combining the theory and the empirical sections. The first section of the chapter answers the research questions that were set earlier in the thesis. After this, theoretical contributions and managerial implications are provided. Finally, the chapter is concluded by discussing limitations of the study and by suggesting future research directions.

5.1. Summarized results and conclusions

Below are provided answers to the research questions citing the most important aspects of each question. The answers were created by combining the most relevant areas of the theory sections and of the findings from the empirical analysis. The questions are discussed starting from the first sub-question because the main research problem is considered to be more holistic question that comprises of the smaller sub-questions.

SUB-RQ1: How are brand-consumer relationships cultivated on SMBCs and how can brands manage these relationships?

Social networks offer brands a plethora of ways to improve their relationships with the community members. Based on the theory and empirical findings, some of these are more prevailing and important than others. One of the best ways to nurture the relationship between the brand and the consumer, as well as the community members as a whole is to build an active community. This would mean that the brand and the community members are as active as possible. Brands can stay active by posting frequently relevant content, monitoring the community, and engaging with the community by asking questions, commenting, liking content, and having conversations with the community members. When the brand shows high activity, it messages the members that the brand cares about the community. This leads to higher satisfaction and interaction on behalf of the members, thus making them more active in the community as well.
Producing relevant content and creating storytelling that would respond to the interests and the needs of the audience is extremely important. When the content is interesting, the audience engages with the content, hence making the community more active. To produce good content, it is vital that the brand understands who their customers are, as well as try different things and monitors data. Results also show that the audience likes to participate in the co-creation of the content. Therefore, brands should actively make the community part of creating content and to participate more. Brands can do this for example by using different features of the social networks, organizing different competitions, publishing user-generated content on their channels, and engaging with the posts published by their audience.

Another important factor when nurturing relationships was that the consumers can identify with the brand and have similar values. When the values are in sync, the consumer senses stronger connection to the brand and to the community. To message about the brand’s values, the company first needs to understand what their values are and then message about them consistently through their content published in the brand community. It was also noted important that the brand is as authentic and shows human-like features because this makes it easier for people to connect with the brand on a deeper level. This again needs to be addressed with the brands’ strategies as a whole and how they publish content. Theory noted things like for example, using relevant influencers that are congruent with the brands’ values and showing personnel in the content.

Lastly, understanding the different needs of the consumers is important so that the brand communities can be build in a way that responds to these needs. Responding to the needs of the members is linked to how satisfied they feel with the community and if they feel like they receive value from the community. The most important needs recognized in the study were the needs related to self-identity, social needs, as well as functional needs. To understand and to respond to different needs, brands must understand who their community members are and through strategies and community management tactics respond to these needs to cover all different aspects that might occur. For example, to publish content on a scale that would satisfy all of the community members.
SUB-RQ2: What are the methods of building brand loyalty through brand-consumer relationships on SMBCs?

As noted earlier in the research, the ways to nurture relationships on SMBCs are tightly linked to how loyalty in these communities is built. A lot of the same elements that build stronger relationships between the brand and the consumer are also antecedents for building loyalty toward the brand. This makes the relationship quality a vital part when considering loyalty building on SMBCs.

Satisfaction towards the brand and the community was seeing both in the theory and in the empirical research as one of the most important factors for loyalty building. When the members are satisfied, this means they get what they want from the community and it’s able to answer to a wide variety of their needs. Satisfied members are more likely to recommend the brand to their peers. A brand can improve satisfaction by knowing their audience, thus recognizing the different needs. Being active in the community and answering questions is something that social media users expect from a brand. Also, great content is one major part in creating satisfaction within a community. Regarding community size, brands seem to favor smaller communities, since they would enable more authentic interactions and capability to manage the relationships more personally and for example, answer the members’ questions more efficiently.

Participation in the community was another factor for building loyalty. When members participate more they are more emotionally connected to the brand, thus more loyal. They are also more prone to stay with the brand and the community since the emotional connection is strong and leaving the brand and the community could bring negative outcomes. To entice participation, brands can co-create with the members by encouraging them to publish material, create competitions, and so forth. When the members are included, they feel like they are part of the brand. Also, when members participate more, they become more committed to the community, which also leads to long-term loyalty.
Identification is also a strong part in loyalty building; same as it is in relationship building. When the consumer identifies strongly with a brand, they feel a stronger emotional connection to the brand. Thus the brand can become a part of their identity and the member is willing to defend and represent the brand, thus become a true advocate for the brand. Messaging about the brands values is an important part that should be congruent with the brands holistic strategy.

Lastly, trust was recognized to be important when building loyalty. When consumers trust a brand, they are more open for the relationship and participate more in a community. Building trust means that the brand is able to meet the expectations of the consumers and that the consumers believe that the brand can continue to do so in the future. This means that the consumer can better commit to the brand and become more loyal.

**SUB-RQ3: What benefits arise from managing relationships on SMBCs and from brand loyalty on SMBCs?**

Presence on SMBCs and the relationships formed within the communities offer plenty of benefits for brands. As mentioned before strengthened relationships boost loyalty as well, which leads to certain outcomes that can be categorized in attitudinal, behavioral, and oppositional loyalty.

One of the most important benefits recognized related to behavioral loyalty was increased sales. When a brand is able to cover the necessary areas mentioned in earlier research questions, the brand is able to increase loyalty that would then in turn lead to favorable purchase behavior in the community members. Another important point was positive word-of-mouth. This is crucial in social networks as they offer an easy way for the users to spread favorable messaging about the brand, and as noted before, people put emphasis on what brands and products their peers recommend. Thirdly, another benefit that arose from the research was increased engagement in the community, which then also leads to greater satisfaction, participation, and connectedness to the community. SMBCs, when managed properly, enable the members to participate and engage with the content, as well as
create their own content. Thus leading to greater overall satisfaction toward the community and the brand.

*How to manage brands in social media brand communities (SMBCs) to build relationships with the consumers and to foster brand loyalty?*

From the answers above, a conclusion can be drawn that managing SMBCs and building relationships that would improve brand loyalty is a sum of many different factors. Different strategies and community management tactics of the brand lead to how vibrant the community is, which then in turn can lead to greater brand loyalty.

The most important elements are that the brand is active and consistent in the community. This means publishing content that the audience would enjoy, and to engage the audience in different ways, as well as engage them as much as possible. It is extremely important that the brand knows their audience and can respond to their different needs and expectations regarding the brand community. Equally important is that the brand understands its values and is able to clearly communicate these values through content and the overall presence of the brand. This enables that the customers can identify with the brand, which is one of the most important factors when trying to build relationships and to boost loyalty.

### 5.2. Managerial implications

The research provided many ways for brands to build relationships with their brand community members by tackling different topics regarding which components are the most important ones in relationship and loyalty building. To summarize the findings and to give clearer ideas and tools for the management, the figure 4 below discusses further the managerial implications of the study. The framework demonstrates the most imperative aspects of relationship and loyalty building on SMBCs, as well as the benefits recognized in the study. The framework considers relationship building as an antecedent for loyalty building, meaning when the areas in relationship building are covered, these lead to different elements that build loyalty within the consumers. Finally relationship and loyalty building lead to different benefits for the brands.
Relationship building on SMBCs

In order for the brands to build strong relationships, they need to be active in their established brand communities. The brand needs to show the members that it cares about the community and it’s willing to make effort for its well-being. The brand can show effort by publishing content often, answering the questions and comments of the members, liking content and comments, engaging with members on direct messages, going outside the community to engage with relevant content, asking
questions, and organize competitions. These are just a few methods for a brand to show activity in the community.

The brand needs to publish relevant content that it thinks that the audience will enjoy and is valuable for them. The brand should entertain the audience with different kind of content, whether its pictures, video, stories, or anything else enabled by the platforms. When producing content it’s important that the brand tries different things and measures what works the best for their audience.

People on social media like to participate on creating content and being a bigger part of the brands messaging. They don’t want to be passive bystanders that just consume the content. Thus brands need to make effort to engage people in content creation and to participate them on the channels. This can be accomplished for example by organizing competitions and user generated content campaigns, as well as commenting and delighting whenever members post something brand related to encourage them to create more.

It’s important that the brand is transparent and authentic, thus showing the members that the brand is a trustworthy relationship partner. Results showed that people appreciate brands that have human-like features because it makes it easier to form a connection with them. To accomplish this, brands can be honest with the community and admit when the brand makes mistakes, show people behind the brand, and use relevant influencers and well-designed campaigns.

Brands need to understand who their audience is in order to understand their different needs regarding brand communities. This is the only way the brand can build their communities and manage them in a way that would satisfy all the most important needs of the members, as well as meet the different expectations. Once a brand is aware of the needs it can tailor its content and community management around these needs. For example, realizing how the members want to express themselves through the community would help the brand to create different co-creation campaigns.
Understanding the brand’s values is important in order for the brand to be able to clearly communicate them to the audience. If the values are in alignment with the consumer’s values, it’s the best way to create a long-lasting impact and a relationship with the consumer because the consumer recognizes standing for the same things as the brand. Messaging about the brand’s values can happen through content creation and for example by using relevant influencers and collaborations that would be aligned with the brands own values.

**Loyalty building on SMBCs**

By covering the different relationship building elements mentioned above, the brand is able to build loyalty within the community members because the actions create various feelings and emotions within the members. These feelings and established relationships then convert to various different loyalty-like behaviors, which were earlier categorized as attitudinal, behavioral, and oppositional loyalty.

When the consumer feels that the relationship quality with the brand is good, it builds loyalty. The consumer feels that the expectations regarding the community are met and that the brand is a valuable relationship partner, which is holding its end of the bargain. As long as the consumer feels that the relationship is valuable, the consumer is willing to stay with the brand and the community, as well as put effort in the relationship.

Commitment is another element that will transit toward loyalty. When a consumer is committed to the community, it becomes a more important part of the consumer’s life. Commitment makes the consumer feel a stronger connection towards the community, which in turn leads to loyalty-like behavior.

When a brand is able increase participation in the community, this creates loyalty as well. Consumers that participate in the community via different methods, like creating content and commenting posts feel a stronger connection to the community. This will lead to stronger attachment and will generate emotional feelings towards the brand and the community.
Established trust in the community members further increase the relationship by making the consumers feeling safe and knowing that the brand will meet their expectations. These make the consumer want to pursue a long-lasting relationship with the brand.

Satisfaction in the community and the brand was recognized as one of the most important elements for loyalty building. When the consumer is satisfied with the community, the community and the brand is able to answer to the different needs of the consumer and meet the expectations. Satisfied customer is willing to recommend the brand further and stay as a customer.

Lastly, when a consumer is able to identify with a brand this creates extremely strong loyalty like behavior since the brand’s values correlate with the consumer’s values. The brand stands for the same things as the consumer, thus this creates a tremendously strong connection between the brand and the consumer.

Benefits of SMBCs

The benefits can vary a lot depending on the brand and the community. However, the study realized some benefits that reoccurred in the theory and the empirical research. Firstly, all the elements above create a strong, more fruitful community where the members are engaging with the brand and the other community members, making the connections even stronger and building deeper loyalty. The community is also able to generate value for the brand and the community members as well. This value can vary depending on what the brand is looking for in a community and what they are able to accomplish but for example, the brand is able to learn new things about their customers. Benefits also include a satisfied community, which in turn reflect how the consumers feel toward the brand. As noted before, through well-managed SMBCs, brands are able to create a lot of different kinds of loyalty, which can be categorized as attitudinal, behavioral, and oppositional loyalty. These include how the consumer feels about the brand, how the consumer shows the loyalty, and how the consumer is willing to stand up for the brand. Finally, SMBCs provide the brand a loyal audience that is willing to listen to the brand and hear what it has to say.
5.3. Theoretical contributions

Marketing on social media platforms and their management continues to be an important and popular research topic among scholars (de Vries, Gensler, & Leeflang, 2012; Munnukka, Karjaluoto, & Tikkanen, 2015). One of the reasons for this is still the relative newness of social media networks and their continuous development. Thus there is still a lot of work to be done to cover different areas of social media marketing and brand management on social media. Especially the evolution of technology and the social networks makes the topic constantly relevant and something that can reveal new things for scholars and companies (Kuo & Feng, 2013). Through the development, social networks endlessly publish new ways that the users can interact with brands on the platforms. Also, brands are continuously getting new features to promote their products and services that would positively impact sales on the social channels.

Regarding the two main areas of the research, relationship and loyalty building, these two areas have been covered quite extensively in the research, especially the subject of brand loyalty in brand communities (Alarcon et al., 2018). There are less research on relationship building but still an amount that it can’t be said that literature would be per se lacking relationship research on brand communities. However, related to the point made above, there is not that much contemporary research on these topics regarding modern social media brand communities. Also, not that many of the studies focus on providing managerial implications (Chung, Andreev, Benyoucef, Duane, & O’Reilly, 2016), which was one of the main purposes of this study. Many of the studies utilized in this research as well were written during the era before social media networks or in their infancy. Despite of this, new relevant research is constantly being published on the topic. This is important since these new studies can add to the previous literature, thus building a holistic area of research around brand management on social media. Even though social networks are constantly evolving, this doesn’t mean that the prior literature would be irrelevant - quite the contrary. Many of the previous studies have provided important building blocks for the new research in understanding brand management on social media sites and these studies can very well be utilized in modern research as well.
This research provided a contemporary look into social media brand management by investigating how brands can improve their relationships and brand loyalty on social media brand communities. The research was conducted by investigating relevant prior literature and by interviewing different experts on the field that provided a modern way of thinking and brand management on social media brand communities. The research suggested the most important areas that brands should consider when building their communities. Therefore, this research gave valuable insights for managers by comprising important theoretical areas and managerial implications aiming to provide value for managers in their relationship and loyalty building efforts on their social media brand communities. Also, the research gave new insights or at least a different perspective on looking at things regarding the topic area, thus perhaps contributing to new research in the future.

5.4. Limitations and future research

The aim of this study was to provide an overview of how brands can build relationships and loyalty in their brand communities, as well as give managerial implications that brands could implement in their actions. However, due to the complexity of the topic and as mentioned, the constant and fast development of the research area, there are multiple limitations in this study that should be accounted for in the future research.

The social media network landscape is very broad and depending on the network, the management styles and efforts can and should differ. This research provided an overview of social media networks through the literature and by focusing on the networks where the brands that participated in the empirical part operate. This meant all the major networks, like Facebook, Instagram, and YouTube. However, a study could get more detailed and accurate data by focusing on a single social network at a time. The features on different networks can differ, thus the changes might also affect management strategies and tactics. Furthermore, the sample size could be bigger and thus cover wide variety different kinds of communities. Majority of the communities in this research were rather large, however, the participants had vast experience in all kinds of communities, hence making the data more extensive and
valid. The main data could also be supported with secondary data that could also be quantitative. This way future studies could dive deeper into really understanding different community management tactics in detail and in different networks. By gathering more specified data, a research could also make more concrete connections between the different aspects found in the theory literature and the findings in the empirical data. For example, which specific community management tactics correlate with building satisfaction in the community? Answering these kinds of questions would most likely need a more specific focus in a study and a data point that would provide both qualitative and quantitative data.

By covering these areas mentioned above, future research could provide more concrete and actionable brand management tools for brands and their brand communities, thus building a clear understanding on what brands need to focus on in their communities to accomplish specific goals that they set for themselves. Like said earlier, social media landscape is constantly evolving and becoming more and more important tool for brands in their marketing efforts. Therefore, there definitely is a need for continuous stream of research that would cover the topic from different angles.
REFERENCES


auctions. Electronic Commerce Research and Application, 9, 148–159.


Harris, L., & Goode, M. (2004). The four levels of loyalty and the pivotal role of trust: a study of online service dynamics. Journal of Retailing, 80, 139–158.


community or to the brand? European journal of Marketing, 47 (1/2), 93–114.


APPENDICES

Appendix 1. The interview questions

GENERAL:

1. On what social media networks do you have/manage brand communities? And why?

2. Do you actively manage your communities? What does this entail?

3. What is your goal of having and managing online brand communities? How do you plan on achieving these goals?

RELATIONSHIP BUILDING:

4. In your opinion, what makes a person want to join a brand community? What actions do you take to gain new followers/community members?

5. How can you build stronger relationships with you customers through brand communities? How important do you see a strong relationship?

6. How important do you see that the consumer shares the same values as the brand i.e. can identify with the brand in order to build a relationship with the brand? How can you communicate your brand’s values through brand communities?

7. What do you think a consumer looks for/expects from a brand community, or what needs and wants he/she wants to be fulfilled when joining a brand community? What can you do to make sure that these needs/wants are answered for?

8. What makes a person to participate in a brand community? How do you encourage participation?

9. What drives engagement in your brand communities and how do you drive stronger engagement?

10. How could a brand encourage conversations between the members of the community? How important do you see that the community is cohesive and that the members converse with each other and with the brand?

11. Have you found out what kind of storytelling and content your community finds appealing? What kind of content do you think works for you?

12. Do you think that the community size has a factor in how well the community can be managed or does it affect for example, how personal the brand can be with the
community members? How important do you see personalization in a brand community?

BRAND LOYALTY:

13. What does brand loyalty mean to you?

14. How does this loyalty present itself?

15. Do you believe that community members are more loyal towards the brand than a regular customer and why?

16. How can a brand community create more loyal customers? What actions do you take to achieve this?

BENEFITS:

17. What kind of benefits arises for your brand from having your own brand communities on social media?

18. What kind of benefits would you like to see your brand getting from managing social media brand communities?

19. What are the most important benefits for you?

20. Anything else you would like to add regarding brand community management?