

## WHAT IF THE BRAND EQUITY WAS ALIVE?

### PROPOSAL OF A DYNAMIC MEASURE THROUGH SOCIAL NETWORKS.

There are two major trends in the literature regarding the evaluation of a company's brand equity: the customer-based brand equity and the financial approach. However, the resulting findings point out that the "consumer" approach is difficult to generalize for a population as a whole and that the "financial" approach is incomplete. (Aaker, 1996; Ailawadi *et al.*, 2003; Keller, 1993; Simon and Sullivan, 1993). A new living conceptualization of brand equity is proposed to address these shortcomings. Based on consumer perception, which affect the consumer-based brand equity and the financial-based brand equity, there probably link between social media and brand equity. Some previous studies (Handayanto, 2016; Karamian *et al.*, 2015; Sasmita & Mohd Suki, 2015; Seo & Park, 2018; Virvilaite *et al.*, 2015) confirm that there's a link between some concepts of brand equity and social media. Unfortunately, these studies have limitations. They only evaluate one aspect of brand equity, none of them try to evaluate brand equity purely from social media. In order to address these issues, this research proposes the following definition: *"The brand is a living concept that evolves according to consumer perception and corporate marketing actions."* Therefore, the best way to account for the life of the brand is to analyze the interactions between consumers and businesses. To address this shortcoming, an algorithm has been developed to measure brand equity. The algorithm captures and analyzes all of the tweets (8,500,000) from 23 of the companies included in the Dow Jones Index over an eight-month period. The results show that the living approach of brand equity is correlated with the different rankings of brands carried out by marketing agencies. Brand awareness seems to be the main criteria to evaluate brand equity of a brand. Some indicators also have a significant correlation with the company's stock market performance. The "number of single tweets" about a brand is correlated with its stock market "variation %." Other social media (Facebook and Instagram) have been used to compare the result and only Twitter have correlated variables with the stock market performances and give results highly similar to what other agency's presents. As a result, a new valid measure of a brand's living equity was born, covering both the consumer and financial perspectives at the same time. The dynamic nature of brand equity can be captured by intraday variation of the popularity it has on Twitter and can be used by manager to evaluate and understand brand equity. This research has made it possible to demonstrate the intrinsic link between consumer perception and the financial

value of brand equity. In connection to what Simon and Sullivan (1993) have put forward, and Mortanges and Van Riel (2003), the awareness level influenced by marketing actions is much more significant than expected in establishing the value of brand equity. Managerial recommendations are also discussed. Limits are present in this study. First only the brand that generates a high level of online discussion precisely on social media has been studied. Also, as only the Dow Jones Index composition has been studied it could be interesting to validate that study to go even further and analyze brand equity with the same approach but by industry.

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