

BRAND IMPLEMENTATION ON THE WEB IN MARKETING CHANNELS

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Abstract

The development of a global electronic market with the concept of branding on the Web raises the level of the image of the industry trade organizations in marketing channels. Creating and maintaining brands on the Web requires defining the key elements of branding. Effectiveness and efficiency of brands on the Web is based on the identity of the strength and vision in dealing with customers. Key elements of the brand as a great importance for customers are: differentiation, relevance and perceived value. If you establish a brand diversity in relation to other competing brands, and achieve the level of acceptance by the potential buyer, also inspires and provides a perceived value. Implementation of the policy for brands perceived value on the Web generate effects in improving the image of customer loyalty, increase trade volume and profitability. The power of creating and maintaining brands on the Web is an indication of success, or the efficiency and effectiveness of the assortment offered by a trading enterprise in the global electronic market.

Key words: global market, Web brands, differentiation, loyalty, relevance, perceived value

1. INTRODUCTION

Branding in the online environment is gaining very important role in the conditions of globalization and internationalization. By integrating branding and marketing through a variety of channels development of the brand position in the global market is inevitable. Branding enhances customer confidence in the direction of satisfaction with purchase and efficiency of search on the electronic market. Unique brands use their keywords as search tools. Web sites are globally available, and

Internet technologies contribute to branding globally. Global brands identify different values in the national context. But also, brand experience can be different for each individual customer. With the "one to one" interaction with customers it is possible to generate a different experience for the brand and lead to the creation of a series of brands for different groups. Web sites convey the brand message through their design and functionality. A systematic approach to developing brands in the online market requires answers to the following questions:

- What are the dimensions of powerful Web brands in marketing channels?
- What are the basic components that influence the differences in online and offline branding?
- What impact does the satisfaction with off-line brand have on consumer loyalty to on-line brand?

Managers need to identify the elements of consistency and elements of differentiation between the offline and online branding. Brand value should provide the answer to users who search for information about products and services. Online branding encourages and increases the efficiency of communication in the digital environment. Preliminary results of the research were shown in this paper, as a part of wider research on implementation of brand in electronic environment.

2. THE GROWTH OF GLOBAL ELECTRONIC COMMERCE IN MARKETING CHANNELS

Trade revolution becomes a driving force and a factor of economic development and globalization of markets. Global retail concentration becomes more intense and encourages competition for market position. "The transformation of classical into multichannel retailers involves a lot of opportunities and challenges in integrating the different channels (Trenz, 2015, p. 22)."

In the increasingly severe competition retailers are expanding into new markets, creating new multi-channel strategies, increasing the technological base of operation, improving service quality, technological innovations, new retail formats and so on, and of great importance is become recognisable by development of the brand and its implementations in electronic environment. "In a competitive environment of B2C businesses, companies must leverage their resources to gain competitive advantage; the development of brand equity is one such advantage (Kim, Sharma & Setzekorn, 2002, p. 130)".

The growth of global online business, thanks to the ubiquity of computers and mobile phones with Internet access, is changing position of e-commerce in marketing channels. "E-commerce, in contrast, is characterized by its ubiquity: it is available just about everywhere, at all times (Laudon & Traver, 2016, p. 53)." Ubiquity creates the possibility of Internet access which affects the new opportunities in online business. Increasing global online business is present, especially in less developed Asian countries, which have a rapid growth of the economy and a growing number of users of mobile phones and tablets with Internet access. Overview of Internet users in the world can be seen from the following table 1.

“E-commerce technology permits commercial transactions to cross cultural, regional and national boundaries far more conveniently and cost-effectively than is true in traditional commerce (Laudon & Traver, 2016, p. p. 54).” The impact of globalization on the electronic market can be seen in indicators of Internet users and penetration rate of the population.

Table 1. Internet users in the world and the population statistics in 2017

Regions of the world	Population (Estimated 2017)	Population % of world	Internet users in the world 31 March 2017	Penetration rate (% population)	Growth 2000-2017	Users % table
Africa	1.246.504.865	16,6 %	345.676.501	27,7 %	7.557,2 %	9,3 %
Asia	4.148.177.672	55,2 %	1.873.856.654	45,2 %	1.539,4 %	50,2 %
Europe	822.710.362	10,9 %	636.971.824	77,4 %	506,1 %	17,1 %
Lat. America/ Caribbean	647.604.645	8,6 %	385.919.382	59,6 %	2.035,8 %	10,3 %
Middle East	250.327.574	3,3 %	141.931.765	56,7 %	4.220,9 %	3,8 %
North America	363.224.006	4,8 %	320.068.243	88,1 %	196,1 %	8,6 %
Oceania/ Australia	40.479.846	0,5 %	27.549.054	68,1 %	261,5 %	0,7 %
TOTAL	7.519.028.970	100,0 %	3.731.973.423	49,6 %	933,8 %	100,0 %

Source: <http://www.internetworldstats.com/stats.htm> 28.03.2017

The first indicator indicates a high share of the population of Asia, which has a high percentage of population in the world with 55.2% and percentage of Internet users with 50.2%, in contrast to other regions of the world. Asia is followed by Europe in number of Internet users whose share amounted to 17.1%, followed by Latin America / Caribbean with 10.3%, while other regions of the world have less than 10% of Internet users.

Globalization boosts retail competition and concentration, changes the relationship between the participants in marketing channels and strengthens the position of retailers. The growing internationalization of retail activity causes changes in the competitive structure of the domestic market and the market in which foreign companies are coming (Lovreta, et al., 2013, p. 567). Internationalization and multichannel strategies have a comprehensive impact on the growth and development of business retailers. Global multichannel retailers develop specific strategies that are based on the new information technologies. The effects of the internationalization of multichannel retailers are linked to the processes of modernization of markets and trade (Končar & Leković, 2015, p. 364). As seen in Table 2, retailers from individual countries have a high share of e-commerce in total retail revenue.

Global level of e-commerce can be seen by analyzing the top ten electronic retailers in individual countries. Amazon.com Inc has expression of international e-commerce strategy with its business on every continent. These retailers have their

electronic sales in the domestic market, and have successfully applied electronic sales on other markets by successfully implementation of brand on the web.

Table 2. The biggest 10 electronic retailers

Rank	Company	Country	Electronic retailing (mil. \$)	Electronic retailing as % of total retail sales	Electronic retailing growth of rate
1	Amazon.com Inc.	USA	70.080	100,0 %	15,1 %
2	Apple Inc.	USA	20.600	49,0 %	12,6 %
3	JD.com Inc	China	17.672	100,0 %	62,0 %
4	Wal-Mart Stores Inc	USA	12.200	2,5 %	22,0 %
5	Otto (Gm bh & Co KG)	Germany	8.397	65,4 %	5,6 %
6	Tesco PLC	United Kingdom	6.504	6,5 %	20,0 %
7	Macy's Inc.	USA	5.400	19,2 %	30,1 %
8	Liberty Interactive Corporation	USA	5.198	49,5 %	6,4 %
9	Casino Guishard-Perrachon S.A.	France	4.606	7,1 %	20,1 %
10	Suning Commerce Group Co., Ltd.	China	4.199	23,7 %	17,8 %

Source: Deloitte, 2016.

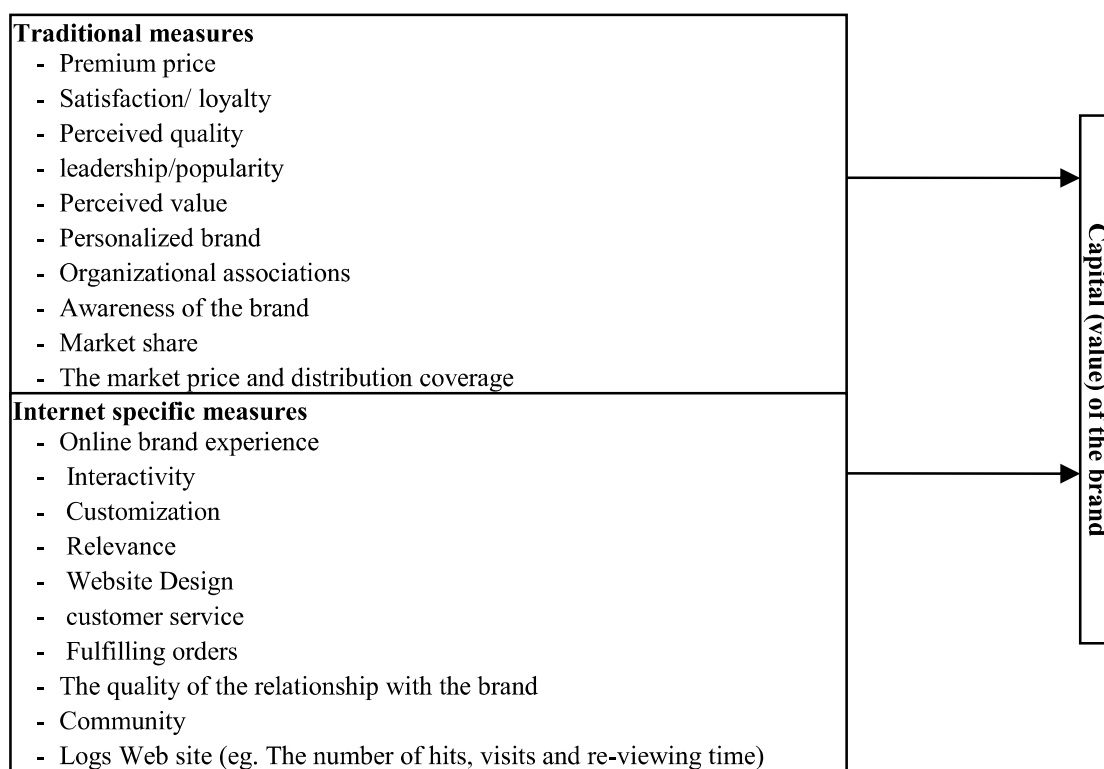
Table 2 indicates the number of different rates of growth of e-commerce retailers in a multichannel strategy in the global market. The development of the multichannel retail strategy is directed towards the implementation of technology in the development of electronic retailing. The largest e-retailers are from the US and China, as well as from Western European countries, primarily Germany, Great Britain and France. Those electronic retailers have developed their image and brand name on global level. "Creating a customer experience that is synonymous with a particular (website) brand is becoming increasingly recognised as a vital driver of e-performance (Ha & Perks, 2005, p. 438)".

The full effect of electronic retailing for top ten e-retailers is seen in the total income from sales and other performance of retailers in the internationalization of business when their integrated multichannel strategy develop. Electronic retailers using the multichannel strategy define the role of different marketing channels in certain markets and thereby create a distinctive position in relation to competitors of the global market.

3. CREATING AND MAINTAINING BRANDS ON THE WEB IN THE GLOBAL MARKET

Web communications in interaction with customers directly influence the concept of creating and maintaining electronic branding. E-commerce has a strong influence on the structure of the online brand. Technological innovations affect the restructuring of the brand. Electronic Customer Relationship Management allows personalized interactive contact with the primary goal of generating a multi-brand strategy. “Greater interactivity promotes greater brand learning through better information brand sites and that boost levels of interactivity can fulfill online brand building missions more effectively (Dou & Krishnamurthy, 2007, p. 204)”. Brand awareness and confidence plays a key role in the online market. In the global market Web has become an integral part of modern brand image.

Figure 1. Traditional and Internet specific measures of value of the brand



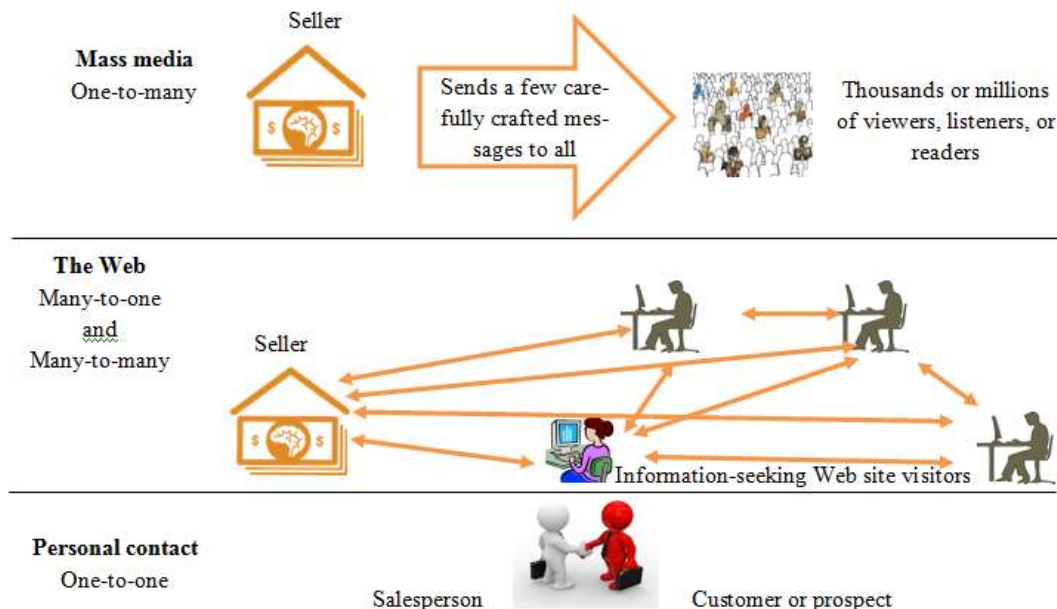
Source: Christodoulides & Chernatory, 2004, p. 170

Brand image reliably contributes by creating value for the customer due to the reduction of risks and costs for search, creating favourable attributes of perception. Brands have traditionally been understood as value identifiers. Online experience includes all points of interaction between customers and the brand in the virtual space. WWW brand represents digitally built brand that is focused on the customer in order to monitor all aspects of the brand interactivity with consumers. Online space required customization preferences at the individual level in order to tailor the content of Web sites according to the requirements of each individual customer. Web design, through functional parameters, should provide incentives and customer satisfaction.

During the interaction with the brand a brand experience that is related to the perception of consumers towards design and brand identity is created and formed. Brand experience leaves a lasting impression on consumers, with the aim of building and improving relationships with consumers of the brand. Brand Internet communication with customers creates a new approach to experience the brand through various touch points in the search, evaluation, acquisition and consumption of products.

Web presence in the global electronic marketplace helps identifying retailers and their communication with visitors who are customers or potential customers. “One-to-one marketing is marketing that treats each customer in a unique way (Turban, et al., 2012, p.436).” Personal contacts and mass media as well as two general ways of communication contribute to the transmission of information. Position of the Web as a medium for contact with the customer is located between major markets addressed with mass media and focused addressed markets with the sale of personal contact and promotional techniques.

Figure 2. Business communication modes



Source: Schneider, 2017, p. 148

According to the presented illustration, it is evident that the communication is going from one to many potential customers - communication model is one to many. In this model the promotional process of the mass media, retailer has an active position, while the buyer is passive. Building confidence and maintaining the relationship between the elements contribute to the development of models of personal contact - one to one. The flexibility of the model of personal contact one on one leads to communication over the Web, with the aim of obtaining information on the Web.

Web brand market share records advantage, thanks to the Internet, which has a much higher degree of interactivity, compared to other communication media (Končar, 2015, p. 299). The retailer and the consumer actively participate in the

exchange of information. Web allows many communication channels with a communication model many-to-one, or even many-to-many, which to a large extent depend on the required information on the Web.

Branding programs contribute to the reputation of the brand name. "The key elements of a brand are differentiation, relevance and perceived value (Schneider, 2017, p. 191)." Product differentiation is the first and leading form of creating a product or service brand, with a view to their distinction from other competitive products and services on the market. Other branding element is related to the relevance which includes the efficiency of the product or service for potential consumers. The third component of branding related to cognitive value is a key element in creating a brand that has a value. If you establish a brand difference - differentiation from other competing brands, become relevant and inspire cognitive value to potential customer purchasing of the product has to follow. Brands become successful when you reach a level of understanding for and acceptance by customers.

4. EMPIRICAL ANALYSIS OF ONLINE CONSUMER BRAND LOYALTY IN MARKETING CHANNELS

Orientation towards internationalization, the globalization of business and achieving competitive advantage is achieved thanks to multi-channelling. One of the major trends in creating and maintaining Web brands on the global market are the high importance of online consumer brand loyalty. Preliminary research results, as a part of larger research about importance of efficient brand implementation in all marketing channels, are shown in this article to present consumers satisfaction with a brand and its characteristics. The following was proved in accordance to the goal of the research we conducted:

H0: Satisfaction with the characteristics of the brand has a positive effect on online brand loyalty.

Brand consumer experience has a multidimensional structure with dimensions that relate to visual identity, emotional experience and functionality. Visual experience is the dimensions related to logo, name, colour, symbol, and design of the retailer. Visual identity of the retailer is represented with the combination of graphic elements and symbols. Visual components of the retail brand influence the creation of the offer, which is completely different from other brands. These dimensions are focused on customer satisfaction with the brand that has a positive impact on brand loyalty online. The next hypothesis of the research is defined according to that:

H1: Satisfaction with visual identity of brand has a positive effect on online brand loyalty.

The emotional experience of consumers is derived from the relationship related to the feelings and emotions of consumers connected with the brand. It may include positive and negative emotions that influence consumer loyalty to the brand online. This brings the definition of the second hypothesis of the research:

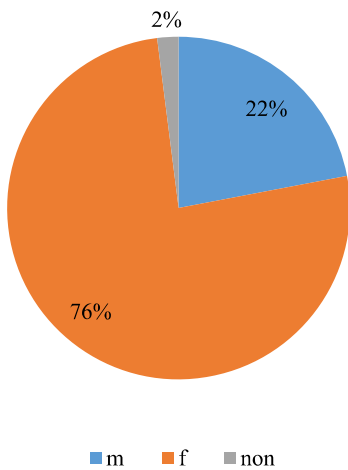
H2: Satisfaction with the emotional experience of the brand has a positive effect on online brand loyalty.

Functionality is related to the creative use of a single brand offers. It is the outcome of interactivity of the brand, but as component functionality it contributes to online transactions. Third hypothesis of the research is defined in accordance with that:

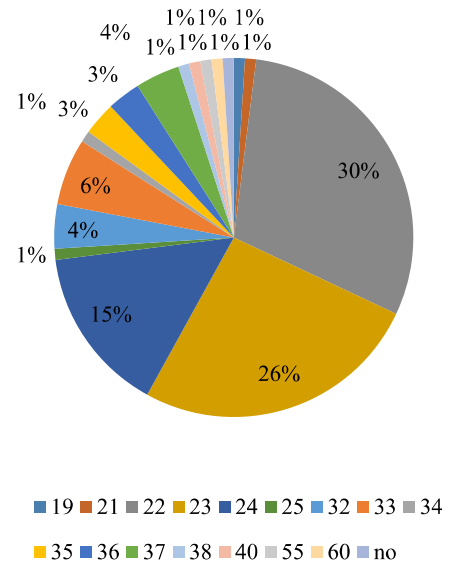
H3: Satisfaction with the functionality of the brand affects the loyalty of online brand positively.

Figure 3. Characteristics of the sample

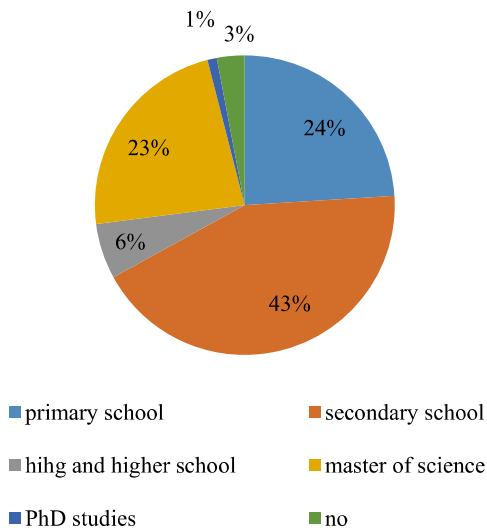
Gender:



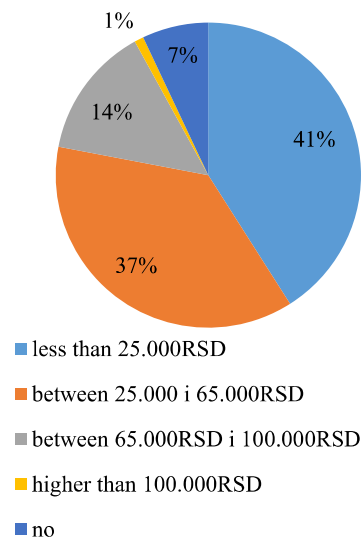
Age:



Educational level:



Average salary:



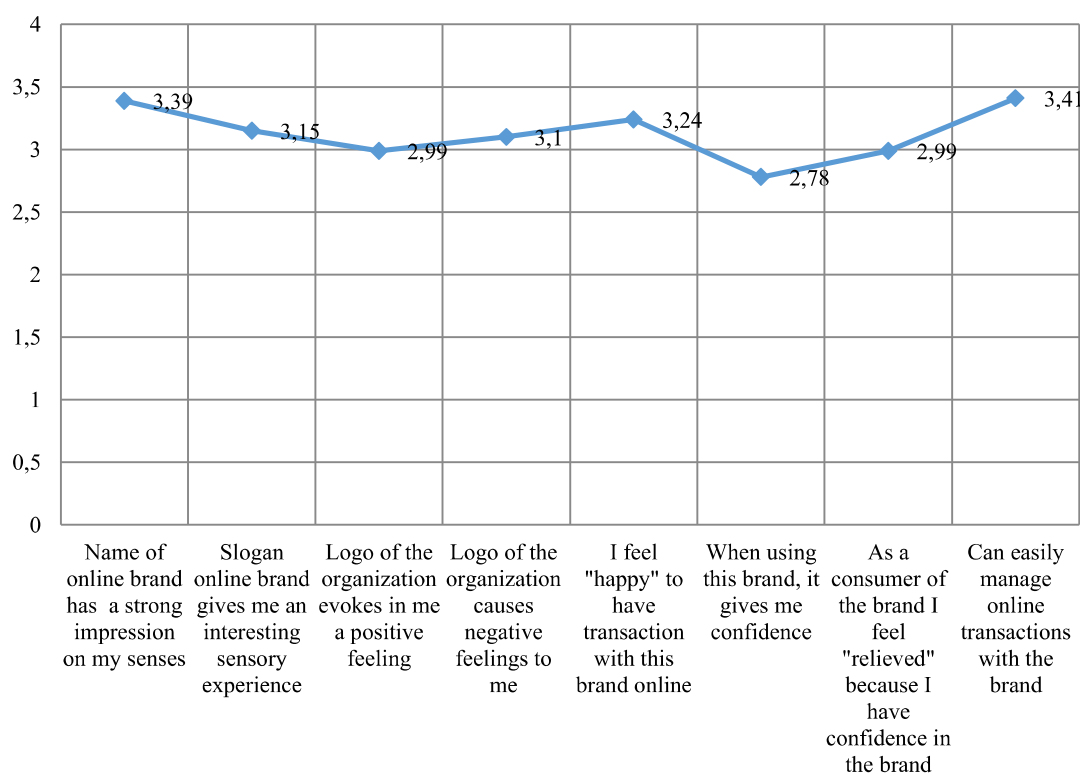
Source: Authors' calculation

100 respondents have participated in the research on the identification of the brand and brand recognition on the Web. Characteristics of respondents are shown in

figure 3. According to the gender structure, women are more represented with 76% of the respondents, in the age structure respondents that are mostly represented are those aged 22 to 24 with 81%. In terms of educational structure most of the respondents have secondary education (43%) and basic education (24%), followed by master's degree (23%). Most of the respondents 78% have income levels up to 65,000 dinars (78%).

Respondents evaluated satisfaction with visual identity, emotional experience, and functionality of online brands that also have an offline presence. Satisfaction with visual identity is rated in terms of the impression that the identity has on the senses and on the basis of the slogan of the brand. Assessment of the emotional experience of satisfaction is monitored in terms of positive / negative feelings, feelings of "happiness" in transactions with the brand and the sense of "relief". Satisfaction of functionality with online brand is estimated to ease online transactions with the online brand.

Figure 4. Evaluation of the online brand



Source: Authors' calculation

According to the survey the top rating in customer satisfaction with online brand respondents provides ease of online transactions with the control of a brand (3.41) and the impression of the brand names that leaves to their senses (3.39), while the lowest estimate has feeling of "happiness" in transactions with online brand (3.24). The analysis of positive and negative feelings that the brand has on respondents indicated that a negative sense has a greater impact on satisfaction or it increases dissatisfaction with the brand.

Figure 5. Evaluation of the characteristics of the brand

Source: Authors' calculation

Rating characteristics of online brand indicates that most respondents rely on the functionality of the brand (H3: 3.41), a little less on the visual identity (H1: 3.27), while they are the least reliant on emotional experience (H2: 3.02). Overall satisfaction (H0: 3.23) is closest to the visual identity of the brand and the emotional online experience that respondents have with the online brand with functionality approaching overall satisfaction with the online brand in the slightest degree.

5. CONCLUSION

The global electronic market concept of branding on the Web is becoming more intense and encourages competition for market position. In the increasingly severe competition, efficiency and effectiveness of brands is based on new multi-channel strategies, as well as the new strength and vision in dealing with customers. One of the most important global trends of internationalization is a high correlation between the internationalization of retail and electronic retail existence. Identifying the brand and brand recognition on the Web is rated by satisfaction with visual identity, emotional experience and functionality of online brands. Positive and negative feelings that online brand has on respondents indicate that a negative sense has a greater impact on satisfaction or increases dissatisfaction with the brand. Preliminary research results top rating in customer satisfaction with online brand respondents provide ease of online transactions with the control of a brand and the impression of the brand names that leaves to their senses, while the lowest estimate has feeling of "happiness" in transactions with online brand. Rating characteristics of online brand indicates that most respondents rely on the functionality of the brand, while they are the least reliant on emotional experience.

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