THE CUSTOMER’S BRAND EXPERIENCE IN THE LIGHT OF SELECTED PERFORMANCE INDICATORS IN THE SOCIAL MEDIA ENVIRONMENT

Beata Gavurova, Radovan Bacík, Richard Fedorko, Ludovít Nastisin

Abstract
A brand is no longer what we tell the customer, it is what customers tell each other. The importance of using a social media mix for marketing purposes has never been greater than it is today. Ignoring these tools can have unfavourable effects on any company, whether in the form of lack of competitiveness or in the case of unnecessarily high costs for promotion with weak effect and targeting. We aim to examine the relationship between a customer’s brand experience and loyalty to the brand, its image and willingness to recommend the brand to others. The paper examines the sample of 476 respondents questioned through the CAWI method - computer assisted web interviewing. A random sampling method was used. All of them are active users of social media tools. Data collection took place during the first half of 2016. We came to interesting findings concerning the existence of presented relationships. It appeared that a customer’s brand experience is a crucial factor for the success of a company in the environment of social media. All the relationships presented in this study proved to be significant with a strong γ coefficient in all cases of branding experience relation to loyalty, image and willingness to recommend the brand. The findings are subsequently transformed into a set of recommendations that help in setting the right marketing activities of companies in the online environment. There are also implications for the development of strong social media presence.

Keywords: social media, brand experience, loyalty to the brand, image, recommendation, Slovakia
JEL Classification: M31

1. THEORETICAL BACKGROUND
The branding process has been the subject of many scientific debates in recent decades. This is related to the increasing importance of business processes and the processes of globalization (Kramoliš & Kopečková, 2013). Products, or more precisely, services have their life cycle. Uniform quality, credibility and experience meet here. Brand is a value, and many companies automatically consider it in their balance sheet. Building a brand means much more than just applying a logo or graphic elements. When thinking about a brand, we should also think about the overall customer experience. It is inevitable to follow and blab about this branding experience, because good and strong branding does not arise from one another (Wroblowská, 2016). Building a brand is also important in the online environment. The most effective methods are clearly the use of social media. They make the brand visible and make it more accessible.

If we were to focus on the most successful brands presenting through social media, we would
find their common characteristics - consistency. Proper branding in the social media environment should offer authenticity to customers. Many companies are conducting good marketing in a traditional environment but are lagging behind when social media is being applied to brand management (Shahriar, 2014). This does not mean that every form of marketing communication must be identical, but it should be uniquely identifiable. Consistent branding strengthens identity and bears positive sentiment and brand friendliness. The ambition of our study was to explore the issue of brand building in the social media environment. Its main goal was to identify the relationship between brand building in society in the social media environment and its impact on the customer in terms of the Slovak market. We were interested in the relationship between a positive experience of the customer with the brand in the social media environment against the loyalty of the customer to the brand, the brand image and the willingness to recommend the brand further.

The fundamentals of the branding concept are also based on product marketing. It was intended to distinguish the product from its competitors or to give the consumer a certain form of preference for this product (Knox & Bickerton, 2003). Strizhakova et al. (2008), Srivastava & Gregory (2010) and Kapferer (2008) claim that the brand strategy is created by the organization that sells the product or service in order to place and identify its brand as the positive benefit of the attracting potential customer, brand awareness and increasing profitability. Knox & Bickerton (2003) also state that in the last decades, branding has been characterized by layers of incremental added value around the core functionality of a product or service in order to create and maintain distinctiveness in a particular market. Branding is defined as a name, concept, sign, symbol or design, more precisely their combination, and the task is to identify the goods and services of one entity or group of entities and distinguish them from others. It is not about targeting the target market instead of a competitor but identifying the specific brand as the only and correct decision for the problem solution. In agreement with Kapferer (2008), it is a strong sign of difference, which must be supported by actions. It is generally misconceived that the brand is equal to a logo that falls under that term but is only part of the brand strategy. Its role is to provide customers with a recognition symbol for a particular product type, service or destination as such. Brand building affects many aspects, which help the products or services to be successful on the market. It can strengthen the positive reputation; loyalty and support the perception of greater value and help customers realize that their world is governed by the same values (Healey, 2008). The role of building a brand is to create a positive experience in the minds of customers. The brand represents a great idea or system of conviction that the customer regards as unique and useful. It affects customer satisfaction and it is a never-ending process (Kaputa, 2010). Keller (2009) further states that the brand and what it represents is the most important asset of the company and is therefore the basis of a competitive advantage and profit. These statements show a clear assumption of the importance and benefits of having a strong and memorable brand. As with the marketing strategy, the brand strategy also applies to the fact that there is no uniform version of the branding strategy. Each brand is unique and requires unique steps (Štefko et al., 2015). In addition, branding in the digital world requires not only strong internal and external communication but also the placement of the term “brand” in the hierarchy of its values (Lipiäinen & Karjaluoto, 2015).
The brand image is represented by customer brand perception. The goal of strategic work with the brand image is to make sure customers have strong and positive associations with a particular brand in their minds. Branding usually consists of several concepts: perception, because the brand is perceived; knowledge, because the mark is appreciated by knowledge; and attitude, because customers constantly perceive and evaluate their perceptions because of which they shape their brand attitudes (Aaker & Joachimsthaler, 2009; Heding et al., 2009). The research has shown that customer attitude towards brand image has a positive impact on the willingness to buy (Chao-Sen, 2015). The more people believe in your brand, the more success it will have. Several methods exist to build this state (Alhaddad, 2015). Achieving a high degree of loyalty is an important goal of building a brand. A loyal customer is valuable because it is much more challenging to get a new customer to care about than maintain a relationship with the existing ones. Brand is an important factor in building loyalty because it provides a recognizable fixed point in the buying process (Heding et al., 2009). Schultz (2005) further argues that a customer who is loyal to a particular brand tends to recommend the brand to others in their neighborhood and he/she is very prone to test a competitive offer. Velinder Af Trolle & Jina (2006) add that loyalty is a flexible concept that can be defined and measured. Benneth & Rundle-Thiele (2005) show six different measurements of loyalty - attitude, behavioural intentions and resilience to competitive offer, tendency to loyalty, complacency behaviour, and loyalty behaviour. Compared with traditional media, social media put the greatest emphasis on customers and adapt everything to it. If a brand is about to exist, it must have its own community. Customers expect from brands more openness and a dialogue with the brand (Jaska & Werenowska, 2014). “It’s about building a community and providing interesting content” (Weber, 2009, p. 20). Once, by the television advertising on one channel, almost the entire population was reached, but this is no longer the case. Marketing must be fairly targeted as social media offer segmented customer targeting tools, which in turn reduces costs. Customers are also more active in the consumption of information and are not only passive in front of a television or radio. In the social media environment, not only customer targeting based on demographic indicators is used. New opportunities are included, for example, interest-based, behavioural or attitude-based targeting. All this can be deduced from the customer’s online activity, the communities in which they appear, what they see on social networks, etc. These options allow the marketer not to bother customers with advertising or with other information, because they would not even be able to use the offer. If the brand of our community offers interesting and relevant content, it will spread it further to increase the community and the loyalty of its members (Weber, 2009).

2. RESEARCH OBJECTIVE AND METHODOLOGY

In defining research issues in the context of the established goal of our study, we focused on the personal experience of a customer with a brand in the social media environment in relation to customer loyalty, brand image and customer willingness to recommend the brand. Based on our research findings, we wanted to put forward a theoretical functional model of the use of social media with an idea to build the brand of the company in terms of the Slovak market.
Starting from the main objectives of our research, we formulated three research hypotheses, which are the following:

- **Hypothesis no. 1:** There is a statistically significant correlation between the positive experience of the customer with the brand in the social media environment and his/her loyalty to the brand.

- **Hypothesis no. 2:** There is a statistically significant correlation between the positive experience of the customer with the brand in the social media environment and the image of the brand.

- **Hypothesis no. 3:** There is a statistically significant correlation between the positive experience of the customer with the brand in the social media environment and the willingness to recommend it to others.

For obtaining the necessary primary data, we used e-questionnaires, of which main task was to find out the views of respondents and their perception of the issue. The questionnaire was distributed online through the multiple channels, where e-mail, call-to-action embedded in blogs, discussion forums belong. In addition, the greatest emphasis was put on the use of social networks as one of the elements of social media. The research sample consisted of active users of social media who have an account on at least one of the aforementioned social media, namely Facebook, Twitter, LinkedIn, YouTube, Pinterest, Google+, Instagram, Snapchat, and Tumblr. An active use of social media was mandatory requirement. From the population that met these criteria, the sample was chosen by a random selection, in which each subject had a fair chance to be selected. The factors of brand loyalty, brand image and willingness to recommend it were based on the subjective perception of respondents in the e-questionnaire through the 5-step Likert scale. The data collection was conducted over a period of three months during the first half of 2016. Subsequently, we worked with the sample of 476 valid e-questionnaires. The largest group of respondents were younger than 21 (23.94%; N = 114). Slightly smaller group of respondents were the ones between the age of 28 and 31 (22.90%; N = 109). Next, it was followed by a group of respondents between the age of 25 and 27 (18.28%; N = 87), and a group of respondents between the age of 22 and 24 (18.07%; N = 86) and the last group of respondents were 32 years old and older (16.81%; N = 80). Gender distribution was almost balanced, with slight majority of women (52.10%; N = 248), followed by men (47.90%; N = 228). In the case of education, the greatest group was a group of people with university education of the second degree (33.82%; N = 161), followed by secondary school education (32.57%; N = 155) and university education of the first degree (26.26%; N = 125). Only minimum shares represented other educational groups. From the perspective of social status, the greatest group consisted of employed people (42.01%; N = 200), followed by students (41.39%; N = 197), entrepreneurs (9.88%; N = 47) and unemployed (6.72%; N = 32). The correlation analysis was applied with use of gamma coefficient since our analysis focused on the ordinal data scale data, which does not satisfy the second condition of Kendall’s τ. This coefficient defines the degree of dependence in the range of -1 to 1, where -1 is a perfect opposite dependency and 1 is a perfect dependency. There are multiple scales regarding the evaluation of approximation. In our research, the dependency ranging between 0.01 and 0.2 is described as weak dependency, the dependency ranging between 0.2 and 0.3 is described as medium dependency and values over 0.3 are described as strong dependence.
3. RESULTS AND DISCUSSION

When evaluating the results of our analyses, we were interested in finding out which specific social media tools were used by respondents. The results confirmed the widest use of the world’s most popular social network (97.10% of all respondents, N = 462 - these respondents declared an existing account on this network). More significant representation was also shown by the YouTube social network, reported by more than half of respondents (51.10%, N = 243). Other instruments showed lower proportions as shown in Figure 1.

![Fig. 1 – Preference of social media. Source: own elaboration](image)

The frequency of social media use has also been taken into account when examining the issue. The vast majority of the respondents use these tools up to several times a day (79.41%, N = 378), only one fifth of respondents (18.49%, N = 88) use it once a day and finally, once a week, they were only used by the minimum number of respondents (2.10%, N = 10). The respondents answered to the question of the importance of brand image in the largest number in the case of the option, “Somewhat agree” (43.07%, N = 205), the second most popular was “Strongly agree” (27.73%, N = 132), followed by “Neither agree nor disagree” (15.95%, N = 76), “Somewhat disagree” (11.14%, N = 53) and finally “Strongly disagree” (2.10%, N = 10).

In connection with the importance of brand image, we also identified whether there are brands what respondents prefer. The most common answers were “Somewhat agree” (44.54%, N = 212) and “Strongly agree” (39.29%, N = 187). Less people choose the options “Neither agree nor disagree” (9.03%, N = 43), “Somewhat disagree” (4.41%, N = 21) and finally “Strongly disagree” (2.73%; N = 13).

When searching for a preferred method for brand information, the most popular one was the website of the brand (64.50%; N = 307), the second option, they put social media brands (27.94%, N = 133). Other options did not record a stronger share (Figure 2).
We also focused on the extent to which customers are willing to sign up for content subscription if they are interested in the content. Most of the respondents choose the option “Somewhat agree” (40.35%; \(N = 192\)). They similarly evaluated the options “Somewhat disagree”, “Neither agree nor disagree” and “Strongly agree” (17.22%; \(N = 82\)). The last option was “Strongly disagree” (7.99%, \(N = 38\)). The previous findings are closely related to how customers are willing to share their preferred brands with their acquaintances. The most frequent answers were “Somewhat agree” (49.79%, \(N = 237\)) and “Strongly agree” (30.67%, \(N = 146\)). Other options were negligible (Figure 3).

The next step was to verify the hypothesis. Firstly, we analyzed the relationship (H1) between the positive experience of the customer with the brand in the social media environment and the loyalty of the customer to the brand. Table 1 lists the outputs of the correlation analysis using a
correlation coefficient $\gamma$ measuring the dependence of relevant data. The association rate with a value of 0.451 can be interpreted as a strong degree of customer loyalty dependence on the brand to the positive experience of the customer by the social media. A statistically significant association rate is confirmed by the $p = 0$ value.

Tab. 1 – The relationship between positive experience and loyalty to the brand. Source: own elaboration, (output from an SPSS IBM v. 23)

<table>
<thead>
<tr>
<th>My experience with social media is positive</th>
<th>There are selected companies/brands that I prefer (or give priority) instead of others</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly disagree</td>
<td>Somewhat disagree</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>6</td>
</tr>
<tr>
<td>Somewhat disagree</td>
<td>7</td>
</tr>
<tr>
<td>Neither agree nor disagree</td>
<td>0</td>
</tr>
<tr>
<td>Somewhat agree</td>
<td>0</td>
</tr>
<tr>
<td>Strongly agree</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>13</td>
</tr>
</tbody>
</table>

Symmetric Measures

<table>
<thead>
<tr>
<th>Value</th>
<th>Asymptotic Standardized Error</th>
<th>Approximate T</th>
<th>Approximate Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ordinal by Ordinal Gamma</td>
<td>.451</td>
<td>.060</td>
<td>6.577</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>476</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Not assuming the null hypothesis.
b. Using the asymptotic standard error assuming the null hypothesis.

We analyzed the relationship (H2) of the customer’s positive experience with the brand in the social media environment and its impact on the perceived brand image. The association rate with an output value of 0.426 is also possible in this case to be interpreted as a strong degree of brand image dependence on the positive experience of the customer with a brand in the social media environment. A statistically significant association rate is also confirmed by the $p = 0$ value (Table 2).
Tab. 2 – The relationship between the positive experience and the image of the brand. Source: own elaboration, (output from an SPSS IBM v. 23)

<table>
<thead>
<tr>
<th>My experience with social media is positive</th>
<th>The image of the brand is really important to me</th>
<th>Strongly disagree</th>
<th>Somewhat disagree</th>
<th>Neither agree nor disagree</th>
<th>Somewhat agree</th>
<th>Strongly agree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly disagree</td>
<td>Strongly disagree</td>
<td>3</td>
<td>2</td>
<td>0</td>
<td>2</td>
<td>2</td>
<td>9</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>Somewhat disagree</td>
<td>4</td>
<td>10</td>
<td>1</td>
<td>8</td>
<td>4</td>
<td>27</td>
</tr>
<tr>
<td>Neither agree nor disagree</td>
<td>Neither agree nor disagree</td>
<td>1</td>
<td>8</td>
<td>19</td>
<td>24</td>
<td>13</td>
<td>65</td>
</tr>
<tr>
<td>Somewhat agree</td>
<td>Somewhat agree</td>
<td>2</td>
<td>30</td>
<td>51</td>
<td>142</td>
<td>69</td>
<td>294</td>
</tr>
<tr>
<td>Strongly agree</td>
<td>Strongly agree</td>
<td>0</td>
<td>3</td>
<td>5</td>
<td>29</td>
<td>44</td>
<td>81</td>
</tr>
<tr>
<td>Total</td>
<td>Total</td>
<td>10</td>
<td>53</td>
<td>76</td>
<td>205</td>
<td>132</td>
<td>476</td>
</tr>
</tbody>
</table>

Symmetric Measures

<table>
<thead>
<tr>
<th>Ordinal by Ordinal Gamma</th>
<th>Value</th>
<th>Asymptotic Standardized Error</th>
<th>Approximate T</th>
<th>Approximate Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ordinal Gamma</td>
<td>.426</td>
<td>.059</td>
<td>6.566</td>
<td>.000</td>
</tr>
</tbody>
</table>

N of Valid Cases 476

a. Not assuming the null hypothesis.
b. Using the asymptotic standard error assuming the null hypothesis.

In the last case, we focused on the area of a personal recommendation of the brand (H3). We have seen the impact of the positive customer experience with the social media brand on his/her willingness to recommend this brand to others.
Tab. 3 – The relationship between the positive experience and the willingness to recommend the brand. Source: own elaboration, (output from an SPSS IBM v. 23)

<table>
<thead>
<tr>
<th>My experience with social media is positive</th>
<th>I am willing to recommend and share my preferred brands with others</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly disagree</td>
<td>Somewhat disagree</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>3</td>
</tr>
<tr>
<td>Somewhat disagree</td>
<td>3</td>
</tr>
<tr>
<td>Neither agree nor disagree</td>
<td>2</td>
</tr>
<tr>
<td>Somewhat agree</td>
<td>2</td>
</tr>
<tr>
<td>Strongly agree</td>
<td>0</td>
</tr>
</tbody>
</table>

Total 10 34 49 237 146 476

Symmetric Measures

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>Asymptotic Standardized Error.a</th>
<th>Approximate T.b</th>
<th>Approximate Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ordinal by Ordinal Gamma</td>
<td>.476</td>
<td>.058</td>
<td>7.088</td>
<td>.000</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>476</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Not assuming the null hypothesis.
b. Using the asymptotic standard error assuming the null hypothesis.

Also in this case, γ shown in Table 3 which measures the association rate, we interpret the strong dependency ratio in the brand recommendation dimension to a positive customer experience with an output value of 0.476. A statistically significant association rate is also confirmed by the value of p = 0. The results show that in the conditions of the Slovak online market in the context of social media, a certain form of monopoly is seen in the case of Facebook social network, to which no other medium is approaching. It evokes the idea of focusing the entire spectrum of activities on this particular tool in order to effectively use brand resources. Combined with the fact that most customers visit this place several times a day, we can consider this tool as critical. It is essential to be able to grasp this tool in the form of a social network correctly and with all seriousness, because even in this digital space, customers are impressed by the different interactions that make up their experience. This is probably the most important factor in this case, since verification of the established relationships has confirmed very strong dependency ratios on other areas creating a brand value.
Based on the data, we present a theoretical functional model (Figure 4) of the brand building in the social media environment, the part of which is a graphic representation of our findings and is set in a complex scheme created based on logical assumptions. The existence of relationships with strong statistical significance implies that the rate of causal relations in these cases is high, but this assumption will be the subject of future research. The model as a whole was drafted based on the extraction of the findings of scientific research over recent years, showing individual partial relationships and their statistical significance.

They served as building blocks for designing a theoretical model in the social media environment. In general, the data from companies are often the most critical factors for this model, but they are often of a private character. However, the relevance of the results is indispensable. This includes, for example, the data about enterprise sources or their selected indicators. Examining these relationships is therefore challenging. However, with regard to the relevant part of the research identified in this model, it is important to see the importance of the user experience in the social media environment, which has been confirmed by analogy as a critical factor outside of the social media environment. We assume that these relationships will be the most stable and strongest in the overall mosaic because they reflect the subjective attitudes of people such as loyalty, image perception and willingness to recommend the brand.

Fig. 4 – The theoretical model of using social media to promote branding. Source: own creation
They change only because of internal movements of people if they have a reason. On the other hand, however, in the data of a unique numerical character, a change in the functioning or more precisely in the algorithms of one of the social media platforms appears. Facebook is a topical case, which also changed the potential reach of users by changing the algorithm. The company regarding the advertising policy has taken commercial policy decisions. These relationships, which will complement our intended theoretical model, will be dealt with in a future research.

4. Conclusion

The brand experience of the customer affects not only his or her loyalty, but also it is an influential factor in creating the image of the brand. People use social media to communicate about a wide range of events, activities from everyday life. Recently, users also used social media to communicate about market segments. Brand is an important element of marketing processes and has currently received significant attention. Based on the positive customer experience with the brand, it builds not only loyalty and the image but also increases the degree of recommendation to other potential customers. It is generally known that in the case of customer decision making, recommendations from acquaintances to the most powerful motivators are considered relevant sources of information. The element of successful branding experience is closely linked with brand competitiveness, because the more positive impact it has on the customer, the better the brand is perceived in comparison with the competition. In the context of our model, we have found out that, depending on the mix of social media that the brand makes, it should also have an appropriate visual and verbal form of presentation, timetable and periodicity of activities, as well as selection of relevant areas, which will interest the potential customer. These areas together create a customer experience with a brand in social media. This customer experience can be positive or negative, which reflects on the perceived brand image, loyalty to the brand and the willingness to recommend the brand as declared based on our research results. All of these made up the structure of this study and the relationships which were established, and have proven to be statistically significant, having a very strong degree of dependence. In all cases - loyalty (.451), image (.426), and willingness to recommend the brand (.476) – the coefficients γ were interpreted as a strong dependence. The limitation of the presented model, which directs our future research, is the fact that within our research, individual instruments of social media have been solved complexly. On the other hand, the model provides possibilities for its specification in the context of specific investigated conditions and high modifiability. Our research findings create a platform for follow-up studies, which will focus on each area of the model. Their deeper exploration and knowledge of causal links and contexts will help develop marketing strategies to successfully manage business processes and increase the competitiveness of their businesses. From the practical point of view, we can use the obtained results in small and medium-sized enterprises, which tend to underestimate the importance of their brand and thus direct them towards greater activity in its creation.

Acknowledgement

This article is a partial output from the scientific research grant VEGA 1/0806/16 “Research on issues of consumer behaviour of a new generation of customers with emphasis on identifying preferences and usability of mobile platforms in the process of e-commerce of the subjects localized predominantly on the Central European Market” and VEGA 1/0789/17 “Research of e-commerce with relation to dominant marketing practices and important characteristics of consumer behaviour while using mobile device platforms.”
References


Contact information
Assoc. Prof. Beata Gavurová, PhD. MBA
Technical University of Košice, Faculty of Economics
Nemcovej 32, 040 01 Košice, Slovakia
E-mail: beata.gavurova@tuke.sk
ORCID: 0000-0002-0606-879X

Assoc. Prof. Radovan Bacík, PhD. MBA
University of Presov, Faculty of Management
Konstantinova 16, 080 01 Presov, Slovakia
E-mail: radovan.bacik@unipo.sk

Richard Fedorko, PhD.
University of Presov, Faculty of Management
Konstantinova 16, 080 01 Presov, Slovakia
E-mail: richard.fedorko@unipo.sk

Ludovít Nastisin, PhD.
University of Presov, Faculty of Management
Konstantinova 16, 080 01 Presov, Slovakia
E-mail: ludovit.nastisin@unipo.sk