

SOCIAL MEDIA REVIEW: THE IMPACT OF SOCIAL ON BRAND-CONSUMER RELATIONSHIPS

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ABSTRACT

Social media has been actively used by companies to engage with online communities for building brands and establishing relationships with consumers since the major online social networks came into being. Because of its importance for promoting business, how the social media impact the relationships between brands and customers has been intensively discussed by numerous researchers. This paper reviews the existing publication in two perspectives. First, from the consumer's perspective, we investigate the motivation, social interaction and social network of social media and virtual community. Second, from the strategy perspective, we review how companies use social media and virtual communication to develop and maintain the relationships with consumers and benefit from these relationships.

Before, the reputations of companies are mainly built and maintained through traditional media, where consumers barely have control. However, the social media has changes that. Allowing bi-directional communication among masses of people who would never have had the capability of interacting previously, the social media has changed the way that reputation develops. Consumers use social media to correcting the traditional imbalance of power between them and the companies. It illustrates that the social media require a shift in marketing thinking—consumers have become highly active partners in developing the brands by strongly connecting with a network of other consumers. Managing this relationship under social media is important. How to develop and maintain this relationship in a long-term will be the future research focus.

The ongoing research will investigate the following research questions. Is it possible for social and monetary incentives to coexist? What is the best strategy for companies to apply these two incentives for the best marketing results and to win the loyalty from their customers?

References available upon request