

Branding and control in markets as mediated conversations

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Abstract

Purpose of the paper: *To reframe the issue of brand control in the age of ubiquitous social media*

Methodology: *Conceptual paper (case as illustrative example)*

Results: *Proposal of a new perspective on brand control in social media based on dual rationalities*

Limits: *Preliminary conceptual study; the next steps in the research program require extensive and diverse empirical testing*

Practical implications: *The proposal also includes a new methodological and managerial framework, consistent with the new perspective on brand control*

Originality: *Original new conceptual and methodological approach to brand control in social media*

Key words: brand; control; social media; mediated conversations

1. Which brand management for ubiquitous social media and collaborative brand storytelling?

This paper concerns itself with the issue of brand control in social media. The use of social networks and other collaborative Internet platforms allow users to contribute with brand-related content, and share their reported brand experiences and opinions with other consumers (Schau *et al.*, 2009). This change promises to be more pervasive with mobile communication and augmented reality which transform the media into ubiquitous social media environments, and brand-consumer encounters into a continuous and ubiquitous collaborative journey. Through mobile applications, geo-location services and portable social graphs, consumers are in contact with both brands and their social networks at all places and times (Mandelli and Accoto, 2012). Social monitorial consumers become more informed also through the new augmented reality applications, that integrate digital information with information and experience of physical reality. What conceptual framework, and rules for practice, do we need to redefine brand management in these new

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communication environments and markets? In the so-called post-Internet, times brand managers still significantly/heavily apply traditional effects-based, or command and control, types of logic (Mandelli *et al.*, 2010), while social media rhetoric claims that brand companies should “give up” control on their brands by just focusing on developing, listening, and interacting capabilities, in markets conceived as *conversations* (Bernoff and Li, 2008; Weber, 2009; Levine *et al.*, 2000). This paper addresses this contradiction, adopting the “markets as mediated conversations” perspective (Mandelli and Snehota, 2008).

2. In need of a new theory of brand control

Brand control has been conceived and practiced as linked to brand equity (Pappu *et al.*, 2006). In this line of thought, brand effects (awareness, perceived image, affect) have been pursued as the objectives of communication campaigns and controlled as consumer-based measures of branding performance. ROI and reputation have been employed to measure the financial and social effect of brand building efforts on a firm-level.

More recently, the CRM approach in marketing has focused on consumer loyalty, on the basis of the idea that brand equity emerges from successful long-term individual relationships (Grönroos, 2007; Rust *et al.*, 2004). Value-based advertising and marketing applied to the Internet is built on permission strategies, investments on content, advertainment and brand communities (Mandelli, 2005) Value for customers in social media means collaboration.

Using social media, consumers coalesce around shared interests and passions, continuously redefining what products mean in their lives. Consumers publicly and virally share their stories and sentiments about brands and companies. Brand meaning and equity are co-produced (Mandelli, 2008; Vargo and Lusch, 2004; De Chernatony, 2009; Payne *et al.*, 2006; Schembri, 2009). Reputation management is challenged by increased uncertainty, an explosion in influence sources, and the dynamism of online encounters.

These changes have become even more relevant with the diffusion of social mobile platforms, geo-located services and augmented reality (the ubiquitous social media, USM). When consumers navigate the websites and/or walk the streets, they bring their individual and social consumer history, but also their social power along/with them. The evaluation of a product on a website or in a street shop, can make use of all the support that brands offer in these locations, but also of the individual and social information that arrives from an ubiquitously accessible Internet. Physical reality (local places) becomes the geo-social context of the ubiquitous and continuous brand encounters. Online and offline interactions are not separated anymore (if ever). They become different parts of the same brand experience, for example when consumers use information from the web, to support decisions in the stores. They also become episodes of a story of interactions, which accumulates brand value in the long-term brand relationship. In the USM brand

communication becomes a collaborative storytelling emergent project, nurtured and narrated in continuous and contextualized brand experiences.

From this perspective, brands become facilitators of social relationships, beyond their direct links to products and functions (Cova and Cova, 2001). At the same time, brands enlarge their scope and impact, but also lose control of direct plans and activities regarding brand reach and meaning.

It becomes clearer why there is a diffused call for “giving back control to customers” (Bernoff and Li, 2008; Weber, 2009), in a “markets as conversations” perspective (Levine *et al.*, 2000). However, a recent study of current marketing practices in social media (Mandelli *et al.*, 2010) show that marketers still struggle to maintain control over their performance by applying old and new techniques to plan and pursue brand effects. This paper, instead, builds on the hypothesis that brand control is worth reconceptualizing, thus retaining the idea that control means influence on value and meaning, while including both a relationship-based approach to value creation (value for all stakeholders, not just effects), and the idea that meaning (and value) emerges from social life, interactions, negotiations, collaboration, and distributed narratives.

In order to elaborate on this, it is necessary to start from the perspective that markets are not just conversations, but rather they are complex organizing processes structured by interactions and narratives; they are “mediated conversations” (Mandelli and Snehota, 2008), in which the *act of organizing* (coordination of social activities) emerges from both economic and communication-based rationalities.

3. Markets as mediated conversations

Modern theorizing on markets gives social and cognitive variables a central role in the formation of these institutions (Powell and Di Maggio, 1991; Granovetter, 1985; Loasby, 2000; North, 2005).

In post-modern research on consumer behaviour (e.g. Holbrook, 1987; Venkatesh, 1999) consumers can be seen as decision makers who subjectively and socially construct their consumption experiences. “In a world filled with choices, ... a/the consumer sets no discernible patterns and engages in multiple experiences. These experiences become narratives of one sort or another” (Venkatesh, 1999, p. 155)

Post-modern markets are “... defined as socially constructed knowledge structures (i.e., product conceptual systems) [that] evolve from producer-consumer interaction feedback effects” (Rosa *et al.* 1999, p. 64). If markets are bound by products, market boundaries are socio-cognitive, because products are socio-cognitive evolutionary constructions. Consumers and brands define and redefine product meaning in a complex interplay of relationships and sense making (Mandelli and Snehota, 2008).

If markets are conceived as loosely-coupled organizations, as in Mandelli and Snehota (2008), they are networks of intersubjectively built meanings that emerge through common language and everyday social interaction.

In Czarniawska (1997, 2004), narrative is the action that constitutes actors, action networks and fields. There is no organization without coordination of behaviours by means of communication. Institutions emerge as socio-cognitive frames that constrain the inter-subjective narration. Following Weick (2009), loosely-coupled organizations (and therefore markets) are coordinated through more complex narratives.

The idea that society is constituted through interaction was proposed by interactionists in sociology, who suggested that to study society we should study “people doing things together” (Maines, 1997, p. 1). From this perspective society is constituted through communication in a recursive movement from social interaction/conversation to text and vice versa, and these micro-macro links are built through framing and narrative activities which are performed by different, simple and complex (generic or specialized) mediators and storytellers. In Cooren and Taylor (1997) mediation is the way many individual voices can be translated into the voice of a macro-agent through texts that become action.

A “markets as mediated conversations” approach (Mandelli and Snehota, 2008) explains markets neither as sets of chaotic exchanges, nor as economically planned social behavior. Markets are socially constructed processes that are built at the intersection of local and meta-conversations and narratives. Markets are made up of conversations that build up sense for the individuals and groups involved in consumption processes through the mediation (and agency) 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 and their narrative and institutional structuring. Brand-related actions and results emerge from these communication processes. In the past brand stories were mainly told by brand companies. 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.

4. The construction of brand meanings in interactions and narratives

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 the experience “is the product” in post-modern markets then consumers are co-creators of value not only because (and when) they collaborate and participate in the organizational narrative, but also because they subjectively and socially create the consumption experience (Venkatesh, 1999). In narratives, 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).

Brand stories bridge and make sense of consumption conversations as well as actions in the past and future (what product I bought and what I will buy). 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 (1997), an 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").

In times of social media markets, there are more brand-related interactions but also more people speaking "for the brand". This means that brand companies negotiate their role in telling the story of their products, but also that there can be multiple and different stories told about products and companies (Schau *et al.*, 2009; Kozinets *et al.*, 2010).

In new digital markets, mediations (interactions and narratives) not only have the role of bringing consumers closer to the product; they are also part of the product (experience) and create brand value. Everyone who mediates (participates in interactions and "speaks for the brand") influences the process. This is where brand control can return into the picture. Brand managers listen to the 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, brand managers now negotiate their role in telling the story of their product, but they still have a strategic brand storytelling role.

5. The opposite of a frictionless world: the economics of mediation and the value creation process in USM

Value creation, according to the marketing literature (Gronroos, 2007; Vargo and Lusch, 2004) is located in experiences (value-in-use), brand-consumer interactions, and relationships. Subjective interpretations of how the products fit consumers' life refer to the phenomenological dimension of value creation (what Gronroos calls co-creation of value). It is a co-creation process because it is value-in-use; without the subjective experience of product consumption there is no value. The process of value creation can also be conceived as collaborative (co-production); the consumer transforms into a prosumer, when he or she is more or less actively involved in the process of production (for example being part of a service system, but also contributing to product development and test). Interaction events contribute to value creation also because market actors socially construct and negotiate the linguistic and symbolic context of their experiences through interaction (co-elaboration of context in Mandelli and Accoto, 2012). Value is also a relationship process, because a brand-customer attachment emerges from the history of their interactions. This

history becomes the context of each new brand experience. In USM markets brand experiences are continuous, ubiquitous, social and collaborative. The space for value creation widens significantly. Managing brands in USM requires an understanding of what can influence experiences (co-creation), co-production, co-elaboration and the development of brand relationships. What role do communication and mediations play in these processes?

Luhmann (1995) distinguishes “Interaktion” (presence) from “Kommunikation” (absence). We can substitute the term “presence” with the word “interpersonal” (acknowledging the fact that there may be interaction from a distance, see Jensen, 1988), and “absence” with “text” here. Interactions are semantically local. They make sense of the world and are the basic building blocks of organizations (Taylor and Robichaud, 2004) and markets (Mandelli and Snehota, 2008). Texts bridge and make sense of interactions in the absence of the original conversants (Cooren *et al.*, 2006); they make sense of encounters. We can understand new mediations in USM if we understand the agency role of texts (Cooren *et al.*, 2006) and how texts are produced and used in ubiquitous social media.

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. We are all *mediators* because mediation is distributed and social in digital markets. Mediation is not reduced; it is multiplied. 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). 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 their economic influence.

A quick look at the economic role and rules of mediation can help explain this new *value and structure* creation process. In a communication economy, the most valuable resources are time, attention, and trust. This helps understand audience costs (which are studied in media consumption studies, see Neuman, 1991), transaction costs (as explained in institutional economics, see Williamson, 1975), and the economies of scope and economic value of relationships (which are central in relationship marketing, Grönroos, 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 activities (Neuman, 1991). Mediations that leverage these economies create economic advantage.

In short, if social media transform everyone into mediators, communication economies help explain the different market choices and behavior of 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 becomes a matter of sensemaking mediations as well as a matter of economies of these mediations. If control does not simply equate with command but is conceived as *organizing* toward a goal, or collective sense making (Weick, 2009),

it seems that the problem from the perspective of brands is no longer “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?”

6. Where is the locus of control?

If markets as mediated conversations are complex organizing processes, there is a need to understand how control can be pursued in complexity. Mintzberg (1973) describes managerial work as essentially unprogrammed, as it requires constant monitoring, screening, and adjusting. Weick (2009) thinks that with the movement from rational organizations to open loosely coupled organizations, which are more ambiguous and have more diverse information to deal with, “...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); 2) *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, 2000) and the recent *management as practice* cultural program (Wilson and Jarzabkowski, 2004). Thompson’s 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, 2000, p. 280). 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 has much to do with the skill and knowledge of 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) state that “narrative replaces analysis of future consequences in orienting individual actors towards the future”. From these points of view, the locus of control is not on *command* anymore but, rather, on social *sense making*.

All these theoretical explorations consider the organization as a process rather than an end-state, and understand coordination agency in terms of communication and social behavior. According to James, “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”

(James, p. 474, cited by Weick, 2009). Control is also clearly defined by Weick, as “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” (Weick, 2009, p. 3).

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, 2001; Cooren *et al.*, 2006; Weick, 1995 and 2009; Czarniawska, 1997). Coordination emerges as social cognition/collective mind (Taylor, 1999; Cooren, 2004), and as social sensemaking. 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) for they “need legitimation from the members of the network”. 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 on 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 “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 “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”. This is where reputation connects to brand equity. In this view, authority and legitimacy are socially constructed and culture-loaded. They can travel across *distanciated* conversations, according to Benoit-Barné and Cooren (2009), through *presentification*, that is, by making distant sources of authority present in local interactions.

In short:

- 1) Brand organizing emerges from social collectives acting as a 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 involved agents have the same degree of control in these organizing processes;
- 3) this differential control comes in part from differential authority or legitimacy and in part from differential economic power on communication.

This means that control on brand equity requires brand management to play an authoritative role in conversations and storytelling, and to play the game of communication economics.

7. Branding in markets as mediated conversations

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 for the brand as proposed by Thompson (2000) and Taylor (2001). In line of thought with this, Streatfield (2001, p. 91) writes that “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, that 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.

Following our previous arguments, a brand should be conceived as a social sensemaking process (rather than an entity) made by various and dynamic interactions of brand stakeholders, bridged by brand narratives in which all these agents participate. All brand narratives make sense of (and influence) the 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 legitimate, and therefore influential, than others. In complex social collectives brand control 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 actors to actively serve in conversant and storyteller roles under conversational and narrative authority. Conversational authority brings discussions about what it is often missing, that is the role of power in conversations back into the social media. In “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 Joerges, 1988, p. 170) through labels, metaphors and platitudes (the last ones in particular are 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. In these markets brand influence comes from leveraging the brand *collective mind*, communication authority and the management of communication resources (investments, communication costs for the company and communication costs for stakeholders).

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 not to create a centralized institutional presence in social media. Instead, the company is “represented” by its collective intelligence, its employees. 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 its internal social network (SocialBlue). 500,000 people participated in company crowdsourcing “jams”. At least 200,000 IBMers are on LinkedIn and participate in thousands of external blogs.

Thanks to this decentralized approach, and 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 itself decided not to launch any corporate blog or corporate Twitter account, 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 out their relationships with other users through 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 also imagine how this approach makes it faster and more effective to be alerted to potential reputational challenges, and even analyze and respond to them.

Control, in this formula, is widely delegated to the periphery of the system; in fact, IBM calls this a “decentralized strategy”. 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 establishments; 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 delegating control to voluntaristic and amateur participants (the “give-up control” idea). This system requires investments in training, communication skills, technology and systems, as well as a professional platform to offer services to peripheral participants.

Information repositories should be more integrated than centralized, and endowed 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.

We follow here the suggestion by Fairhurst (2008) to consider leadership as “... influence and meaning management among actors that advances a task or goal ... [that] need not be performed by only one person appointed to a given role. It may shift and distribute itself among several actors”. (p. 2). In this approach leadership is a process (not just a role) of meaning management, and can be conceived as collaborative and distributed.

From this perspective, brand control can be conceived as:

- 1) brand “collective mind” or “impermanent organization” (Weick, 2009) emergent from the extensive interactions of 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) communication leadership in brand-related conversations and narratives;
- 4) management of communication resources.

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

- 1) support of distributed intelligence and decision-making across the entire system through investments in communication training, technology and services;
- 2) investments in distributed monitoring and gatekeeping of relevant conversations;
- 3) authoritative and active participation in relevant conversations;
- 4) facilitation of the participation of relevant stakeholders in relevant conversations;
- 5) authoritative and active storytelling to bridge distanced conversations and influence brand-related actions;
- 6) management of brand reputation and communicative authority (credibility).

This view of brand control is based on communicative rationality, using Taylor (1999). However, if we stop here, we risk missing part of the story. Empirical exploration of managerial practices in social media (Mandelli *et al.*, 2010) 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

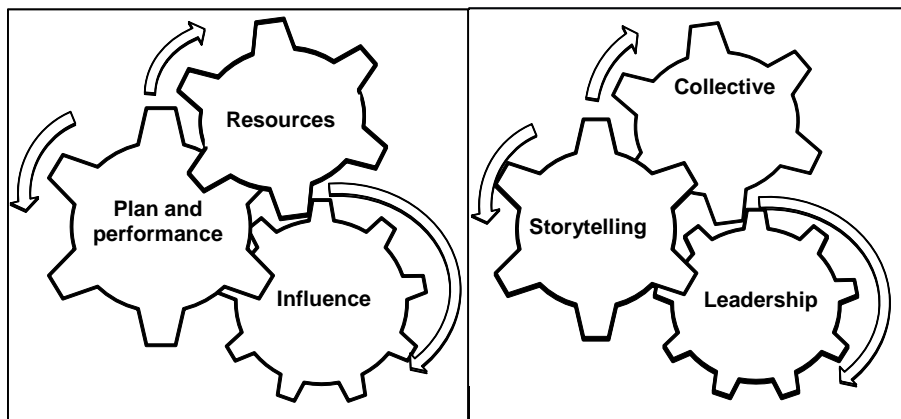
managers plan a campaign in Facebook or YouTube, with the aim of influencing the viral sharing of relevant content and consequent consumer perceptions, attitudes and actions, they are applying a model of brand control that is based on effects and performance. To make our framework of brand management in social media pragmatic (rather than ideological), we must also find a place and an explanation for this dimension of control.

It can be useful to return to Taylor (2001) who elaborated on the idea of two different rationalities in organizations (Fig. 1).

The first helps explain and coordinate complex social processes; the second one best serves the management of simple (or simplified) and predictable situations. Brand managers can try to reduce complexity through the adoption of simplified models of reality (like when they adopt the communication effects perspective). Moreover, in collaborative/participatory markets it is possible to reduce the complexity of the picture by isolating specific processes and roles. For example brand managers can plan their actions based on the partial (even changing) information they have, thus adjusting their objectives according to the feedback they receive.

They can plan their future actions (through contingency plans) also based on their (dynamic) understanding of the markets' interactional and reputational risks. They can also apply the resource optimization approach by trying to link investments to objectives of (tangible or intangible) value creation. Within this approach, traditional methodologies based on planning, performance and effects can be useful by treating them as what they are, that is, contextualized simplifications and not universal and exhaustive models of how the market works.

Fig. 1: Dual approach to brand control



Source: author's original elaboration (Taylor, 2001)

8. Methodological implications

If we wish to explore the support-to-action potential of this conceptual framework, we need to address its methodological feasibility. In short, there must be a way to define brand evaluation, which is operationalized within this dual framework of control. We need to define and then apply both *planning/performance* and *communication rationality* types of methodologies and control metrics to the study of specific cases. The following two figures (fig. 2 and 3) are to be considered as just examples of how complex but also rich the methodological set of tools can be, when using the approach that we are exploring.

It proposes to apply the *plan and performance* methodological set of tools and techniques, when the activities can be conceived 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 using a Youtube video, it may be useful to define effect-type objectives (e.g. awareness, brand associations, size of the buzz created, brand advocacy and engagement), and later to control it if these goals are reached.

Fig. 2: Metrics in social media as mediated conversations

Metrics in social media as mediated conversations

	TYPE OF CONTROL	METRICS
ECONOMIC RATIONALITY	Influence	Buzz, Media coverage, Influence networks; Agenda setting and agenda building metrics; Perceived quality; Customer engagement; Advocacy
	Resources	Brand equity; Reputation (<i>esteem, trust, admiration, feeling</i>); Reputation risk; Financial investments in communication; Comm infrastructures
	Performance	Market share; ROI, CE (customer equity), Reputation changes; Brand equity changes
COMMUNICATION RATIONALITY	TYPE OF CONTROL	METRICS
	Impermanent organization & collective mind	Communication skills, procedures and culture in the organization; Communication infrastructures; Nature and processes of interaction; Learning systems; Feedback; Crowdsourcing
	Storytelling	Brand experience; Brand communities, Brand culture
	Leadership	Prominence, Perceived legitimation; Credibility, Reputation (<i>esteem, trust, admiration, feeling</i>)

Source: author's original elaboration

Fig. 3: Methodologies for social media control

Methodologies for social media metrics

	TYPE OF CONTROL	METHODOLOGIES
ECONOMIC RATIONALITY	Influence	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
	Resources	Web tracking; Survey, Conversation monitoring & listening; Financial analysis;
	Performance	Economic analysis; Financial analysis; CRM; Surveys; Industry rankings
COMMUNICATION RATIONALITY	TYPE OF CONTROL	METHODOLOGIES
	Impermanent organization & collective mind	Conversation monitoring & listening; Web tracking; Discourse analysis; Interaction analysis; Personal interviews; Case studies; Netnography
	Storytelling	Narrative methods; Case studies; Netnography;
	Leadership	Web tracking & rankings; Surveys, Netnography; Interaction analysis; Social network analysis; Case studies

Source: author's original elaboration

This analysis does not explain what has happened in the process, nor can it establish a causal link between the performance and the plans, but it can give some information on how close brand actions have driven the company to its objectives. However the company also needs a deeper understanding of the processes involved in the social construction of brand meaning, and how this sensemaking is related to brand social interactions and brand storytelling. This understanding emerges only from the study of social interactions and discourses in the markets, and from insight about how brand discourses create social coordination and economic outcomes. Brand equity cannot be “measured” only in a specific moment as an aggregated effect, because it is a dynamic and inter-subjective process. An anthropological/netnographic learning method (Kozinets *et al.* 2010) can, instead, be applied. Risk, in current social media brand management practices, is linked to the excessive delegation to software monitoring. Collective intelligence requires a local, contextualized and rich understanding of the social and cultural life of communities. Furthermore, these intelligence and conversation capabilities transform into strategic resources for social media branding if they are distributed. According to the impermanent organization approach, the extreme centralization of decisions 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 not substitute them.

As we mentioned, the two types of management and control that have been examined belong to different epistemological perspectives, and require the adoption of different methodological tools to guide learning and action. The multi-perspective

and multi-level characteristic of these social practices require clarification of *what is being controlled and why*, in each context.

9. Organizational and strategic implications

We conclude here by offering a few remarks regarding the relevant strategic 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 the categories and areas of competences previously assigned to the two functions;
- 2) if brand equity is linked to brand interactions and distributed storytelling, social media branding requires significant investments in communication skills and resources; the role of communication specialists in the organizations should increase (not decrease) 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 even of the financial dimension of brand equity (Cova and Paranque, 2010);
- 4) if the *impermanent organization and collective mind* perspective is applied, the boundaries of the organization should be redefined to include the new role and activities of customers (from outside to inside) and employees (from inside to outside) in the brand management process;
- 5) traditional centralized culture of corporate communication management in the companies will be challenged by the need to foster a brand collective mind if we follow this conceptual and managerial track. This is why the corporate communication function in the company, could most likely be considered as a service platform for facilitating and supporting the new communication capabilities of the entire system in the future rather than the centralized controller of the brand, conceived as a private and static patrimony.

10. Conclusions

Should brand managers give up the idea of brand *control* in markets that are increasingly characterized by collaboration and participation by consumers? Our preliminary conclusion says: 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, over which control is not possible or, business as usual on the contrary, and where traditional *effects and performance* branding is sufficient. Uncertainty and increased social interconnectivity of these

markets suggest including 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, emerges from the brand's power to influence these stories (and therefore actions) in which the different stakeholders participate. Management control is not based on command but on conversational and narrative leadership.

We consider this study a preliminary conceptual exploration of a possibly useful framework for helping redefine brand equity not as an entity but as a sense making process. This very broad research goal is rooted in the necessity to address conceptual change with the magnitude required by the nature and relevance of the changes we are witnessing in the markets.

The most important limitation of this work is rooted in its very broad scope, which has restricted the possibility at this stage of building a more detailed and structured theoretical proposal. This effort could become the next step in our research program, in which a more extensive empirical research is also required to refine and ground these new conceptual foundations against a richer and diverse body of evidence from the field.

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