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"CONTENT MARKETING: NEW OPPORTUNITIES FOR BUILDING STRONG BRANDS ONLINE".

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Introduction

In 2014, when the Internet is celebrating its 25th year of existence, its impact on organizations and consumers led to remarkable transformation of the marketing and branding disciplines. From just an occasional entertainment tool, the Internet has now become the main channel for communications, leisure and work. People now spend more than five hours a day on a digital device (eMarketer, 2013), and companies responded to this change by rapidly increasing the expenditures in digital channels, where in 2013 they represent on average 25% of the total marketing budget (Gartner, 2013). The new digital brandscape forced companies to reconsider their marketing approaches (Wind, 2008; Varadarajan & Yadav, 2009; Christodoulides, 2009; Erdoğmuş & Çiçek, 2012), branding strategies (Christodoulides, 2009; de Chernatony & Christodoulides, 2004; Ibeh, Luo & Dinnie, 2005; Rowley, 2004a; Bergstrom, 2000) and communication activities (Hutter et al., 2013).

The evolution of the Internet environment and the rise of the computer-mediated communications resulted in a high degree of digitization of information products (Varadarajan & Yadav, 2009) and immense opportunities to create and distribute digital content (Feng, Guo & Chiang, 2009; Oestreicher-Singer & Zalmanson, 2013). The realization that consumers had more control over their exposure to content on the Internet soon brought marketers to the conventional wisdom that content is king. Moreover, content marketing became a buzzword among practitioners (Mashable, 2014). In 2014, 93% of the B2B companies are using content marketing in their online strategies (Content Marketing Institute, 2014a) and 11.6% of digital marketing budgets are allocated to content creation and management (Gartner, 2013). Although practitioners have not agreed on a common definition of the term 'content marketing', the emphasis is placed on creating and distributing valuable, consistent and relevant content to deliver consumer value, nurture relationships with customers and bring measurable success for brands (Content Marketing Institute, 2014b; Content Marketing Association, 2014).

In practice, content marketing can be implemented in various forms, such as white papers, webinars, blog articles, etc. (Content Marketing Institute, 2013). Branded content is a frequently used term and it refers to content, complementary to a product or a service (Branded Content Marketing Association, 2014; Content Marketing Association, 2014). For example, branded content are the articles on the GE's Ecomagination website that reflect on topics such as innovation and science, familiarizing the audiences with the company's business (Content Marketing Institute, 2013). However, some companies go a step further in their content marketing activities, instead of speaking merely about their products or services. For instance, Barclays established an online portal, where rich content is published in the form of educational material for business skills (Barclays, 2014). Another interesting example is the IBM Institute for Business Value that frequently distributes industry insights free of charge to business executives (IBM, 2014). It is noteworthy to question how such activities impact the customer perceptions of brands. The results of a recent research by IPG Media Lap show that 28% of the users, exposed to content published by brands, are more likely to have favorable view of the brand (Adweek, 2013). Hence, practitioners seem to have widely embraced content marketing in different forms and the recognition of its importance to online branding is growing.

Online branding has gained significant attention in the academic literature. Early studies on Internet markets found that well-recognized brands online were able to charge up to 12% higher prices for commodity products compared to lesser-known brands (Brynjolfsson & Smith, 2000). The transparent, fast-paced digital environment with low entry barriers led to severe competition in every industry. Both pure online and bricks-and-clicks companies consider online branding as very important for their business (Ibeh, Luo & Dinnie, 2005; Ind & Riondino, 2001) and rely on e-branding strategies to stand out from the competition and engage with their customers (Kenney & Curry, 1999). Although bricks-and-clicks companies rely on both online and offline activities to manage their brands, pure online brands depend entirely on e-branding tools. This raises the important question of what e-branding tools can be used to build strong online brands.

Literature Review

There is no commonly accepted definition among scholars of what a brand is and the term can be defined either from customer perspective, where the focus is on the relationships customers have with a brand, or legal perspective, that emphasizes the protection of a brand from infringements (Kapferer, 2012). As Kapferer (2012) states, a brand is not only a product with a name. Further, Melin (2002) adds that brands are unique, cannot be copied and they influence consumers' purchase decisions. For the purpose of this paper, brands are defined according to Kapferer's (2012) definition as:

A brand is a name that symbolizes a long-term engagement, crusade or commitment to a unique set of values, embedded into products, services and behaviors, which make the organization, person or product stand apart or stand out (p.12). Creating a brand is not enough to maintain competitive advantage and differentiate from competition in a long run. Building and managing the brand is a dynamic process (Kapferer, 2012), that has to be managed carefully in order to bridge together the company's brand objectives with customer perceptions. Branding has been well-defined as a process of creating value by providing a compelling and consistent offer and customer experience that will satisfy customers and keep them coming back (Aaker, 1991; de Chernatony & McDonald, 1992). In addition, Kapferer (2012) argues that branding transforms the product category and entails organizational long-term commitment.

Online Branding

Although scholars discuss the importance of online branding (or e-branding, i-branding, digital branding, internet branding as it has been labeled) and how it has transformed the brand management discipline, there seems to be a lack of strong and consistent agreement on what is online branding. Some scholars refer to the term 'online branding' as branding in a digital environment (de Chernatony, 2001; de Chernatony & Christodoulides, 2004; Bergstrom, 2000). Others, separate online branding from traditional branding activities due to the fundamental differences between online and offline branding strategies and approaches (Chen, 2001; Ibeh, Luo & Dinnie, 2005; Rowley, 2008a). Raff (2008) summarizes three distinctive characteristics of online branding; (1) the two-way customized communications that nurture the relationships with active and powerful consumers; (2) the low entry barriers for competitors and; (3) the increased importance of trust and brand experience online compared to offline branding. Hence, for the purpose of this study, online branding is recognized as part of the companies' branding activities. However, the characteristics of the Internet environment require the usage of different tools, approaches and strategies compared to offline branding.

Digital Content and Content Marketing

This section provides an understanding about digital content and content marketing. First, the concept of digital content is explained and then a definition about content marketing is adopted and argued for. Second, the discussion unfolds the academic research on digital content and content marketing, identifying the theoretical gaps that serve as a basis of the subsequent research.

Digital Content Basics

Different types of digital content include how-to guides, tutorials, online courses, e-books, white papers, webinars, etc. Because of the diverse formats and contexts, it is important to clarify what digital content is and what characteristics define it. To begin with, Koiso-Kanttila (2004) provides a more technical definition of digital content, being "bit-based objects distributed through electronic channels" (p.46). In addition, the EContent Magazine (2011) suggests that "digital content refers to information available for download or distribution on electronic media". Finally, Amit and Zott (2001) refer to content as to "information and goods that are being exchanged" (p.514). These definitions create the impression of a clear relation between digital content and digital products, and specifically digital information products, which are further discussed.

Digital Content: A Product or a Service

Digital content is compound by both product and service characteristics (Rowley, 2008a; Koiso-Kanttila, 2004). However, there is a general agreement among researchers that digital content appears more similar to digital products rather than to digital services (Rowley, 2008a; Koiso-Kanttila, 2004). Based on a synthesis of extant literature for identifying services and goods, Koiso-Kanttila (2004) uses four dimensions to explain the proximity between digital content and digital products. This positioning is essential for online businesses when digital content is part of their communication strategies and business models.

First, the digital content is positioned as a relatively intangible entity based on the general wisdom that it cannot be touched. Yet, Koiso-Kanttila (2004) discusses that its representation can be read and heard. However, the authors of this thesis argue that digital content can be positioned differently on this continuum, depending on what is given more importance – the bit-based informational core of the digital content or its readable representation. Respectively, it will be attributed stronger either service or product characteristics. Second, another product feature is the high degree of standardization or homogeneity (Koiso-Kanttila, 2004), which also relates to the possibility to reproduce and multiply digital content in a way that identical copies are produced (Rowley, 2008a). Third, and contrary to the fundamental characteristic of services, Koiso-Kanttila (2004) posits that production of content is clearly separated from its consumption. In fact, as a matter of strategic planning, sometimes a considerable time span exists between its production and its release for consumption. Finally, the scholar discusses the possibility to store and save digital content which facilitates the information transfer and sharing. Later on,

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Rowley (2008a) builds upon this knowledge by adding other product characteristics of digital content such as contextual value, which depends on the particular situation it is used and on the user who is consuming it.

Content Marketing: Defined

Although the literature on content marketing is scarce, Rowley (2008a) states that content marketing is fundamentally concerned with content as a product, subject of marketing exchange, and the implications that the usage of digital content has on marketing. In addition, the author formulates a definition of content marketing as being responsible for "identifying, anticipating, and satisfying customer requirements profitably in the context of digital content" (Rowley, 2008a, p.522). However, the authors of this thesis argue that on the one hand, this definition limits the purpose of content distribution only to profit without considering other benefits for businesses. Moreover, it also fails to address more specific issues like specific characteristics of content as such and its scope.

Due to the lack of relevant theoretical definition of content marketing, the authors of this thesis consider an alternative formulations provided by practitioners. The Content Marketing Institute (2014b) and the Content Marketing Association (2014) offer similar definitions and present content marketing as a technique of delivering information with the intention to educate the users without directly selling to them (Content Marketing Institute, 2014b). The paper adopts the Content Marketing Association's (2014) formulation.

Content marketing is the discipline of creating quality branded editorial content across all media channels and platforms to deliver engaging relationships, consumer value and measurable success for brands.

Three important points of reference emerge from this definition. First, "creating quality branded editorial content" (Content Marketing Association, 2014) relates back to the task-oriented search of information on the Internet. Content has to be valuable and relevant (Content Marketing Institute, 2014b) as users have greater control over the information that they are exposed to and thus, filter out everything that does not satisfy their needs. Hence, if the content does not provide any value, it will remain unnoticed and unread.

Second, engaging relationships reveal the power of content to attract and retain clearly defined audience (Content Marketing Institute, 2014b) and mediate the ongoing conversation between the consumer and the brand (Pulizzi, 2013). Third, delivering content "across media channels and platforms" (Content Marketing Institute, 2014b) illustrates the scope of this relationship. In addition to that, Pulizzi (2013) also highlights the importance to consistently and repeatedly deliver content. This proves that digital content has to be an integral part of the brands' marketing communication strategy. Moreover, consistency in a long run has implications for branding, as regular and relevant content makes users come back and favors a long-term commitment with the brand.

Brand Equity

The academic literature discusses widely the concept of brand equity, its measurement and management. The first to define brand equity is Farquhar (1989) as "the 'added value' with which a given brand endows a product" (p.24). However, the most frequently used and cited definition is suggested by Aaker (1991):

[…] 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 company and/or to that company's customer (p. 15).

Scholars define differently brand equity, taking diverse standpoints. However, there is a common agreement that various approaches exist to create value for a brand and that brand equity serves as a denominator for analyzing marketing and branding activities and assessing brand's value (Keller, 1998). Brand equity can be discussed in two perspectives. From an organizational perspective, referred to as "financial brand equity" (Kapferer, 2012, p.446), the brand is represented as an asset that generates additional cash flow through increasing the potential for new customers and preserving current ones, charging price premiums and leveraging the supply chain (Aaker, 1991). From customer perspective, brand equity discussions place the main focus on customers and their perceptions of the brand. Scholars propose various models and conceptualize brand equity as composed by different elements. However, from the extant brand equity literature, there are two prominent customer-based brand equity models, developed by Aaker (1991) and Keller (1993). Moreover, these models were analyzed and tested for their predictability as well as validated empirically (Buil, de Chernatony & Martinez, 2008).

Brand Equity Online

The advent of the dynamic Internet environment, characterized by high connectivity and interactivity, digitized products and rich information (Amit & Zott, 2001) had a fundamental impact on communications and revolutionized branding. The intangibility of the products and services offered by online companies (Koiso-Kanttila, 2004; Rowley 2008a) made consumers more insecure and more dependent on online brands (Chen, 2012). Therefore, the essence of branding on the Internet is fundamentally about maintaining relationships with customers built on mutual benefit, trust and loyalty (Argirou, Kitchen & Melewar, 2006; Kim, Sharma & Setzekorn, 2002). At a strategic level online companies are even more concerned about how brands on the Internet should be managed (Argirou, Kitchen & Melewar, 2006) or in other words, how online brands can create value for the company and the customers. In this regard, Kim, Sharma and Setzekorn (2002) suggest that leveraging brand equity enhances superior customer value and serves as a valuable differentiation tool in a digital environment.

Conclusion

The paper at hand anchors from two essential facts. On the one hand, practitioners have recognized the importance of content marketing in the new digital brands cape, and on the other, there is a missing link between digital content and brand equity online in the academic literature. The present research focused on digital content and the content marketing process in an online branding context in order to reveal how digital content can be used as a tool to leverage brand equity. Driven by the research focus, three research areas were identified, namely content marketing, online branding and online brand equity. An extensive literature review permeated the deep understanding of these areas and Simmons' (2007) 'Four Pillars of i-Branding' framework was adopted for the purpose of this study. Hereinafter, an adapted version of this framework was proposed in order to visualize that building brand equity in a digital environment is essentially due to the interactions of these pillars (Simmons, Thomas & Truong, 2010). Further, benchmarking from previous academic research, four sources of brand equity were adopted, namely brand awareness, brand associations, brand trust and brand loyalty, in order to examine how digital content contributes to each of them.

The analysis of the rich empirical data, based on the case study of Telerik Sitefinity, resulted in important findings, revealing the essence of the content marketing process. Three phases of this process were identified, each of them having a well-defined strategic objective, supported by specific tactical activities. First, the content planning phase entails efforts towards identifying the target groups as well as planning the content marketing strategy. The main goal in this stage is to continuously update the understanding about the behaviour, demands and interests of the different 'personas' and adjust the content marketing strategy accordingly. Second, content creation was found to be primarily concerned with producing and branding the content and framing it in the most appropriate format for the predefined target groups.

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