

## **Beyond Control in Social Media?**

### **Branding in Markets as Mediated Conversations**

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#### **Abstract**

Though in the so-called post-Internet times brand managers still apply traditional effects-based or command and control type of logic, social media rhetoric claims that brand companies should “give up” control on their brands, just focusing on developing listening and interacting capabilities, in markets conceived as *conversations*. This paper challenges this diffused claim, and explores new conceptual foundations of brand management in social media conceived as *mediated conversations*, where both plan and control but also other management logics, both communicative and economic rationality, apply. The theoretical landscape of our conceptual exploration is based on one side on the theories of control in the marketing and management literature, and on the other side on a new idea of markets emergent from two disciplinary fields of research and literature: 1) the socio-constructivist approach in marketing (in particular the “markets as networks” literature in the industrial marketing, the service-dominant logic in marketing (Lusch and Vargo, 2006), and the so-called post-modern approach to consumer behaviour and branding; 2) the socio-constructivist approach to social coordination in organization studies (particularly the “organization as communication” perspective in organization, and the “communication as organizing” school in organizational communication). The need for a new socio-constructivist conceptualization of markets, emerging from the grounded-theory based empirical research in marketing, is addressed in a previous specific paper (Mandelli and Snehota, 2008). Our aim here is to make

a step further, trying to apply this new perspective, along with the theories on control in complex organizing, to the exploration of new conceptual definitions and principles of brand management in markets characterized by the active involvement of consumers and other (previously considered external) stakeholders in the organizations. Borrowing recent authoritative elaborations on what is marketing in the literature (Hampreys, 2010; Lusch, 2007), we argue we need a new definition of brand management and control for marketing conceived as “social process”, and conceived as “marketing with”, instead of “marketing to”. Control, within this framework, is pictured as distributed intelligence, storytelling and leadership in conversations, but also as communication influence, planning and optimization of communication resources. This paper is an exercise in theorizing, and offers a preliminary contribution to the recent call for working in the direction of a new theory of brand equity as a process (more than as an entity). This proposal, justified through existing theories and initial insights from the practices in the field, should be considered as the initial step toward a more systematic proposal of a new framework, offered to the test of the empirical research. Methodological and managerial implications and relevance of this perspective are also discussed.

Keywords: social media; brand equity; brand conversations; brand storytelling; metrics; communication as organizing

## **Beyond Control in Social Media? Branding in “Markets as Mediated Conversations”**

### **Beyond brand control?**

There is growing evidence that in markets characterized by the use of social media by consumers, the traditional control of firms on brand-related processes and meanings is challenged by new consumption patterns and cultures (Schau et al, 2009; Lawer, 2006; Christodoulides, 2008). According to Lawer (2006, p. 121), “today ... informed, connected and active consumers are challenging the company-centric model of brand management”. Using social media, consumers coalesce around shared interests and passions, and this impacts their consumption patterns (Schau et al., 2009). They not only exchange information, share opinions and ideas but also continuously define and redefine what products mean in their lives and what relationships they have and wish to have with brands. Brands thus become facilitators of social relationships (Cova and Cova, 1996). Consumers are not considered exogenous to firms anymore (*omissis*; Vargo and Lusch, 2004), as they participate in production processes and co-create economic value (De Chernatony, 2009; Payne et al., 2006; Schembri, 2009). In a recent review of this phenomenon, Schau et al. (2009, p. 30) write that “A revolution in both marketing thought and practice is at hand”.

Since brand perceptions and brand-related consumer attitudes are considered to be very strategic resources for firms (Aaker, 1991; De Chernatony, 2009) that drive competitive advantage and long-term corporate reputation and social standing (Fombrun, 1996), this new phenomenon creates considerable turmoil in brand management. If a firm had grown accustomed to building and managing market relationships and long-term corporate reputation by controlling the image (i.e., stakeholder perceptions) of its brands, and controlling the information flows that influenced those images, this firm likely perceives itself to be in deep trouble. The activities of online consumers diminish the information asymmetry

between consumers and firms, which has been one of the traditional bases of brand influence online (Erdem and Swait, 1998). Before the Internet, brand managers tried to control all information and meanings related to their brands (Christodoulides, 2008). This approach cannot work in the web 2.0 world (Vargo and Lusch (2004). Consumers publicly and virally share their stories and sentiments about brands and companies. Brand meaning and equity is co-created; reputation management is challenged by increased uncertainty, an explosion in influence sources, and the incredible dynamism of the online encounters. There is thus need for new frameworks and tools for social media branding and reputation management, but this endeavor is not straightforward or easy. The practitioner literature is full of passionate calls for “giving back control to customers” (Bernoff and Li, 2008; Weber, 2008); the advocates of this approach suggest equating brand management with brand-consumers dialogue in a “markets as conversations” perspective (Levine et al., 2000), but when they try to articulate more clear guidelines, they often drop back to practices informed by effects-based and planning visions (*omissis*).

We are at a web 2.0 stage of brand management (Christodoulides, 2008), and there is no doubt that the new relationships between brands and consumers must be accounted for. In order to move beyond a mere description of the problem and offer new principles and tools for managing brands in new social environments, there is need for exploring a new conceptualization of the conversational nature of markets and management issues in these markets.

### **Management and control: a complex and evolving issue**

Control is an important concept that is oftentimes not very precisely defined in management studies. Fayol (1949) considered it one of the four functions of management, that is, 1) planning, 2) organizing, 3) coordinating, and 4) control. Merchant (1988, p. 41) defines it as “everything that helps ensure that the people in the organization are acting so as

to implement properly the strategy that has been agreed upon”; under the label of "strategic control", he refers to “processes designed to determine whether the strategy is (or remains) appropriate”. Also in marketing management studies, control is linked to the psychological and behavioral responses of individuals but also to organizational performance (Jaworski, 1988). These conceptualizations of control are congruent with the idea of organizations as rational and bureaucratic, even though Jaworski (1988) introduces the idea that control can be either formal or informal. This approach is not always satisfactory, as it might induce gaming behaviors, lead to a disregard for dimensions of performance not susceptible to quantification, and force a bias toward efficiency and economy to the detriment of concerns such as equity and quality (Thompson, 2000). This seems particularly true in uncertainty-loaded situations. A cybernetic approach to firm adaptation capabilities, with control conceived as feedback for self-control, seems more effective for managing complexity (Drucker, 1973).

Scott (1987, p. 23) defines the open organization as “... coalitions of shifting interest groups that develop goals by negotiation; the structure of the coalition, its activities, and its outcomes are strongly influenced by environmental factors”. As Weick (1995) highlights, following Scott (1987, in these organizations there is need to deal with more diverse information from the environment. Attention shifts from structure to process, and “... maintaining these flows, and preserving these processes are viewed as problematic” (Weick, 1995, p. 70) . What is “out there” and what is “in here”, and “who must we be in order to deal with both questions” become “inventions rather than discoveries”. It becomes a matter of sensemaking.

### **Brand and reputation control and metrics**

Brand management theorists link brand equity to economic value (Aaker, 1991; De Chernatony, 2006; Keller and Lehmann, 2006; Rego et al., 2009). According to Aaker (1991, p. 15) brand equity is “a set of brand assets and liabilities linked to a brand, its name and symbol, that add to or subtract from the value provided by a product or service to a firm

and/or to that firm's customers". Branding control has had two relevant drivers: the need for controlling the impact of branding actions on consumer-based brand equity (Netemeyera *et al.*, 2004) and the need for measuring branding performance (Keller, 1993). According to Christodoulides *et al.* (2006, p.802), "brand equity can therefore be analysed on two levels, depending on the beneficiary of value (consumer or firm)".

Consumer-based brand equity has evolved from two theoretical approaches, namely, cognitive psychology and signaling theory in information economics. In the first tradition, brand equity is conceived in terms of two dimensions (namely, *brand awareness* and *brand associations* in consumer memory), while the second view conceptualizes brand equity as *trust*, which is a risk-reducing mechanism (Christodoulides *et al.*, 2006). At the corporate level, brand image (i.e., perceptions of how a company offer is associated with relevant attributes or values) is considered the precursor of reputation (Dowling, 2001), which is a macro-level comparative construct based on aggregated attitudes or evaluations by different stakeholders with regard to esteem, admiration, trust, and feeling toward the company (Fombrun, 1996). Within both marketing and PR research tradition planning and monitoring brand equity are considered fundamental components of successful brand management (Pappu *et al.*, 2006). Brand effects (awareness and brand associations) are conceived as the objectives of communication campaigns, to be controlled as consumer-based measures of communication and branding performance. ROI is supposed to measure the financial firm-level effect of brand building efforts.

More recently, the relationship turn in marketing together with the service approach have linked competitive advantage to the ability to create value for customers and form long-term brand relationships (Gronroos, 2007). Common metrics for measuring these results are *customer loyalty* and, more recently, *brand advocacy* and *brand community engagement* (*omissis*). Cobb-Walgren *et al.* (1995), building on Aaker (1991), conceive consumer-based

brand equity as a set of four dimensions: brand awareness, brand associations, perceived quality and brand loyalty. A useful synthesis of relational brand equity measured at the firm-level has become customer equity (CE), which is the sum of the calculated customer lifetime value (CLV) for the firm (Kumar and Shah), across all customers (2009; Rust, Lemon, and Zeithaml, 2004).

### **Brand equity and metrics in post-Internet times**

In the beginning, there was the “hit” and then the “click”. In the first years of Internet marketing, web visits and banner clicking were the basic measures of how customers responded to brand actions (*omissis*). Later classical brand equity measures (such as awareness and cognitive associations) started to be applied to the web as well, as they were presumed to better measure the total (as well as indirect) impact of online advertising (*omissis*). When relationship marketing started to influence management practices online, the quality of the website experience started to be measured through the evaluation of functional usability variables and the perceived quality of the experience (Chaffey, 2008). Still operating within a brand-effects logic, the interactive nature of brand relationships online seemed to be best conceived as a *funnel* of subsequent *conversion* steps, each of which was supposed to complete a partial but necessary step in building long-term relationships measured by loyalty, brand advocacy, program membership, and co-creation results (Chaffey, 2008; *omissis*). ROI (Return on investment) and customer equity (i.e. total CLV) metrics have also been used to measure firm-level performance on the Internet (Chaffey, 2008).

The value-based approach to online brand-building (*omissis*) is situated within a customer-centric, service-dominant logic. Various scholars in this framework (Gronroos, 2000; Vargo and Lusch, 2004; De Chernatony, 2009) have explored the possibility of designing and controlling brand actions so as to increase not only equity for firms but also value for customers. Permission strategies, investments on content, advertainment and brand

communities are supposed to build long-term brand relationships, which are measured by customer loyalty as well as by the more pro-active involvement of customers. A recent study by Christodoulides *et al.* (2006) offer a more solid scale for measuring these relational dimensions of brand equity in terms of emotional connection, online experience, responsive service nature, trust and fulfillment.

In a recent study of current marketing practices in social media (*omissis*), we show that marketers struggle to maintain control over their performance, by applying old and new measures of brand equity. Marketing practitioners oscillate between the idea that through *buzz and unconventional marketing practices*, firms can continue to control their cognitive and behavior-based brand equity and the idea that firms should completely give up their control on brand meaning and instead focus on participation and *listening* to markets that are conceived as conversations. We adopt the notion that brand building, particularly in the so-called “post-Internet era” (Christodoulides, 2008), should be understood more in terms of facilitating meaning-creation around a brand than as a delivery of so-called “magic bullet” communication with the goal of producing effects on consumer perceptions and actions (*omissis*; Christodoulides, 2008). The traditional effects-based hierarchical type of brand management practices are based on a simplified model of the impact of communication on consumer behavior (Carey, 1989) and an outdated concept of market and market-making (Varey, 2006).

Nevertheless, we also refuse the idea that economic encounters in increasingly hyper-mediated markets can be conceived merely in terms of frictionless market-making (Mandelli, 2003). Communication reconfigures the space and time of actions, but it also creates organization (Taylor, 2001; Weick, 1995; Cooren et al., 2006; Czarniawsa, 1997), society and culture (Carey, 1989). There is thus need to understand the agency role of communication practices, and the nature of such mediation in markets conceived as social collectives, in order



to address the issue of how markets change in relation to changes in communication technology and media. The idea that markets are conversations does not explain, by itself, the articulation of this agency. What we call the “markets as mediated conversations” perspective appears to give a more useful contribution.

### **Markets as mediated conversations**

The concept of “mediation” in activity theory was developed by Vygotsky (1978) as the link between situated activities and their larger historical and cultural frames. Later, Engestrom (1987) defined activities as object-oriented collective actions undertaken by subjects through the mediation of tools, community, rules and the division of labor. Tools are here considered also in terms of their symbolic elements, that is, as signs, language and codes. As Engestrom (1987, p. 59) notes, “the tool’s function is to serve as the conductor of human influence on the object of activity”. Along these lines, Cooren and Taylor (1997) consider mediation as the mobilization of human and non-human agents so that many individual voices can be translated into the voice of a macro-agent. Texts “act” because symbolic phenomena produce material consequences in terms of actions. Within this conceptual perspective, we can employ a “markets as mediated conversations” approach to market-making (*omissis*). This perspective explains markets as socially constructed processes that are constituted at the intersection of local and meta-conversations and in which local stories and the specialized practices of mediators (i.e., marketing and professional media storytellers in particular but also consumers) have an important structuring function. Markets are made by conversations that build up sense for the individuals and groups involved in consumption processes through the mediation of narratives. Product-related stories can be local or produced and distributed through formal media processes and platforms. Different markets and market forms can be understood by looking at both their conversational (or interaction) fabric as well as their narrative and institutional structuring. Brand image (or perceptions) and reputation (i.e.,

aggregated attitudes of all stakeholders at the macro level) emerge from these communication processes (for a simplified schema. This approach can help us understand social media-*ted* collectives and markets. Branding is a fundamental part of this process. In the past, the role of brand in market structuring (who buys from whom, when, why and so on) was mostly institutional. Brand-related local interactions were of course important, but consumers were involved mainly in the market research phase or (with the help of intermediaries) at the purchase level. Brand stories were told by brand companies using formal media and professional techniques. Companies made sense of their market-related operations by telling stories that matched their interpretations of competition and consumption in the market worked. Consumers made sense of their purchases, socially negotiating and constructing the meaning of those products for their life, in local conversations. Today consumers interact with more consumers online, and the number of brand storytellers has astronomically increased. Social media did not bring about conversations in markets; they have profoundly changed how brand interactions happen and how brand stories are narrated.

### **The opposite of a frictionless world: social media as the explosion of mediation**

Luhmann (1995) distinguishes “Interaktion” (presence) from “Kommunikation” (absence). We can substitute here the term “presence” with the word “interpersonal” (acknowledging the fact that there may be interaction at a distance, see Jensen, 1988), and “absence” with text. Interactions are semantically local. They make sense of the world and are the basic building blocks of organizations (Taylor and Robichaud, 2004) and markets (*omissis*). Texts bridge and make sense of interactions in the absence of original conversants (Cooren *et al.*, 2006); they make sense of encounters and transactions, structuring markets through the mediation of signs, language and codes (*omissis*).

New communication technologies diminish the economic and organizational costs of both conversations and storytelling. This innovation increases the opportunities for interactivity but

also for user-generated content and collaboration or co-creation. We should stop considering market mediations as merely steps in the supply chain. This is an over-simplification that does not work adequately (if ever) in digital markets. We are all *mediators* because mediation in digital markets is distributed and social. It is part of the production and consumption process because it contributes to the creation of meaning and experience (and therefore to the creation of economic value). The number of actors involved in interactions and content creation has exploded, but all of these activities still produce mediations. This has two important consequences. First, there is an explosion in the complexity of the system, and second, there is an enormous increase in the importance of mediations in terms of their socio-linguistic and cultural impact as well as economically.

A quick look at the economic role and rules of mediation (*omissis*) can help explain this new *value and structure* creation process. In a communication economy, the scarce resources are time, attention, and trust, in addition to money. This helps explain audience costs, which are studied in media consumption studies (Neuman, 1921), as well as transaction costs (as explained in institutional economics, Williamson, 1975) and the economies of scope and economic value of relationships, which are central in relationship marketing (Gronroos, 2000). However, communication activities also fall under the rules of the economics of content production (Shapiro and Varian, 1998), and we have long known that these economies of scale explain market structures in communication industries (Neuman, 1991). In short, if social media transform everybody into content producers, communication economies help explain different market choices and behavior by both suppliers and buyers in markets.. Control, in this sense, is located both in communication practices and in the competitive use of communication or mediation resources. Control is a matter of sensemaking mediations as well as a matter of economies of these mediations. If control does not simply equate with command but rather with management, and management is conceived as organizing toward a

goal, or collective sensemaking (Weick, 2009) , it seems that the problem from the perspective of brands becomes not “how much brand control (or mediation) should be removed from markets?” but “what is the brand value generated by all these mediations, and how can these value-generating processes be managed?”

### **The construction of brand meanings in interactions and narratives**

In introducing a special issue of Marketing Theory on branding, Brodie and De Chernatony (2009) state: “The question arises whether it is time to revise the AMA (2004) entity-based definition of brands.” Gronroos (2007) proposed a process-like, relational vision of service branding based on market encounters. In this view, brand relationships emerge from buyer-seller histories of interactions, but the relationships are still defined as attitudes (or what the customer thinks of the relationship with the seller). As such, this does not help clarify the performative, value-creating role of brand management (or relationship-building) practices. In Brodie (2009), a theoretical framework is presented that integrates external marketing (i.e., making promises), interactive marketing (i.e., delivering promises) and internal marketing (i.e., enabling promises). A brand, in this view, is seen as “facilitating and mediating the marketing processes used to realize the experiences that drive co-creation of value. Thus, ibrand provides a sign system that symbolizes meaning in the marketing network” (Brodie and De Chernatony, 2009). This definition is consistent with the latest research in sociology on the narrative constitution of identity. According to Somers (1994), “one way to avoid the hazards of rigidifying aspects of identity into a misleading categorical entity is to incorporate into the core conception of identity the categorically destabilizing dimensions of time, space, and relationality. We can do this by bringing to the study of identity formation the epistemological and ontological challenges of relational and network analysis” (Somers, 1994, p.606). We have started to explore the application of this social-constructionist perspective at the business network level (*omissis*) and at the consumer

community level (*omissis*), and we have found that this vision of identity-building illuminates the complex processes involved in the formation of market networks.

If we want to understand the contribution of all actors (and all mediations) to value formation in social media markets, it is necessary to consider the performative role of brand-related interactions and narratives. If in post-modern markets, the experience “is the product”, then consumers are co-producers not only because they exchange information with vendors but also because they subjectively and socially create the consumption experience (Venkatesh, 1999) and participate in the organizational narrative. Individual identities are dynamically and socially constructed in conversations; “all of us come to be who we are (however ephemeral, multiple, and changing) by being located or locating ourselves (usually unconsciously) in social narratives rarely of our own making ... [Who we are] is at least in part a result of numerous cross-cutting relational story-lines in which social actors find or locate themselves” (Somers, 1994, p.606-7).

In new digital markets, mediations not only play the role of bringing consumers closer to the product; in addition, mediations are part of the product and create brand value. Branding follows the logic of identity construction in social narratives (Czarniawska, 1997). Brand stories bridge and make sense of consumption conversations as well as actions in the past and future. Identity emerges from the role an actor develops for him/herself in the story he/she is telling; it also emerges from the role he/she plays in the story that others tell. According to Czarniawska, organizational identity should not be seen as the identity of a *collective actor* but as the fluid and complex practice of people speaking “for the organization” (or, as we might say here, “for the brand”).

Marketers listen to stories that consumers tell about a brand, but they also participate in the conversation and storytelling practices within the parameters of their objectives and history. In contrast with the past, brands now negotiate their role in telling the story of their product.

Brand communities in social media are products of these new social-branding efforts (Schau et al, 2009), but they have varied formulas and produce different results (*omissis*) Do they just emerge from the chaotic and unpredictable nature of consumer behavior in social media, or are they at least partially a result of brand management? If so, what are the principles governing this brand management?

### **Branding in markets as mediated conversations: where is the locus of control?**

Mintzberg (1973) describes managerial work as essentially unprogrammed, as it requires constant monitoring, screening, and adjusting. Weick (2009) thinks that moving from rational organizations to open loosely coupled organizations, which are more ambiguous and have more diverse information to deal with, "... it comes a greater premium on sensemaking". Bonabeau (2009) suggests that only *collective intelligence* (or *collective wisdom*) can help face uncertainty. Collective intelligence builds on three types of solutions to complexity challenges: 1) *outreach* (i.e., access to distant knowledge); 2) *additive aggregation* (i.e., the combination of size and competence); 3) *self-organization* (i.e., knowledge from interactions). Other sophisticated conceptualizations of the management of complexity have appeared in the literature, including the *dual approach* to complex organizations (Thompson, 1967 and 2000) and the recent *management as practice* cultural program (Wilson and Jarzabkowski, 2004). Thompson's (2000, p.280) dual perspective situates "organizations as open systems, hence indeterminate and faced with uncertainty, but at the same time as subject to criteria of rationality and hence needing determinateness and certainty". Thompson claims that measurement can enhance management capacity but even erode it, when it is not clear the contradictory (sometime political) impact of performance metrics (we would call it the *text role* of metrics). Thompson considers it to be important that the periphery of the system, which is in direct contact with relevant and unpredictable phenomena, has the ability and the incentive for moving this information upward. Wilson and Jarzabkowski (2004) describe

three dimensions of managerial practices in complex organizing, namely, the iterative (such as routines), projective (such as visions for the future) and practical-evaluative (such as practical wisdom). The last dimension, which we associate with the notion of control, has much to do with the skill and knowledge” of the strategists in that it makes them “able to understand their situated actions within the context of past actions and future aspirations, and mediate between the two in ways that may challenge and potentially transform the existing practice” (Wilson and Jarzabkowski, 2004, p.16). In evolutionary economics, Lane and Maxfield (2005) center their discussion of market-making on the idea that uncertainty makes routines and rational choice unviable methods for generating action in markets; they thus propose a narrative theory of economic action. According to them, “narrative replaces analysis of future consequences in orienting individual actors towards the future” (p. xx). All these different perspectives are based on the idea that organizational action is not (or at least not only) programmable using optimizing rationality. From these points of view, the locus of control is not anymore on *command* but, rather, on *sensemaking*.

Elaborating on this new idea of management and control requires deeper theorization about organizations (or better, about organizing) based on three distinct, though related, lines of inquiry, namely, 1) the “organization as communication” school in organizational studies (Weick, 1969 and 1995), with its “impermanent organization” approach (Weick, 2009) to “managing the unexpected”(Weick, 2009); 2) the “communication as organizing” approach to organizational rationality (Taylor, 1999; Cooren *et al.*, 2006); and 3) the “narrative” perspective in organization studies (Czarniawska, 1997).

All these theoretical explorations consider the organization as a process rather than an end-state and understand the coordination agency in terms of communication and social behavior. According to James (p.474, cited by Weick, 2009), “whenever a desired result is achieved by the cooperation of many independent persons, its existence as a fact is a pure consequence of

the precursive faith in one another of those immediately concerned”. Control is also clearly defined by Weick (2009, p.3), where it is “a relatively stabilized relational order that is enacted into streaming experience. ... The shorthand for this transient social order with a slower rate of change is the ‘impermanent organization.’ Event clusters with slower rates of change tend to consist of a recurrent sequence ..... held together by a closed, deviation-counteracting feedback loop”.

Coordination is based on the variety and unpredictability of local interactions as well as on the stabilizing or regulating performativity of texts and narratives through which different organizational agents (and macro-agents) learn and make sense of their past and their future (Taylor, 1999; Cooren *et al.*, 2006; Weick, 1995 and 2009; Charniawska, 1997). This is how Weick explains the process: “The resulting network of multiple, overlapping, loosely connected conversations, spread across time and distance, collectively preserves patterns of understanding that are more complicated than any one node can reproduce. The distributed organization literally does not know what it knows until macro - actors articulate it. ... For an organization to act, its knowledge must undergo two transformations: (1) it has to be textualized so that it becomes a unique representation of the otherwise multiply distributed understandings; (2) it has to be voiced by someone who speaks on behalf of the network and its knowledge (Taylor and Van Every, 2000, p.243; Weick, 2009).”

Text-making has a control role in organizing, as it is seen as a communication process because it influences sensemaking and action. However, to transform text into actions, speakers and text must pass a "networking test" (Taylor *et al.*, 1996, p.27) in that they “need to be legitimized by members of the network” (Huebner *et al.*, 2008, p.217). Thus, the relevant question becomes “why and how [do] certain agents appear to count more than others?” (Benoit-Barné and Cooren, 2009, p.6) and “who can speak in behalf of the entire organization?” Such questions can explain how authority is not only produced in interactions



but also *endures* beyond local conversations. To answer these questions, we need to explore the sources of *authority*, defined as “an act of influence perceived to be ‘right’ because it is in concordance with existing and accepted organizational structures”, and *legitimacy*, which Suchman (1995, p.574) defined as “a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions”. Authority in this view is socially constructed and culture-loaded. It can travel *distanciated* conversations, according to Benoit-Barné and Cooren (2009), through *presentification*, that is, by making distant sources of authority present in local interactions. This can occur, for example, through sharing information on status or valuable expertise.

To summarize this literature review, we note the following:

- 1) organizing emerges from social collectives acting as collective mind and from the stabilizing agency of narratives in the context of ceaseless change and a great variety of social interactions;
- 2) not all the agents involved have the same degree of control in these organizing processes;
- 3) this differential control comes partially from differential authority or legitimacy and partially from differential economic power on communication.

### **Branding in markets as mediated conversations**

Brand management in social media tends to oscillate between an *effects* logic (e.g. *buzz marketing* and its associated *diffusion* approach) and the idea that social media presence cannot be managed (e.g., the so-called *give up control* approach). We tend to think that brand control can still be considered a viable concept if we explore its communication-based dimensions, beyond the *command and control* tradition. We propose to adopt a “dual rationality” approach to management in social media as proposed by Thompson (1967 and

2000) and Taylor (1999) together with a “markets as conversations” perspective. According to Streatfield (2001, p.91), “the company is continuously constructed in communication - with the consequence that managers are not simply in control, instead, managers are 'in control' and 'not in control' at the same time”.

Brand networks in social media markets are complex organizing processes, which can be managed through both resource optimizing and communication practices. Management in social media requires the capacity to deal with complexity through distributed intelligence (i.e., formal and informal control, with relevant information flowing from the periphery to decision makers, plus more decision-making in the periphery), and the ability to leverage the rational/economic dimension of conversations and storytelling. Brand control emerges from monitoring and alerting practices and from communication. These activities are managed applying both communication principles and resource optimizing rules.

Following our previous arguments, a brand should be conceived as a social sensemaking process (rather than an entity) made by varied and dynamic interactions of brand stakeholders, bridged by brand narratives in which all these agents participate. All brand narratives make sense of (and influence) brand-related actions of the different agents, including company investments, consumer purchases and so on. Some of these narratives are more integrative in that they bridge physical and cultural distance. Some are more authoritative and therefore influential than others. Brand control in complex social collectives such as social media collectives can be conceptualized both as facilitating the construction of the brand-related “collective mind”, that interrelates stakeholders, and as “speaking on behalf” of brand stakeholders.

The first objective can be achieved by following the management rules of the “impermanent organization” (Weick, 2009), that is, by building distributed intelligence and interactional decision making, with an emphasis on imagination and expertise rather than plans and

routines. The second goal requires that actors actively serve in conversant and storyteller roles under conversational and narrative authority. Conversational authority brings back into the social media discussion what it is often missing, that is the role of power in conversations. In the “communication as organizing perspective”, authority “... could be treated as static and unchangeable, such as status or an ability to lead ... [or] ... can also be *acquired* during an interactional move” (Benoit-Barné and Cooren, 2009, p.7). This result can be accomplished through “*presentification*”, that is by making “competencies, ideas, collectives, individuals, etc. present as sources of authority in their work interaction”. The power of stories, as the journalism tradition suggests, is best conceived as credibility, professionalism and text attractiveness (Neuman, 1992). In organizational communication, narrative authority entails comprehending “how to control things with words” (Czarniawska-Joerges and Bernward Joerges, 1988, p. 170), through labels, metaphors and platitudes (the last ones particularly useful for bringing order into uncertainty). All these management activities require communication skills and culture, but also respond to constraints and opportunities created by the economies of communication (i.e., economies of attention, economies of scope in relationships, and economies of scale in content-creation), which serve as the terrain for resource optimization and (rational) management.

An example of how the application of the *impermanent organization* and *collective mind* approach to social media branding can help guide communication management decisions is found in the case of IBM. This giant of the computer industry has chosen to not create a centralized institutional presence in social media. Instead, the company is “represented” by its collective intelligence, its employees. The IBMers act, learn and speak as IBM and for IBM. They participate in conversations both internally and externally. There are (Hibbard, 2010) 17,000 internal blogs read by 100,000 employees, and 53,000 members in the internal social network (SocialBlue). At least 200,000 IBMers are on LinkedIn and participate in thousands

of external blogs. 500,000 people participated in company crowdsourcing “jams”. The company chooses to rely on its employees who, in their everyday professional activity are in contact with their clients; IBM has thus decided to be represented by who, in last analysis, comprise the organization.

IBM has embraced this decentralized approach to leverage the rich diversity of knowledge and cultures among its hundreds of thousands employees. The results have quickly arrived, according to the company reports. Using the ideas flowing from the periphery of the company (i.e., an *internal crowd-sourcing* approach) IBM was able to launch 10 new businesses (Hibbard, 2010).

IBM decided not to launch any corporate blog or corporate Twitter account itself because it does not want to be considered an abstract institutional entity but rather an organization made up of people (i.e., IBMers) who work and live their relationships with other users in social media. One of the guidelines for employees states, “Be who you are”. “We represent our brand online the way it always has been, which is employees first. Our brand is largely shaped by the interactions that they have with customers”, says Adam Christensen, who heads social media communications at IBM Corporation (Hibbard, 2010). It is easy to imagine also how this approach makes it faster and more effective to be alerted to potential reputational challenges, and even analyze and respond to them. As such, this is a strategy based on awareness of how both institutional and personal legitimacy are important for building leadership in social media conversations.

Control, in this formula, is widely delegated to the periphery of the system; in fact, IBM calls this a “decentralized strategy”. The social media guidelines for its employees who are active in both internal and external conversations, with IBM customers, journalists, and other stakeholders, were widely discussed, and only indicate general rules of conduct and confidentiality stipulations; the guidelines do not restrict what people can say about the

products and the brand. Thus, IBM brand equity in social media can be understood as emerging from IBM stakeholder relationships.

The example we have illustrated should not lead us to conclude that management in social media is just a matter of delegation of control to voluntaristic and amateur participants. This system requires investments in training, communication skills, technology and systems, and a professional platform to offer services to peripheral participants. Information repositories should be more integrated than centralized, and with distributed access. Distributed brand management is not based on fewer communication investments than before, but rather on different ones. Branding in social media is a leadership game, and leadership requires good relationships and narratives, which create value and values (and therefore control).

From this perspective, brand control in social media can be conceived as:

- 1) The “collective mind” or “impermanent organization” (Weick, 2009) emergent from the interactions of the brand stakeholders;
- 2) Brand storytelling, which makes sense of the past and the imagined future of the brand, by bridging and integrating local brand histories;
- 3) Leadership in brand-related conversations and narratives.

Following this direction, social media brand management can be understood as comprised of different communication-based activities:

- 1) support of the distributed intelligence and decision-making across the entire system through investments in communication training, technology and services;
- 2) distributed monitoring and gatekeeping of the relevant conversations;
- 3) active participation in relevant conversations;
- 4) facilitation of participation of all stakeholders in relevant conversations;
- 5) active storytelling for bridging distanced conversations and influencing brand-related actions;

6) building credibility and authority in brand conversations and storytelling.

However, if we stop here, we risk missing part of the story. In our empirical exploration of managerial practices in social media, we have found that brand managers still struggle to apply planning approaches to branding in these environments. Buzz marketing and unconventional marketing (such as guerrilla marketing) are often based on diffusion-like models of communication processes.. When brand managers plan a campaign in Facebook or YouTube, with the aim of influencing the viral sharing of relevant content and consequent consumer perceptions, attitudes and actions, they are applying a model of brand control that is based on effects and performance. To make our framework of brand management in social media pragmatic (rather than ideological), we must also find a place and an explanation for this dimension of control.

From this perspective, it seems useful to return to Taylor (2001) who elaborated on the idea of two different rationalities in organizational communication consistent with the dual approach to organization in Thompson (2000). According to Taylor, it is possible to explain organizational processes using two kinds of epistemological and normative lenses, namely, one focused on sensemaking (or “communication rationality”) and one on resource optimization and planning (i.e., economic rationality). The first helps explain and coordinate complex social processes; the second one best serves the management of simple (or simplified) and predictable situations. For example brand managers can try to reduce complexity through the adoption of simplified models of reality (as when they adopt the communication effects perspective, or the diffusion models, or the social network quantitative analysis of influence). Within this approach, traditional methodologies and metrics based on planning, performance and effects can be useful, treating them as what they are, that is, contextualized simplifications, not the universal and exhaustive model of how social reality works.

Now the picture has become more complete. In summary, social media brand control from this standpoint can be conceived as both based on communication and on planning and control logics (fig. 1). It entails conversational delegation to the local, and the capacity to participate to conversations and narrative building with credibility and authority (communication rationality). These activities involve strong communication skills and resources, and these communication resources also call for economic rational management (not necessarily in terms of ROI, but surely within the framework of the economics of relationships and the economics of information/content). Influence in social media can also be conceived as both communication authority/leadership and as communication effects (in a simplified model of the relationship between communication and consumer perceptions and attitudes), as well as social structure of a network (in a simplified model of the structure of relationships in the network).

Fig. 1 here

### **Methodological and organizational implications**

If we wish to explore the explanatory potential of this framework through future empirical research we need to address its methodological feasibility. In short, there must be the way to define brand metrics in social media operationalized within this dual framework of control. We need to define (and then apply to the study of specific cases) both *planning/performance* and *communication rationality* types of methodologies and control metrics. In the following two figures (fig. 2 and 3) we offer a preliminary proposal of how this methodological difficulty could be addressed in future work and in the field.

Fig. 2 and 3 here

This methodological framework integrate the two different perspectives. For example it suggests to apply the plan and performance methodological set of tools and techniques when the need for control applies to activities which are pictured as investments for producing

certain effects and results. For example if a company engages specific bloggers in brand-related conversations, or wishes to start a buzz around a Youtube video, it is likely it will manage the process defining its brand equity objectives (e.g. awareness, brand associations, size of the buzz in the network, brand advocacy and engagement), and controlling if they are reached after a period of time. This analysis does not explain what has happened in the process, and cannot establish a causal link between the performance and the plans, but it can give some information on how close the company is to its general objectives. Though, our perspective on control claims that is not reasonable to consider these measures as substitutes for a richer and distributed intelligence on brand relationships. According to our new conceptual framework we should argue that the company needs a deeper understanding of the processes involved in the social construction of brand meaning, and how this sensemaking is related to decisions and actions. This understanding emerges only from the study of social interactions and discourses in the markets, and from insights about how brand discourses create social coordination and economic outcomes. From this perspective brand equity cannot just be “measured” in a specific moment as an aggregated effect, because it is a dynamic and inter-subjective process. This is why our approach would suggest that a netnography type of methodology for research, and an idea of control as communication leadership applied to management strategies and practices, give more insights and the possibility to play a relevant role in the social life of the brand.

As we said the two types of management belong to different epistemological perspectives, and require the adoption of different methodological tools for guiding learning and action. The multi-perspective and multi-level characteristic of these social practices suggest to invest management resources in the clarification of what is being controlled for what, in each context. In the following figure (fig. 4) we offer a preliminary picture of the complexity of the methodological options available in the dual approach to social media brand control.



Fig. 4 here

A risk, in current social media brand management practices, is linked to the exaggerated delegation to technology, with its emphasis on quantification and standardization of metrics and analyses. Listening platforms and quantitative content analysis of conversations, and software maps of structures of social networks according to the procedures of the social network research, are becoming the common tools of market research in the field. But collective intelligence requires a local, contextualized and rich understanding of social and cultural life of communities. Understanding brand sensemaking through the practices and discourses of brand storytellers and stakeholders (brand managers, employees, consumers, bloggers, journalists, investors) seems best served through interpretive and ethnographic approaches. Also, these intelligence and conversation capabilities transform into strategic resources for social media branding if they are distributed enough to be *usable*. According to the impermanent organization approach, extreme centralization of decisions, even when supported by considerable technological investments, could be less effective, because it takes intelligence away from where conversations are. Conversations are always local. Grand-narratives can bridge and integrate local conversations, but cannot substitute them.

We conclude here offering few remarks regarding relevant managerial implications of our vision:

- 1) if we consider social media branding as social media conversational leadership, the line between marketing and corporate communication becomes increasingly blurred. Within this view brand-related social media conversations cannot be easily and rigidly classified into categories and areas of competences previously assigned to the two functions;

- 2) social media branding requires significant investments in communication skills and resources; communication professionals should increase (not decrease) their role in the era of consumer-generated content;
- 3) the idea that brand meaning is owned by the company, as trademark and logo are, is challenged by a new culture of brand communities; brand equity emerges from this social life, and this requires a new conceptual foundation also of the financial dimension of brand equity (Cova, 2010);
- 4) traditional centralized culture of communication management in the companies will be challenged by the need for fostering a brand collective mind, if we follow this conceptual and managerial track; this is why the corporate communication function in the company, in the future, could most likely be considered as a service platform for facilitating and supporting the new communication capabilities of the entire system than as the centralized controller of the brand, conceived as a private and static patrimony.

## **Conclusions**

Should brand managers give up the idea of brand *control* in social media markets? If we adopt the “markets as mediated conversations” approach to social media branding the answer is: no. Of course the instruments dedicated to this control are going to be different from what we are used to, responding to multiple rationalities of social coordination and management. We propose to not consider markets as just frictionless conversations, on which control is not possible or, at the opposite, business as usual, where traditional *effects and performance* branding is sufficient. Uncertainty and increased social interconnectivity of these markets suggest to include management of complexity and communication rationality in the picture. It might be useful to conceive brand relationships in socially mediated markets as emergent at the intersection of brand conversations and brand texts (using Taylor, 2001, terminology). Narratives build brands; brands build narratives, as processes that make sense of past and

future market interactions. Brand equity, in this perspective, is the power of the brand to influence the direction of these conversations and stories (and therefore actions) participated by the different stakeholders. Brand equity cannot be associated only to effects on individual perceptions (frozen individual-level pictures taken from a complex social process), but rather to the brand role in generating social conversations and narratives (and therefore social life and coordination). From this perspective it should be easier to explain the switch from an idea of consumption as dependent from social life to an idea of social life as dependent from consumption (Cova and Cova, 1996). In these markets, management power (control) is not based on command but on conversational leadership, and on the narrative power of the brand, which influences the direction of the stories narrated by the brand stakeholders. This control is both communicative and economic, because both type of investments and leadership make the difference.

We consider this study as a preliminary conceptual exploration of a possible useful framework for helping redefine brand equity not as an entity but as a process (as suggested in Brodie and De Chernatony, 2009), and for offering new foundations to brand management and control in social media. Our study should be considered as a theoretical exercise, initiated under the stimulus of the need to find new conceptual foundations for brand management and control, while markets are becoming increasingly socially mediated, and marketing theory shifts away from a hierarchical idea of its role in market organizing. A more extensive research is required for refining these new conceptual foundations against a richer and diverse body of evidence from the field.

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Fig. 1– *Dual approach to brand control in social media*

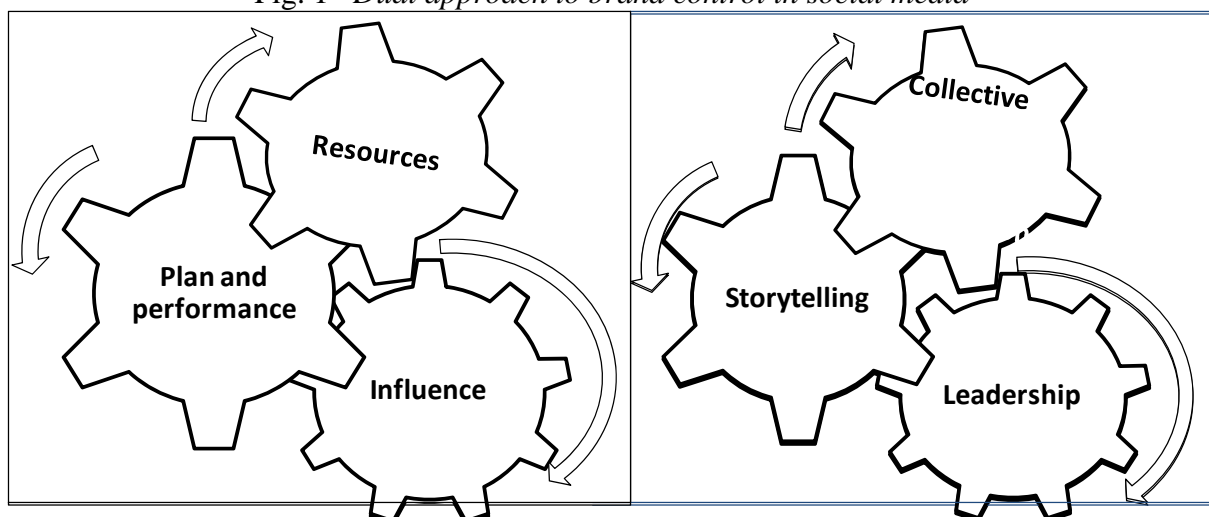


Fig. 2 – *Metrics in social media as mediated conversations*

Metrics in social media as mediated conversations		
	TYPE OF CONTROL	METRICS
ECONOMIC RATIONALITY	<b>Influence</b>	Buzz, Media coverage, Influence networks; Agenda setting and agenda building metrics; Perceived quality; Customer engagement; Advocacy
	<b>Resources</b>	Brand equity; Reputation ( <i>esteem, trust, admire, feeling</i> ); Reputation risk; Financial investments in communication; Comm infrastructures
	<b>Performance</b>	Reach share; ROI, CE (customer equity), Reputation changes; Brand engagement
	TYPE OF CONTROL	METRICS
COMMUNICATION RATIONALITY	<b>Impermanent organization &amp; collective mind</b>	Communication skills, procedures and culture in the organization; Communication infrastructures; Nature and processes of interaction; Informal organization and decisions; Feedbacks; Co-creation
	<b>Storytelling</b>	Brand experience; Brand communities, Brand culture
	<b>Leadership</b>	Perceived legitimation; Credibility, Reputation ( <i>esteem, trust, admire, feeling</i> )

Fig. 3 Old and new metrics

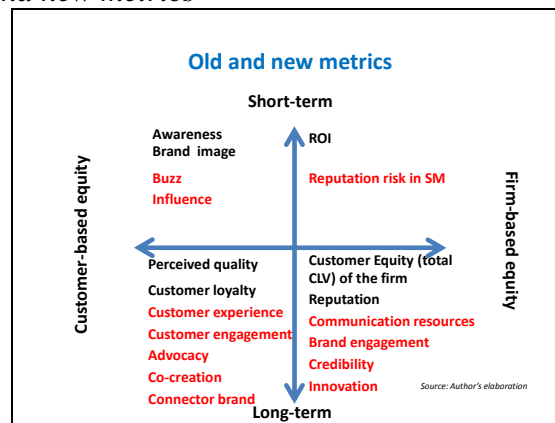


Fig. 4 – Methodologies for social media control  
Methodologies for social media cotrol

	TYPE OF CONTROL	METHODOLOGIES
ECONOMIC RATIONALITY	<b>Influence</b>	Conversation monitoring & listening, Media monitoring, Content analysis, Buzz analysis, Map of influence, Social Network analysis, Funnel analysis; Web tracking; Survey, Focus Groups, Lab & field experiments; Neuromarketing
	<b>Resources</b>	Web tracking; Survey, Conversation monitoring & listening; Financial analysis;
	<b>Performance</b>	Economic analysis; Financial analysis; CRM; Surveys; Industry rankings
	TYPE OF CONTROL	METHODOLOGIES
COMMUNICATION RATIONALITY	<b>Impermanent organization &amp; collective mind</b>	Conversation monitoring & listening; Web tracking; Discourse analysis; Interaction analysis; Personal interviews; Case studies; Netnography
	<b>Storytelling</b>	Narrative methods; Case studies; Netnography;
	<b>Leadership</b>	Web tracking & rankings; Surveys, Netnography; Interaction analysis; Social network analysis; Case studies