Is Web 2.0 really a success in online retail branding?  
Examining the integration of social media into the brand platform of top retail brands.

The challenges of Web 2.0 for retail brands and branding is currently under-explored. While much focus has been placed on defining and exploring the radical upheavals in the retail sector (Ailawadi & Keller, 2004), little understanding exists of the consequences of social media and corresponding forms of interaction and shift in the locus of power between the brand and the consumer on how we manage retail brands. This paper addresses that gap through an exploratory research study of five retail branding sites on the top social media site, Facebook.

The development of Web 2.0 has significantly increased consumers’ ability to engage in consumer-to-consumer interactions, which have strong community based emotional and social elements (Riegner, 2007). They also fundamentally change the role of the consumer in brand co-creation and how retailers interact and create value with their customers. For the retail brand manager, these challenges require a new strategic mindset (de Chernatony, 2001) that allows them to adapt to the co-creation paradigm (Vargo & Lusch, 2004). While the role of consumer interaction and co-creation are reflected in the move of brands away from the use of traditional media (Joachimsthaler & Aaker, 1997), the retailer’s ability to control the delivery of brand experiences becomes a critical component of the value-creation process (Helm & Jones, 2010). Two important issues emerge: How do retail brand managers adopt strategies to the emergence of the new range of Web 2.0 touchpoints and incorporate these into the brandsphere (de Chernatony, 2006)? Secondly, how and to what extent does Web 2.0 enable the successful co-creation of meaningful brand experiences (Prahalad & Ramaswamy, 2004)?

This study takes an exploratory outlook and examines levels of interaction and consistency between the company home page and the Facebook site. The chosen retailer brands are: Jones Soda, Skullcandy, Burt’s Bees, Mabel’s Labels, and Bonobos. These companies have significant brand recognition and loyalty and are noted as having successful social media presence on social media channels. Facebook is a significant part of their business model. A qualitative case study approach to data collection was used, inspired by netnography (Kozinets, 2001), and which followed the dynamic and dialogue-driven content of the sites within its real-life context (Yin, 2003). Levels of interaction, co-creation of experience and co-creation of brand are explored across each firm’s homepage and social media site. Specific features examined include brand visual identity systems (Melewar & Saunders, 2000), user generated content (Riegner, 2007).

The results show that the most frequently cited role of social media sites, as platforms for company-to-consumer and consumer-to-consumer discussions about products and services offered by the brand (e.g. “What do you love most about our Hibiscus Tinted Lip Balm?”) are often prompted by company representatives through direct questions or through competitions and other promotion activities. Overall, the results of the study indicate that the social media websites are poorly integrated within the brand platform, perform very basic interactive functions, and thus not utilized to the fullest to generate additional sales, promote brand recognition and loyalty.