e-CBE: IS THE NO-PASSPORT LOGIC ALREADY A REALITY?

por

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**Biographical note**

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Abstract

The massification of social media gives endless opportunities to marketers who can now see social networks as a means of creating long-lasting relationships with consumers. Despite the trendiness in the business world of the “engagement” concept, little attention to the topic has been paid by marketing scholars, especially when it comes to online engagement. Literature is even scarcer if there is an attempt to cross the electronic customer brand engagement (e-CBE) concept with cultural specificities. Nevertheless, some preliminary research shows that culture does have an impact on the motivation and usage of social media.

Therefore, this investigation aims to understand how the creation of e-CBE is differently thought when trying to reach foreign markets. For this, an exploratory methodology will be carried out. After interviewing a number of Portuguese firms, which are, at the same time, social media users and internationally present, NVIVO software will help analyze their online behavior and strategies, showing off the first clues to the eventual differences in international strategies.

Results of this study suggest that social media is not yet fully explored by all of the studied firms. Additionally, this research presents an adapted framework to the Portuguese studied reality based on the Consumer Engagement Cycle (Sashi, 2012).

Keywords: customer-brand engagement (CBE); electronic-customer-brand engagement (e-CBE); social media; international management
1. INTRODUCTION

The aim of this thesis is to explore the relationship between electronic customer-brand engagement (e-CBE) and international brand management.

Despite the trendiness of the term “engagement” (Brodie et al., 2013, Gambetti and Graffigna, 2010, Gambetti et al., 2012, Heath, 2009, Hollebeek et al., 2014, Labrecque, 2014, Tsai and Men, 2014, van Doorn et al., 2010, Wang, 2006, Cetiña, 2014), little attention has been paid by marketing scholars in terms of theoretical development of this concept, specially when it comes to online engagement (Brodie et al., 2013). Additionally, and regardless the limited approach of the comparative literature, preliminar evidence shows that cultural orientations influence social media use (Tsai and Men, 2014).

By the time this thesis is being written, it is undeniable and, perhaps, needless to say how social media has entered into individuals and companies lives. According to recent stats, the average social media user spends about 2 hours and 25 minutes on social networks a day. This population consists of 2.08 billion people, the same as saying 29% of the total world population. Facebook itself could count, in January 2015, more than 1.366 billion users in its platform: 83% of them access the social network via mobile (Kemp, 2015).
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Mobile raises an important point to the topic: the developing world, with limited or non existing access to fixed wire internet from poles to wires, has used mobile connection as the way of providing access for the aspirational masses the mobile wireless networks as a convenient, easy track to the global world. Therefore, mobile has made internet and social media available to almost everybody. Today, there are more than 1,65 billion active mobile users in the world. (Bullas, 2015).

The hegemony of Facebook is irrefutable: 47% of all internet users have a Facebook account and there are 4.5 billion likes generated every day. Along with Twitter (284 million users and 500 million tweets a day), Instagram (300 million users, 70 million photos a day and 53% of internet users aged 18-29), Pinterest (70 million users, 80% of them are female and 88% purchase a pinned product) and Linkedin (347 million users) they form the ultimate social media popular squad. However, the rise of non English-speaking social networks in China and Russia – such as QZone – are producing large scale networks. Additionally, instant messenger services, such as Whatsapp, Wechat, Facebook Messenger or Viber are growing, representing a growth of 100 million new users every month over the past year.

Image 1: Social Media Use - Active accounts on the top social networks in each country, compared to population. (source: wearesocial.net)
Therefore, these non-English speaking alternatives and niche apps cannot be forgotten: Viber has more than 200 million users, QZone 639 million, Whatsapp 600 million, Wechat 468 million, Snapchat gains 100 million every month and 100 million on VKontake (Russia). Social media will earn $8.3 billion from advertising this year (Bullas, 2015).

Understandably, some challenges appear and B2B Businesses see their key challenges on social media include difficulty in providing ROI, lack of time, no strategic planning, poor organizational understanding of social media and insufficient audience (Tully, 2015).

Exploring the e-CBE concept may turn out to be a very useful tool for companies, since both its managerial and academic pertinence are notorious and clear. This research aims to understand and analyze the relevance of social media in the Portuguese corporative universe and spot any differences in the construction of eletronic customer brand engagement (e-CBE) strategy when it comes to approaching foreign markets.
More specifically, the research question will be settled for:

**Up to what point does the creation of e-CBE differ when approaching foreign markets?**

To answer this question, a qualitative methodology will be applied. Some Portuguese firms which have both social media activity and an international path will be interviewed. The six case studies will be analyzed on behalf of the proposed propositions, further presented.

Since this sample consists of six companies, it is impossible and unrealistic to make a generalization or induction. The goal of this research is to understand specific differences among the selected firms.

The key concepts of this investigation will highlight customer-brand engagement, social media, eletronic customer-brand engagement and international brand management, as further developed in the next sections.
2 LITERATURE REVIEW

2.1 Customer Brand Engagement (CBE)

2.1.1 Definitions

The concept of “engagement” dates back the 17\textsuperscript{th} century, describing moral and social obligations (Brodie et al., 2011). Four centuries later, and particularly relevant in terms of relationship-oriented SNS (social networking) communications (Tsai and Men, 2014), the customer-brand engagement (CBE) concept tells us about specific interactive consumer experiences (Brodie et al., 2013). Its origin might be attributed to social exchanged theory (Zheng et al., 2015), a theory which claims that there is reciprocity between customer and firm: when the first gives benefits to the second, clients will feel the need of developing positive feelings about the brand, thus recommending it and engaging with it. Engagement is said to be a particular interaction between the brand and the consumer, in a cognitive, emotional and behavioral brand-related activity (Hollebeek et al., 2014). CBE appears as a multi-dimensional concept, as an interaction which combines not only attention and dialogue, but also emotions, sensorial pleasure and immediate activation focusing on creating a total brand experience with consumers (Gambetti et al., 2012). It is also an interactive mechanism, which may emerge at distinctive intensity levels over time, reflecting separate engagement states, mirroring an experimental process, based on individuals’ engagement with brands and organizations (Brodie et al., 2013). Moreover, engagement may show great potential: not only does a company get closer to its client, but it also facilitates enlarged revenue, efficiency and cost reduction (Heller Baird and Parasnis, 2011). The statement is supported by other authors as well (Sashi, 2012, Cetiña, 2014) who see CBE as a critical factor for the success of a firm. But, although being a primary driver in order to achieve business success, it is highly important to bear in mind that metrics play a fundamental step in the process (Cetiña, 2014). A strategy will be void if there is no feedback.

A condensed general definition – which aggregates five major premises – dissecates CBE as “a psychological state that occurs by virtue of interactive, cocreative customer experience with a focal agent/object (e.g. a brand) in focal service relationships. It
occurs under a specific set of context-dependent conditions generating differing C[B]E levels; and exists as a dynamic, iterative process within service relationships that cocreate value. C[B]E plays a central role in a nomological network governing service relationships in which other relational concepts (e.g., involvement, loyalty) are antecedents and/or consequences in iterative C[B]E processes. It is a multidimensional concept subject to a context- and/or stakeholder-specific expression of relevant cognitive, emotional and/or behavioral dimensions” cit. in (Brodie et al., 2011), p262. Additionally, it has been suggested that the main purpose of CBE is to establish intimate bonds within an enduring and deep relationship with the client instead of simply making transactions between him and the firm (Sashi, 2012).

2.1.2 Dimensions and effects

Customer-brand engagement can be divided into academic and professional viewpoints (Gambetti and Graffigna, 2010). Academically, three streams are identified (Gambetti et al., 2012, Hollebeek et al., 2014): cognitive, affective and behavioral. The cognitive dimension is considered as the most shared one and defines CBE as the consciousness of a consumer towards a brand, a self-concept indicating the variable tendency of consumers to include brands in their self-concept (Sprott et al., 2009), the consumers’ attention towards a brand (Wang, 2006), a matter of brand thought in a client’s mind, during a specific brand/customer interaction (Hollebeek et al., 2014). It is mentioned in terms of attention and immersion in online activities (Cetiña, 2014). The affective component translates the way feelings are activated whenever an individual comes across an ad (Heath, 2009), a consumer’s degree of positive brand-related affect in a particular consumer/brand interaction (Hollebeek et al., 2014), it is enthusiasm and passion towards a brand (Cetiña, 2014). Finally, the conative (Gambetti et al., 2012, Hollebeek et al., 2014) / activation (Hollebeek et al., 2014) or behavioral component (Cetiña, 2014) is defined as the behavioral manifestations of customers towards a brand/company that goes beyond the mere purchase (van Doorn et al., 2010). It also refers to the time, effort and energy spent during a client/brand interaction (Hollebeek et al., 2014), their active participation and activation (Cetiña, 2014).

In addition to its dimensions, it is equally relevant to make some considerations on
CBE’s effects. Besides consumer empowerment, commitment, loyalty, trust, connection and satisfaction, which are translated in positive behaviors - such as providing social support - some of them may be undesirable and have, in fact, negative outcomes: bad brand critics or misleading brand-related advice may be fine examples of the downside of CBE (Brodie et al., 2013).

### 2.2 Electronic Consumer-Brand Engagement (E-CBE)

Electronic consumer-brand engagement (e-CBE) is the natural adaptation of the concept of CBE to the web, but has, in fact, gained more interest since the uprise of the internet and SNS (Sashi, 2012). With social media’s *sui generis* nature, a personalized consumer-brand relationship with real time interactions is possible and desirable since it permits an amplification of the consumer’s tendency to respond socially to the media (Park and Kim, 2014, Bright et al., 2015). Due to its relevance in the relationship-orientated communication, managing SNS brand pages creates and maintains client-brand relationships (Tsai and Men, 2014), reinforcing, once more, the importance of the development of a deep relationship. The consumer faces engagement with such relevance that even automated responses are enough to nurture feelings of personal interaction. This fact raises a strong perception of an one-to-one interaction, as long as the consumer stays unaware of the pre-programmed response that is given to him (Labrecque, 2014), nurturing, once again, the above mentioned intimate bonds and relationship between brand and consumer.

A recent contribution (Cetiña, 2014) proposes a definition of CBE, highlighting the importance of the virtual environment:

“Consumer engagement represents the active participation in mutual beneficial relationships that can lead to co-create experiences between companies and consumers, especially in an e-setting. In a broader view, CE implies establishing an emotional connection with each interaction or touch-point that enhances the brand, provides improvement opportunities and/or has positive impact on the profitability of an organization, by emphasizing customer loyalty and value. ” cit. in (Cetiña, 2014:p.17)
But what does motivate customers to connect with brands online? One may think that the desire to feel connected to the brand may be the answer, but this view can be weak and misleading. As a matter of fact, the pragmatism of the clients’ minds makes the tangible value of the connection as the most important factor for the engagement. Tangibility is the payback of their time, attention and endorsement (Heller Baird and Parasnis, 2011). In order to engage, one must feel excited for the brand: the customer needs to feel intimacy, trust, commitment - emotional feelings - or else products will not be recommended nor the brand will be social networked. (Sashi, 2012, Cetiña, 2014). In fact, most brands provide functional benefits - such as information or promotional events - and, not rarely, that is exactly what consumers are looking for (Park and Kim, 2014). However, the relationship’s strength may be threatened by the so-called boredom effect, described as the outcome of repeated monetary benefits distributed in brand’s social networks (Park and Kim, 2014). Social media fatigue may appear as the outcome of the first signs of maturity of social media, shown by some users. People go online because of their fear of “missing out”, combined with the hypothesis of social compensation. Nevertheless, the excessive amount of old friend requests, random pictures of breakfasts and post about social games, overload people’s walls, making that The Limited Capacity Model (LCM) – a theory that assumes the limited capacity of individuals to process information (Bright et al., 2015) – into something that can explain the concept of social media fatigue.

Nevertheless, the degree of involvement seems irrelevant for consumers to perceive the brand’s effort towards creating a relationship with them (Park and Kim, 2014, Malthouse et al., 2013). In other words, the acknowledgement of the brand’s effort by the client is the same, whether the degree of involvement is translated into a page like on Facebook or in a brand’s promotional video sharing.

Firms must keep in mind that the focus of the client is to obtain tangible value and not exactly intimacy with the brand. Some premises should be highlighted (Heller Baird and Parasnis, 2011):

- No matter how fast social media is rising, the truth is that most people only interact occasionally on SNS;
• The major concern will always be friends and family, not brands;
• Most of the time, what businesses think that consumers want of social media is not exactly what they are looking for. The discounts and coupons’ delight are the things that most companies think that consumers are least interested in, when it is exactly the opposite;
• Over than 60% of the people agree that there has to be passion for a brand in order to engage with it. This means that engagement may not increase, at all, the level of awareness of the brand, let alone loyalty and spending. Spam, privacy concerns or simple desinterest in the brand are strong enough reasons to keep away from the engagement.

Creating interactive and valuable relationships will maximize benefits both for the firm and the customer. But the important is to understand that “profitable” no longer means higher sales (Cetiña, 2014). Attracting the target has become much easier since the uprise of the web. Besides easiness, the web provides more profitable tools: e-retail, content providence, market creation, service providence and low barriers to entry (Öztamur and Karakadılar, 2014). However, an interesting fact also arises: when recommended by a friend or family member, there is a higher chance of a new engagement to happen, reinforcing the role of friends and family that has already been exposed. Translating this into Facebook likes or re-tweets on Twitter, a company should struggle so that the emotional side of the client is so stimulated that he feels encouraged to share his experience with his network (Heller Baird and Parasnis, 2011). One thing is certain: it is easier, more credible and trustworthy for a client to believe in his personal network rather than in marketers and unknown sources (Chu and Choi, 2011). Hence, a new consumer’s personality is created: a more intelligent, organized person (Sashi, 2012), who trusts himself and their peers’ opinions more than any marketing stimulus (Karpinski, 2005).

Ultimately, it can be stated that social networking is all about experiencing. Experiences that come from a holistic communication: it is only possible when reach, intimacy and engagement are together through a process of integrated marketing communication, combining social and traditional media (Hanna et al., 2011).
Consequently, a new paradigm has arrived.

“Conversations are the products the new markets are marketing to one another constantly online. By comparison, corporate messaging is pathetic. It’s not funny. It’s not interesting. It doesn’t know who we are, or care. It only wants us to buy. If we wanted more of that, we’d turn on the tube. But we don’t and we won’t. We’re too busy. We’re too wrapped up in some fascinating conversation. Engagement in these open free-wheeling marketplace exchanges isn’t optional. It’s a prerequisite to having a future. Silence is fatal” cit. in (Levine, 2001, p:87).

Other authors (Sashi, 2012) also highlight the power of conversation: firms and clients chatting and listening to each other, potentializing a better service and the satisfaction of needs.

Marketing is being changed by consumer engagement. And conversation is what is changing it. It is not a matter of selling anymore, but of creating a foundation of active, passionate, online consumers (Cetiña, 2014).

### 2.2.1 Customer Engagement Cycle

The following section has been considered determinant in the study of CBE. Although the notion of cycle has already been noted, its usage in the process of customer engagement has been practically exclusive to one author (Sashi, 2012), this being the reason why the author will be extensively cited throughout the whole section.

Customer engagement is all about boosting customer satisfaction by providing a superior value than rivals in the process of building a trustful, committed and long-term relationship. And if the goal is to achieve commitment, trust and emotional involvement, a firm should look forward to having an engaged customer, the same as saying that ideally this engaged customer will work as a partner. Social media has increased the easiness of achieving this potential partnership. A cycle of customer engagement (see image 3 – Customer Engagement Cycle) is proposed suggesting a 7-
stage model: connection, interaction, satisfaction, retention, commitment, advocacy and engagement (Sashi, 2012).

Image 3: Customer Engagement Cycle (Sashi, 2012)

**Connection** comes naturally, as a first step impossible to overlook. It can be made traditionally, with salespeople, but social media has exponentially facilitated the process. Once again, SNS plays an important role by shortening communication barriers, easily stepping into the next phase, known as **interaction**. The third stage – satisfaction – works as a necessary condition, although insufficient. In other words, an unsatisfied will not proceed and stay connected until reaching engagement, but it is not a sufficient condition towards engagement neither. If **satisfaction** exists, and if kept over time, associated to highly positive emotions, customer retention can be a reality. Therefore, **retention** is the cause and consequence of a long-term relationship. Nevertheless, retention can either happen with lasting relationships without emotional bonds, or with emotional bonds without long-term relationships, working both ways.

The desired **commitment** can either be calculative – a more rational perspective that only derives from lack of choice or high switching costs – or affective – the natural outcome of trust and reciprocity. Both types of commitment help to increase brand loyalty. **Advocacy** will exist anytime a customer feels delighted, but it is curious to notice that a loyal customer is less prone to advocate unless a long-term emotional bond
with the brand has been created. And, finally, engagement is reached. This final stage occurs when there is combination of a strong feeling of belonging, of calculative and affective commitment in a cohesive and long-term relationship. It turns clients into fans of the brand, sticking with it throughout the good and the bad (Sashi, 2012).

Consequently, a very useful matrix pops up, crossing the degree of the emotional bond and the relational exchange of the relationship between the client and the seller (Sashi, 2012). As seen in image 4 – Customer Matrix, transactional customers are characterized by low emotional bonds and relational exchange, transforming them into price sensitive people and prone to deals. They will go for whoever offers them the best price, always switching across the cheapest brand. Delighted customers have high emotional bonds and low relational exchange because their expectations have been largely exceeded, although interactions and transactions with the brand are still rare. There is an affective commitment developing but not a long-term relationship. Loyal customers, for the contrary, have high relational exchange and low emotional bonds. Their commitment is purely calculative as their loyalty is the result of rational thoughts. The fourth cell shows fans: high emotional bonds and high relational exchange, which results in a share of benefits and burdens during their long-term relationship with the brand. They are everything: delighted, loyal, affective and calculative committed. Despite the ideal scenario of having as many fans as possible, a brand should embrace and look forward to having the other three types of customers as well (Sashi, 2012).
2.2.2 Social Media

The term revolution is not lightly used since not a long time ago, communication was set on a traditional paradigm, when elements of the promotional mix were all coordinated with the same positioning (Winer, 2009) thought to develop an integrated marketing communication (IMC) strategy: timing, frequency, content and medium of communication were settled by the organization, in collaboration with paid means (such as advertising agencies, marketing research firms or public relations [PR] consultants). Hence, firms were developing a high degree of control over the message, transmitting it to potential consumers, whose participation in the communicative process was irrelevant (Mangold and Faulds, 2009).

However, the uprise of the internet’s early stages brought up the development of web 1.0, a shy technology focused on companies, on individuals, on nodes, on publishing and on intrusion (Berthon et al., 2012). The evolution from a traditional view to a new one was a natural consequence of the technological and infrastructural progress. Therefore, an updated version of web 1.0 came along: web 2.0. This edgier model – outstandingly interactive – permits consumers to dictate the marketing flow: its nature, extent and context (Hanna et al., 2011). Introduced by Tim O’Reilly in O’Reilly Media Web 2.0 Conference of 2004, a lot has been said about this upgrade. Web 2.0 is technological, but its effects are also sociological: it has moved the activity from the desktop to the internet; the value production from the company to the customer; the power away from the firm to the consumer – a simple infrastructure which gives permission to a wider phenomenon of collective media and consumer-generated content (Berthon et al., 2012). Web 2.0 permits social media because it makes the distribution and creation of content conceivable. Because of it, consumers are no longer simple passive message receivers (Malthouse et al., 2013, Hanna et al., 2011): they are now active agents who make conversation with brands, who generate word-of-mouth, build connections (Tsai and Men, 2014) and contribute to firm growth (Malthouse et al., 2013). Marketers have different options: web pages are the new medium with its banners and ads, revolutionizing the set of communication tools that had been used for the past hundred years (Winer, 2009).
On the whole, a main difference between traditional and social media should be pointed out: while the first drove reach, the second creates intimacy and engagement (Hanna et al., 2011).

What is more, a number of premises that used to be taken for granted years ago are progressively becoming almost mythical. As soon as one reads them, one will understand how outdated these statements can be. For instance,

- “Brand managers own and orchestrate their brands;
- Phones are for making phone calls;
- The Web is for finding information;
- Companies use marketing communications to control their message;
- Consumers purchase products promoted by marketers;
- Providing a forum for customers to talk is dangerous and risky” cit. in (Hanna et al., 2011), p266.

Consequently, a new business model, based on customer connectivity and interactivity, appeared. It has allowed “content to go hand in hand with technology, producing far-reaching effects for the way marketers influence current and potential customers” cit. In (Hanna et al., 2011), p266.

A number of factors can be thought of as impulses for the technological shift. Firstly, the integration of new technology which enabled consumers to fast-forward through TV commercials (Winer, 2009); secondly, the new marketing hype of creating brand experiences for the consumer, allowing more interactivity with the brand (Gambetti et al., 2012); thirdly, the acknowledgment of the crucial differences in media habits in demographic terms, turning markets increasingly fragmented and, therefore the appearance of a growing interest in behavioral targeting (Winer, 2009).

Social media can be interpreted as an ecosystem (Hanna et al., 2011) divided into three types of media (Corcoran, 2009): owned, paid and earned. In other words, owned media has the marketer fully controlling content (in a website, for example), while paid comes in the shape of sponsorship or advertisement and, finally, a last version not controlled nor bought by the firm - like is the case of word-of-mouth -, called earned media. Inside
this infinite ecosystem, a participant segmentation has also been referred as composed by five stages of social behaviour (Li, 2008): creators – consumers who publish, upload and feed -; critics – the ones who comment on and rate -; collectors – the ones who save and share -; and, at last, spectators, the ones who just read information.

If a new business model is the paradigm, the importance of measuring results could not be higher. As previously mentioned, a metric system should be one of the main concerns of brand managers, since feedback is mandatory for those who want to achieve business success (Cetiña, 2014, Öztamur and Karakadilar, 2014). At the same time, measurement is the major challenge in the consumer engagement implementation process. The highly developed software has been helping these metric tools (Cetiña, 2014, Öztamur and Karakadilar, 2014) but measurement is much more complex than it may seem. Metrics are not synonym of number of visitors, viewers, friends followers, tweets, retweets nor likes. These are indicators, but they cannot be automatically translated into higher revenue nor conversation (Öztamur and Karakadilar, 2014). Besides the lack of quantitative metrics, these indicators should integrate performance, goals and outcomes, as well. And as some research show (Gallup, 2014), the most popular ones – such as customer satisfaction, customer loyalty or customer advocacy – do not always show off the linkage between engagement and key business outcomes (Cetiña, 2014). Furthermore, other popular metrics based on the volume (website traffic, hit rates, click-throughs, time spent on-line, posting…) always need to be customized.

### 2.2.3 The value-added of social networking

Web 2.0 provoked a revolution: social media permits a system of two-way many-to-many communication where consumers do it all: besides connecting, they are responsible for the creation, production and share media content in a way never seen before (Daugherty and Hoffman, 2013). A clear and main orientation towards social exchange and engagement has made social networking (SNS) the cause of the transformation in the way consumers not only interact with their pairs, but also get product-related information and make purchase decisions (Chu and Choi, 2011).
The boost of social media has completely changed the way firms can manage brands. Brand management can be guided by three options: it can give in, listen and respond to consumers demands; it can play their game and demonstrate a deep understanding of the online culture environment and simply fit in; or it can play the social media game and create brand artifacts, social rituals, cultural icons so that consumers can properly act on behalf of the brand (Gensler et al., 2013). Social media has become the top feature to reach customers on a global scale, making possible for firms to quickly receive their valuable feedback (Kirtiş and Karahan, 2011). One fact that, under no circumstances, should be left out is that, despite the easiness of this new media, capturing one’s attention is harder than before due to the endless opportunities that social media and the web offer (Daugherty and Hoffman, 2013). Moreover, it is highly important for marketing plans to include a systematic approach that will manage a company’s social media strategy. This is vital. It is not enough to have some YouTube, Facebook or Twitter random posts: it is a matter of strategy, not tactics (Hanna et al., 2011). In order to have a good digital strategy, brands should follow two simple basic steps: firstly, get to know who their target is and, secondly, find out where they go online (Öztamur and Karakadılar, 2014). Is the target too shy to create content or does it post comments without showing off any kind of commitment to the network? Does it post rather frequently and enthusiastically or do they do it with no regularity whatsoever? Are they online shoppers? Are they web addicts? In short, the brand needs to understand who their target is: demographic characteristics, desires and type of products they buy (Öztamur and Karakadılar, 2014). After defining the characteristics of the target, it is mandatory to know their online routine: which social media networks they use the most; which blogs they read; what kind of articles they are interested in and what kind of videos they watch. Finally, competition must be considered and major players need to be understood, as well as how many of them are buying AdWords ads and what kind of content they are creating (Öztamur and Karakadılar, 2014). However, there is still a good number of firms who get wrongly close to social media: again, they use tactics rather than strategies, the same as saying, posting some videos on Youtube, links on Twitter, pictures on Facebook without considering the largest strategic imperative and underestimating the reaction to content by social media users (Bright et al., 2015). Because different platforms of social media do serve different purposes.
Blogs may be quite a good option if the goal is sales leading, whilst smartphones allow more complete interactions with clients through a precise location-based context. On the other hand, YouTube may be a fine deal to drive sales (Crittenden et al., 2010). Social media is so powerful that it can merge in the same platform not only brand affinity (liking, sharing, retweeting), but also sales conversion (Hanna et al., 2011).

Additionally, firms should also consider trying to engage non-customers – people with no direct experience with the brand, with limited interaction with the company – since corporate reputation is more pronounced among them (Dijkmans et al., 2015). The first reason relies on the fact that non-customers are the largest part of a firm’s target. Furthermore, they are the ones who may replace current customers who will eventually drift away. In the long term, non-customers will be a greater asset, even though, in the sort run, no market performance effects – such as higher sales or market share – will be seen (Dijkmans et al., 2015).

In this new world, information is based on the experience of the consumer, the one encharge to channel it (Mangold and Faulds, 2009). And it is also in this new 2.0 world that social media has replaced Google and other research engines in the company information seeking process (Öztamur and Karakadılar, 2014). Social media, that started off as an entertainment tool (Kirtiş and Karahan, 2011), as a wasteful pastime of teenagers to some senior decision makers (Berthon et al., 2012), is now a one-of-a-kind platform for consumers to publicize and share experiences (Chen et al., 2011). Its benefits are social - see the social interaction with others; informational - a way of obtaining information; hedonic - a source of enjoyment and economical – think of the appearance of promotional deals (Park and Kim, 2014). Communication via social media humanizes brands through intimate and personal dialogs (Tsai and Men, 2014).

Furthermore, the permission of co-creating and consuming information came up with a new concept - creative consumers, defined as the great asset of Web 2.0, as the value-added content in social media, as the dynamos of this new world (Berthon et al., 2012, Brodie et al., 2011). Consumer-generated media, as a synonym of social media (Mangold and Faulds, 2009), is the ability of consumers who create and consume
information. Social media permits a conversation flow from client to company, company to customer and customer to customer (Mangold and Faulds, 2009, Bright et al., 2015). Consumers are the ones who are empowered to share every brand story world widely over social networks that are becoming more and more impactful due to its digital, visibility, ubiquity, dynamism and real-time availability (Gensler et al., 2013). The excess of information flowing in the web forces consumers to select whichever information they want and need, regardless of its consciousness or sub-consciousness (Daugherty and Hoffman, 2013).

Table 1: A summary of the benefits of social media (source: own elaboration)

<table>
<thead>
<tr>
<th>SOCIAL MEDIA BENEFITS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer-generated media / Creative Consumers</td>
<td>Economical</td>
</tr>
<tr>
<td>Consumer Experience</td>
<td>Intimacy, personal dialogs / Conversation</td>
</tr>
<tr>
<td>Social</td>
<td>Real-time availability</td>
</tr>
<tr>
<td>Informational</td>
<td>Ubiquity</td>
</tr>
<tr>
<td>Hedonic</td>
<td></td>
</tr>
</tbody>
</table>

2.3 International Management

2.3.1 Intercultural Perspective

Broadly speaking, culture can be defined as a shared meaning of a system of values, attitudes, beliefs, customs and thoughts. By the same token, intercultural communication can be defined as the exchanged information between differently cultured groups (Barnett and Sung, 2005). However, by the time globalization came along, so did cultural homogenization, as the result of that exchanged information among distinct cultural groups where a rapid diffusion of values, ideas, opinions and technologies were now possible. Therefore, the appearance of a general agreement about the rules of communication and social interaction was natural, since, without them, collective representations and conversation would not be possible. Taking
everything into consideration, one can define cultural communication as the exchanged information between two distinct groups who share the same environment (Barnett and Sung, 2005).

Culture is described as “the collective programming of the mind which distinguishes the members of one human group from another” (Hofstede, 2001). It is not a property of individuals, but a property of groups. The first four dimensions have dissected this national culture concept (Hofstede, 1991): power distance, collectivism vs individualism, femininity vs masculinity and uncertainty avoidance. A fifth dimension, which is referred as long-term orientation was added years later (Hofstede, 1994). Power distance (PDI) is defined as “the extent to which the less powerful members of institutions and organizations within a country except and accept that power is distributed equally” cit. in (Hofstede, 1991), p28, while individualism talks to “societies in which the ties between individuals are loose: everyone is expected to look after himself or herself and his or her immediate family” cit. in (Hofstede, 1991), p51. Collectivism, on the other hand, “as its opposite pertains to societies in which people from birth onwards are integrated into strong cohesive ingroups, which throughout people’s lifetime continue to protect them in exchange for unquestioning loyalty” cit. in (Hofstede, 1991), p51. Masculinity (MAS) happens to “societies in which social gender roles are clearly distinct” cit. in (Hofstede, 1991), p82-83, whilst feminist societies have social roles overlapped. Uncertainty avoidance (UAI) refers to the degree to which a society adapts itself to uncertainty and ambiguity. In 1991, a fifth dimension was added: when talking about long-term orientation (LTO), one is referring to the pragmatic and future-oriented perspective of a society, instead of its conventional, historic and short-term orientation (Hofstede, 1994). At last, the final and sixth dimension was included – Indulgence – referring to the level of attempt to control one’s desires and impulses, based on the values they were raised (Hofstede, 2010).

These concepts have clear purposes and some conclusions can be drawn. For instance, while high power-distance cultures tend to be more autocratic (Hofstede, 2010), low ones value equality and more democratic procedures. Individualistic societies are always trying to reach self interest and independence whilst group values, beliefs and
collective interests are common in collectivistic environments. Additionally, the more masculine a group is, the more the qualities of ambitiousness, achievement, money, performance and assertiveness are valued. Contrastically, the more feminine a group is, the more emphasized solidarity, people, quality of life, the environment and not drawing attention to oneself are. By the same token, cultures with low uncertainty avoidance tend to be less rule-oriented whereas a high uncertainty to avoidance is a synonym for a low tolerance towards uncertainty and, therefore, there is a great deal of need to create more rules and legislation. And, finally, a high long-term orientation culture has a strong preserverance and thrift feelings, where general purposes are above individual interests and relationships are ordered by status. Contrastingly, short-term orientation highlights quick results, traditions, personal standpoints and social obligations.

Deriving from the individualistic and collectivistic dimensions, a complementary dimension is proposed: vertical and horizontal individualism and collectivism (Triandis, 1995, Triandis, 2001). In short, it is presented an idea that stands for the necessity of uniqueness of horizontal individualistic people, contrasting the desire of being the best of vertical individualistic ones. Similarly, horizontal collectivists fight for cooperation within their groups, while vertical collectivists accept the hierarchy and are willing to make a sacrifice for their peers. The main difference between verticality and horizontality is that whilst the first highlights hierarchy, the second fights for equality.

When analysing the influence of internet diffusion and cultural variables, some interesting results show up (Maitland, 2001). For instance, the use of the English language was a relevant factor when determining internet’s early adopters countries, at the same time that there is a positive correlation among the rate of adoption and other factors: gender equality (MAS) and uncertainty to avoidance (UAI). In other words, the structure of communication via the internet is highly influenced by culture (Maitland, 2001) and the way consumer behave online is also culturally shaped (Chu and Choi, 2011). Therefore, it is somehow expected that cultural orientations will influence and change online behaviour through social media channels, as a mirror of the main cultural features of each country (Chu and Choi, 2011). Moreover, the above mentioned
dimensional classification also implies that a horizontal individualistic web consumer will understand an online message as something targeted to an impersonal and mass audience which will not reflect his individuality. But horizontal individualism is also the highest web skilled due to their need of scanning meaningless information, leading to a more personalized feed. This means that cultural orientation does influence the openness and predisposition towards online persuasive information (Lee and Choi, 2005) but also the motivation for SNS use. A vertical individualistic view will use SNS in order to enhance social status and value uniqueness whereas horizontal collectivism seeks the maintainance of strong and deep social relationships (Chu and Choi, 2011).

The massive usage of the English language on the web is a key aspect on the online communication subject. If communication spreads intangible assets of culture, the acquisition of a second language will allow people to interpret non-verbal communication according to that culture’s values and rules (Cleveland et al., 2015). The use of the English language by smaller groups will enable greater absorption of secular consumption values and will also encourage openness towards cosmopolitanism and foreign/global products (Cleveland et al., 2015).

Culture is a dynamic process, practically working as an engine to the development of communication (Lee and Choi, 2005) and some concerns should be kept in brand managers’ minds in this social media era. Social media appears as the fusion of technology, culture and government of a certain country (Berthon et al., 2012). Government plays a crucial role conditioning access and, therefore, popularity of certain websites (Tsai and Men, 2014). Furthermore, with social media, no local events will remain local and bigger issues will always be (re)interpreted locally. At the same time, the impact of certain topics in some countries will also depend on their technological level (Berthon et al., 2012).

Brands are objects created from cultural, ideological and sociological perspectives that are used by consumers and firms inserted in certain marketplaces (Kipnis et al., 2013). Strategically speaking, companies can no longer replicate a one-size-fits-all/standardized view (Berthon et al., 2012), risking to provoke negative effects on
consumers’ self-evaluation and well-being, making them feel prejudiced and discriminated (Kipnis et al., 2013).

Different cultures expect differentiated treatment. Communication and content style should not be inconsistent with cultural orientations, therefore, social networking should be planned considering this aspect (Tsai and Men, 2014).

Three styles may be thought-through in terms of international marketing approach. Branding ignorance is defined as a brand identity which neglects major characteristics of minor groups (Kipnis et al., 2013). A contrasting view is the what is called branding engagement designated as the strategy focusing on the distinct cultural background with the same importance given. In between, there’s branding tolerance which encompasses awareness of the diversity by giving various outcomes as part of the same campaign, refocusing based on the targeted segments (Kipnis et al., 2013).

2.4 An overview of the culture-oriented engagement on social media

The definitions and developments proposed by the presented literature have enabled to sum up some of its main points. Having all authors and frameworks considered, a key aspect appears: the relationship. Engaging is all about creating a relationship. It is possible to understand how social media has facilitated this process and how culture will influence this creation. Culture might be neglected more often than desired, but it is essential to bear in mind that, at the end of the day, it is all about people connecting with each other – whether we are talking about clients or about people who make the firms. Therefore, three main topics appear as the biggest concerns: market adaption, usefulness of social media and the creation of engagement.
Following this theoretical background, a set of propositions was considered for the study of this theme:

**Proposition 1:** The digital strategy of a firm is positively related to a complete adaptation of the same strategy to each market.

**Proposition 2:** The creation of engagement is positively related to social media.

**Proposition 3:** The Customer Engagement Cycle goes beyond theory: firms do make their way from interaction to engagement.
3 EMPIRICAL SECTION

This study presents a pioneering research on consumer brand engagement and international brand management. Thus, following (Yin, 2011) methodology, the cases were analyzed comparing the obtained data against the model using analytic deduction. Taking this theoretical background – where three main aspects appear: market adaptation, social media and engagement, supporting the key idea and concept of relationship (see image 5 – The Key Aspects of e-CBE) -, the present study has formulated a number of propositions previously defined so that it can be understood if there are any differences in strategy when it comes to the creation of e-CBE.

3.1 Methodology

The aim of this thesis’ empirical section is to work on a qualitative exploratory methodology and, therefore, to carry out a comparative approach of case studies, in order to reexamine relationships among selected variables. So that quantifiable data could be obtained, the most suitable software thought for the matter was considered to be NVIVO. However, the utilized version was its trial – NVIVO v.10 for Mac – which has compromised some of the possibilities of data analysis, due to its lack of available tools. This very basic version of the software has not allowed more ambitious analysis.

The present method – exploratory methodology - was selected due to four main reasons: firstly, case studies offer new insights into the connections among variables; secondly, the exploratory methodology applied will make an attempt to improve existing theoretical models on the subject, rearranging them for an international marketing perspective; thirdly it should be stated that the collected data will reflect an interpretation of parties; finally, the whole purpose is to look for a deeper understanding of the poorly explored concepts in the literature.
3.1.1. Case selection

In this research, the study of six cases of Portuguese firms was conducted. Table 2 summarizes their major characteristics. A number of factors were considered in the selection of the enterprises. The first prerequisite was the international presence, since this investigation aims to look into the international side of e-CBE. The second prerequisite was the active presence on social media. The third and final prerequisite was access to informants (Yin, 2011).

<table>
<thead>
<tr>
<th>Table 2: A summary of the major characteristics of the firms</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CONCEPT BAGS</strong></td>
</tr>
<tr>
<td>------------------------</td>
</tr>
<tr>
<td><strong>Formation</strong></td>
</tr>
<tr>
<td><strong>1st international year</strong></td>
</tr>
<tr>
<td><strong>Industry</strong></td>
</tr>
<tr>
<td><strong>Product/service</strong></td>
</tr>
<tr>
<td><strong>Markets</strong></td>
</tr>
</tbody>
</table>
Note: The author has tried to collect information about revenues and total assets of the firms, but some have preferred to keep the privacy of the results. That being said, the author has also decided not to reveal the information gently given by Concept Bags and Unicer since no conclusions could be drawn without the other cases.

### 3.1.2 Data collection

Data was collected from interviews. Six in-depth interviews were conducted with communication managers of Portuguese firms within the prerequisites abovementioned.
An interview guide was thought through and a script was elaborated based on the literature review. This script is composed by seven major topics (see attachment 7-Interview Guide). Most informants (see Table 3 – Sources of the Interview Data) are responsible for the social media management of their firms or at least have access and follow every detail of the online strategy. Each interview lasted an average of half an hour and all informants were interviewed only once. Authorization was given to record all interviews. To assure the accuracy of the transcriptions, a member of this investigation – other than its main author – has checked all recordings and transcriptions. Interviews were conducted between 9th March 2015 and 20th April 2015.

Table 3: Sources of the Interview Data

<table>
<thead>
<tr>
<th>FIRM</th>
<th>INTERVIEWEES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Concept Bags</td>
<td>Diana Pinto – Account &amp; Project Developer</td>
</tr>
<tr>
<td>Canal180</td>
<td>João Vasconcelos; Nuno Alves – CEO &amp; Content Director</td>
</tr>
<tr>
<td>Onebiz</td>
<td>António Godinho – co-CEO</td>
</tr>
<tr>
<td>Fruut</td>
<td>Filipe Simões – CEO</td>
</tr>
<tr>
<td>Unicer</td>
<td>Rita Lago – Interactive Marketing Manager</td>
</tr>
<tr>
<td>Mymaga</td>
<td>Nádia Leal Cruz – PR and Communication Manager</td>
</tr>
</tbody>
</table>

3.1.3 Case analysis method

Cases were analyzed based on the method of analytic deduction. Contrastingly to enumerative induction – which relies on statistical methods to generate simple, mental rules – this method extends and refines existing theories by constantly comparing them with crucial instances or typical cases, serving, in absolute, the purpose of the current investigation. For this, some steps must be followed:

“First, a rough definition of the phenomenon to be explained is formulated. Second, a hypothetical explanation of that phenomenon is formulated. Third, one case is studied... with the object of determining whether the hypothesis fits the facts in that case. Fourth, if the hypothesis does not fit the facts, either the hypothesis is reformulated or the
phenomenon to be explained is re-defined, so that the case is excluded... Fifth, practical certainty may be attained after a small number of cases has been examined... Sixth, this procedure... is continued until a universal relationship is established, each negative case calling for a redefinition or a reformulation. Seventh, for purposes of proof, cases outside the area circumscribed by the definition are examined to determine whether or not the final hypothesis applies to them.” Cit.in (Yin, 2011, p:1490).

Following this procedure, the start point was set by the first case study which was preoviously studied and compared with the findings of the theoretical model. Then, the model was modified in view of the findings in the first case. The comparative process was repeated for each successive case.
4 RESULTS AND DISCUSSION

4.1.2 Data coding

Data was coded according to typical content analysis procedures. Firstly, all data have been coded into nine categories as in the proposed theoretical model. Those categories are (1) Online and offline consumer connection, (2) Social media interaction, (3) Consumer’s overall satisfaction, (4) Consumer’s retention, (5) Consumer’s commitment, (6) Advocacy, (7) Engagement, (8) Social Media importance, (9) Cultural behaviour. Table 4 provides examples of data coding.

Table 4: Examples of data coding

<table>
<thead>
<tr>
<th>Coding Category</th>
<th>Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Online and Offline Consumer Connection</strong></td>
<td>In terms of digital marketing, our strategy is based, essentially, on social media: Facebook and Instagram, also in Pinterest, but our main focus, ever since we’ve started, is Facebook.</td>
</tr>
<tr>
<td></td>
<td>Regardless the market – transmarket - because there are variations between every market, the main contact point is the point-of-sale. Always inside the place they get the product, whether it’s on-trade or off-trade. Why? Because it’s the decision-making moment. Specially with mass consumption goods where you don’t have online sales – because when there are online sales, contact is extremely different – mass consumption goods where you can’t control the sales chain or you control part of it but not the sale itself, the point-of-sale is essential. Talking about social media and digital marketing, the other contact points are mass media – tv, radio, outdoors, press despite its decreasing interest – and also the digital world: social networks, internet, mobile apps, etc. So there are a lot of contact points – oh, events too. They are clearly becoming more and more important as a contact point with the consumer because they help us to create and give the possibility of giving the brand experience, as a brand and not as a product.</td>
</tr>
<tr>
<td><strong>Social Media</strong></td>
<td>Daily. We are a content company and daily – and that has a lot do with the way that social media create their own visibility, the message reach – and, so, there has to be a plan and a strategy: we have to regulate, it can not be seasonable, you can’t do it this week and not in the other. A firm can’t do it, it has to have discipline,</td>
</tr>
</tbody>
</table>
**Interaction**

bringing more organized and systematic ways. In our case, since it is all about content, we have to it daily and, sometimes, more than once a day.

On Facebook our main concern when we try to interact with the consumer is to create content. We don’t communicate the features and benefits of the product – it could be an option that many firms choose and we could do the same, it would actually be much easier for us because our product has several benefits – being 100% natural, with no additives, 100% portuguese – we could go for that path. And, at the very first stage, we mentioned it a few times, but we are more and more concerned about content: recipes, tips, taking advantage of some moments to communicate, but always focusing on the experience.

**Consumer Overall Satisfaction**

So far, we don’t have any system for that - other than the contabilistic feedback – sales, positive comments or likes – but we don’t have any system – not even in Portugal. Maybe it’s a flaw, but we can’t measure satisfaction.

Consumer’s satisfaction... Yes, but it has nothing to do with social media. Yes. There are several studies who measure the consumer’s satisfaction, product’s quality, campaign’s recall...

**Consumer Retention**

I can tell you that, like in every product, that some people buy it, try it and then buy it every week, as well as some people who buy it every month and some others who buy it and then stop. So I can’t draw any big conclusions.

The main question, doubt or alteration is that younger consumers have many more alternatives than older consumers had at their time. And so your experimentation degree is much higher than your parents’ at your age. And so it’s only natural that older people are creatures of habits and less prone to try. That’s standard. Older people don’t try new things that often. Young people do and they are not loyal to anything. And care a lot about what’s trendy. Someone starts drinking Bacardi Breeze, so everyone drinks Bacardi Breeze. Meanwhile, nobody cares about Bacardi Breeze anymore and there’s something new around. So, yes, but it’s not linear enough so we can prove it with our brands.
| Consumer Commitment | Besides those classic situations, that I consider as a numeric measurement, either talking about likes or shares. We take a much more serious look into the qualitative aspect, to the comments and their content – whether they are positive or negative – but we take that into consideration so that we can improve our commitment, much more than a mere numeric issue. It’s also important, but I think that the commitment and engagement are better shown when there’s a register rather than just a simple like or share.

In our case, it is truly emotional. For both reasons. You will only watch Canal180 if you’re into creativity, stimulus, new things, so it’s not just a network – and I think that it is like this when you talk about content in general – but in our case, it is not informative. |
|---|---|
| Advocacy | Western markets are much more into that than any others. Western market wants to know other people’s opinions before trying and in others, specially Eastern, doesn’t work like that. They analyze things colderly, advocacy is just another element. In here, advocacy is enough for us to try anything. So, the answer is: there are some markets where advocacy is more important than others.

Share is advocacy. Or talking about us spontaneously. Things that are advocacy and a phenomena is the user-generated content. There are no purer expression of love for a brand or product satisfaction. And we live a lot from that because people can see eachother more easily from an image taken by other consumer than the one taken in a amazing studio with the best lighting with the perfect beer. So clearly to us that’s important. |
| Engagement | Lots of people are strongly emotionally engaged with us, whether liking posts or not. They are around. And I’m sure we increase retention and make people’s Facebook better. That’s a big deal although it doesn’t increase the profitability of the brand.

At first – and that’s why one of the pillars of Concept Bags’ communication is the |
The nuance that exists is so... look, this is a very basic human thing, I’m not sure if you’ll find differences. You can use – and this hasn’t a lot to do with culture rather than a series of events – one network more than other, but social networks serve different purposes. Twitter is different from Facebook.

We make a posting schedule for every market. It’s not global. And it is always thought considering local specificities. Almost never – except when we have huge actions and communications – will we have a post that is the same for every market. What we think is if it makes sense for that market, if it’s approved, what will be its impact from the outside? And only if there’s a negative impact will we delete it. But it’s the opposite. We create for local markets.

So we act locally and this hasn’t been talked a lot – at least from what I’ve been reading, but I’m no expert in social media – but the brand and company’s adaptation hasn’t been talked that much. And I believe that, most of the times, it’s all about pouring out the identity – not the corporate identity – but the brand values which are different in some countries. And social media is interesting because they make companies more flexible, much more than they used to be, also because of the brand values. The thing that used to be unchangeable – regardless the internationalization process – is not anymore. At least from my experience. There are practically new brands in some countries because social networks force a completely different communication. And whoever is doing it differently is stepping aside reality. Obviously, we’ve been seeing these tools for a long time now, they are more or less popular in that country, but the communication strategy is totally different.

But on Facebook the capacity of spreading the network is as stronger as the number of people who are in there. So if you have 10 people or 1000, it is not 100 times higher, is exponential. Because the network refers to the number of connections. And we are here and we can connect to each other: you and I, you and she... if we double the number of people in there, we already have a strong connection. And that exponential effect of finding people who see what you do as
Furthermore, within each category were inconsistent data to exist, the process would reconcile differences either with additional sources of data or through verification by the original informants.

Table 5: Triangulation of Data (a,b)

<table>
<thead>
<tr>
<th>Variables</th>
<th>Online and offline consumer connections</th>
<th>Social Media interaction</th>
<th>Consumer overall satisfaction</th>
<th>Consumer retention</th>
<th>Consumer commitment</th>
<th>Advocacy</th>
<th>Engagement</th>
<th>Cultural behavior</th>
<th>The importance of social media</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interviews</td>
<td>Modestly high</td>
<td>Modestly high</td>
<td>Modestly high</td>
<td>Modestly high</td>
<td>Modestly high</td>
<td>High</td>
<td>High</td>
<td>High</td>
<td>High</td>
</tr>
</tbody>
</table>
Informants are coded as follows: 1 = Concept Bags representative; 2 = Canal 180 representative; 3 = Onebiz representative; 4 = Fruut representative; 5 = Unicer representative; 6 = Mymaga representative

b) High = all sources of data are in agreement; Modestly high = at least two sources in agreement, others are not; Low = no sources in agreement

Data coding was conducted by the author. The coding scheme was for the proper analysis of cases.

4.1.3 Quantifying data

For the qualitative data analysis, the author has employed a series of methods and techniques so that quantifiable findings of data could show up, helping to interpret results in an objective manner.

Nevertheless, some dense and interesting results popped up. When analyzing the word frequency of the coded interviews (see table 6 – The 20 most frequent words), some associations could be made. Firstly, the two most frequent words are “people” and “communication” – 89 and 67 mentions -, suggesting that when one thinks of engagement, one will immediately think of people, thus, interaction and relationships. A curious fact also arises: the present research aims to understand the whole social media strategy, but only Facebook – followed by its iconic “like” – shows up in the most frequent word cloud (see image 6 – Word Cloud – the 20 most frequent words), suggesting that Facebook is, without a shadow of doubt, not only the most popular network, but also the most relevant too. These findings go hand in hand with the analysis of table 2 – A summary of the major characteristics of the firms, where the total of the studied firms claim to have a Facebook profile. None of the other referenced networks – Twitter, Pinterest, Linkedin, Youtube, Vimeo, Flickr, Tumblr, Whatsapp, Wechat, Instagram – are as present as Facebook is. Consequently, one can infer that Facebook is the most transversal network, serving B2B, B2C, SME and MNE firms.
Image 6: Word Cloud – The 20 most frequent words (source: NVIVO)
Table 6: The 20 most frequent words (source: NVIVO)

<table>
<thead>
<tr>
<th>Word</th>
<th>Length</th>
<th>Count</th>
<th>Weighted Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>brand</td>
<td>5</td>
<td>75</td>
<td>1.25</td>
</tr>
<tr>
<td>communication</td>
<td>13</td>
<td>67</td>
<td>1.25</td>
</tr>
<tr>
<td>consumer</td>
<td>8</td>
<td>34</td>
<td>0.65</td>
</tr>
<tr>
<td>everything</td>
<td>10</td>
<td>31</td>
<td>0.50</td>
</tr>
<tr>
<td>facebook</td>
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4.1.4 Qualitative results

Although the logic of analytic deduction was strictly followed, the cases were analyzed one by one in an incremental manner. Research findings on the relationships among the variables and the dynamic aspects of digital strategy are presented case by case in logic of proposition context.

Proposition 1: The digital strategy of a firm is positively related to a complete adaptation of the same strategy to each market.

Across the six interview cases, this study has identified the relationship between the digital strategy and its adaptation towards a market. However, the importance given to that adaptation is not, by far, equal in every studied firm. But this is not the only noticeable fact. It is clear that the importance given to market adaptation on the web is also blurred. For instance, despite the fact that Canal 180 thinks of its Polish website and Facebook profile as the only possible way to reach the Polish market and, perhaps, the only alternative to internationalise itself, the firm also claims that the power of humanity overcomes culture, looking at the whole phenomenon as a “very basic human thing”. Mymaga stands for a position in agreement with this: the English, exclusive and single Facebook profile draws the attention for a standardized approach in all European markets, opening very few exceptions to adapted promotions.

On the other hand, some firms were more aware of the necessity of taking local specificities into account. Even though Fruut is still at a very early stage of its international path, the firm has defined a strategy where each country has its own Facebook profile, as long as the language justifies so. Onebiz takes this adaptation further when talking of pouring out not the identity of the brand, but the distinct brand values in each market, creating, in some cases, new brands: social media, as far as they can see, has forced a completely different communication and whoever doesn’t see it, is stepping aside reality. Both Fruut and Onebiz are along with Unicer’s opinion: despite the no-passport logic of social media, where the lack of barriers forces an attentive look of all the contexts involved in the whole communication process, the company pledges that local specificities are always taken into consideration, so that no posting schedule
will end up being global (only in the presence of huge actions will they create a global content). They create for local markets.

Thus, considering the totality of the opinions, the concernment over the adaptation of content to markets seems quite evident, regardless the main positions of the companies. However, standardized strategies look plausible in more global products, the same as saying artsy and creative content and educational software, contrasting to goods where other categorical features are highlighted. That being said, even the most global strategies acknowledge the necessity of adapting content once in a while.

**Proposition 2: The creation of engagement is positively related to social media.**

Although the answers on the topic were not similar, it is visible the positive relationship between engagement and social media. In fact, the usefulness of social media in the process of creating brand engagement is transversal to all informants, but the usefulness of social media inside their firms is not universally understood. Concept Bags is a fine example of this: the brand considers that its target does not think of social media as a determinant factor in the construction of the relationship, so this tool is left a little bit behind. Hence, social media profiles are seen as something thought for the final consumer and, since its relevance is not expressive enough, profiles are updated on a “whenever is possible” basis. Mymaga is the other brand which does not keep a posting schedule nor a genuine concern for social media since its core preocupation is set on the website (although it takes advantage of fertile seasons to shake social media up: Spring breaks or back to school periods, for instance).

On the other hand, other cases as Canal 180, Unicer, Fruut and Onebiz acknowledge the deep help that social media provided for the boost of brand engagement. Firstly, one should understand how brands show up on social networks. As Unicer claims, it is crucial for a brand to understand that going into social media is the same as “stepping into people’s living rooms” and the big challenge here is to turn factual products into stories. Only by doing this will a brand use social media “for something a little bit more sophisticated”. By the same token, Canal 180 also refers that people are expecting to get
something in return of their time, a tangible benefit of engaging online. By the end of the day, you go online because the only thing that matters is to “build your relationship” with your target.

It is undeniable what social media has brought to brand engagement. Interactivity, low cost, high impact, emotions, exponential effect are some of the main features strenghthen by social media recognized by all informants.

**Proposition 3: The Customer Engagement Cycle goes beyond theory: firms do make their way from interaction to engagement**

If one sees customer engagement as a cycle, going from interaction to engagement, one can include five intermediate phases. Engagement appears as the key to provide superior value, creating a consolidated relationship between the brand and the consumer. The case of the Customer Engagement Cycle (Sashi, 2012) was tested during all interviews. Seven cards, representing each step of the cycle, were handed in to each interviewee who was asked to place them in whichever order they thought it would be the most suitable to reach engagement. The purpose of the request was not revealed until the end of the task. Answers were given as follows:

- **Concept Bags**: connection; interaction; engagement; commitment; satisfaction; advocacy; retention
- **Canal 180**: connection; interaction; engagement; satisfaction; commitment; advocacy; retention
- **Onebiz**: connection; commitment; interaction; engagement; satisfaction; retention; advocacy
- **Fruut**: interaction; satisfaction; engagement; commitment; connection; retention; advocacy
• **Unicer**: connection; interaction; engagement; commitment; satisfaction; advocacy; retention

• **Mymaga**: connection; interaction; commitment; engagement; satisfaction; retention; advocacy

Always bearing in mind that these answers are not representative of any universe, but exclusively representative of themselves, it is interesting to observe that even after specifically referring “These cards suggest the path a consumer needs to go through in order to be engaged. What’s the order?” not a single person has considered engagement itself neither as a final step nor as the desired outcome of the journey. Instead, half of them considered retention as the ultimate aspiration while the other half thinks the same of advocacy. And engagement appears in the middle of the process, suggesting that even being extensively referred during the interviews, it is not considered as an end itself.

Hence, the practical implications of the Customer Engagement Cycle are not as strictly followed as in the theoretical scenario.
4.1.5 Discussion

The results of this section challenged the solutions provided by literature. Since empirical evidence was not able to prove Customer Engagement Cycle (Sashi, 2012), an update to this framework is suggested:

Image 7: A new Customer Engagement framework (source: own elaboration)

Always bearing in mind that this new Customer Engagement framework is not representative and was exclusively developed based on the study of Canal 180, Mymaga, Concept Bags, Unicer, Onebiz and Fruut, serving no other realities, this application excludes the term *cycle*, proposing that Customer Engagement is much more of a process rather than a cycle. This study suggests a framework which starts with the connection of the brand with the consumer, followed by some interactions between the two of them. Hopefully, this interaction will make him engaged, helping his commitment with the brand. Only committed, will he reach retention and advocate the brand to others.

The most attention-grabbing difference between the Customer Engagement Cycle (Sashi, 2012) and this proposed updated version is the change on the last step switching Engagement for Retention + Advocacy. In other words, if the first thinks of a
framework where your journey intends to lead you towards engagement – assuming engagement as an ultimate level where only satisfied, committed clients who advocate are -, this new framework proposes that only engaged customers are loyal and advocate your brand.

What it seems to be happening is that the theoretical driver is not on the same page as the managerial one. Theory thinks of a social world where engagement works as a plus, an extra feature of a firm, in a platform where you spoil your client for the sake of it, giving them promotional gifts, thoughtful stories and interesting content for them to live the total brand experience. And this brand experience goes way beyond the desire of boosting sales. Innocence is not expected: higher sales are always on the mind of the firms, but the challenge and what makes social media such an exciting and thought-provoking world is that once you step inside of it, your mindset has to change completely. You need to make yourself interesting for your client and you need to nurture the feelings that are growing inside your audience. As mentioned before, when a client welcomes you to their feeds and their profiles, you must make yourself worth it. And they will understand if you are only looking for advocacy and retention and they will lose all interest in you. People go online to have fun and if a brand does not do anything other than posting products once in a while, your audience will not waste their time and online space on you: social media fatigue (Bright et al., 2015) is already a reality. This justifies the reason why the significance of cultural adaptation is so important and – never forgetting that some of these firms do this just fine – taking local specificities into account is also where, sometimes, the plan fails. For instance, if you want to discount some product on Facebook and you intend to do it in Portugal, Spain and Italy, it is not enough to copywrite in Portuguese, Spanish, Italian or English. Every country represents a different place, a different culture, with different desires and needs and that is why who understands this will take advantage of all the potential of social media: it is not by chance that one of the firms even refers the consciousness of communicating culturally-shaped brand values according to the targeted market. Engaged customers are not a synonym of likes and followers. A brand needs to speak the customer’s language, it needs to know to whom they are talking to. A big investment of the firm on apparently simple things is required, such as assuring that
social media managers know the reality of the country they are trying to reach: what are their online routines (Öztamur and Karakadılar, 2014)? Who is their Youtube local phenomenon? Which holidays can they take advantage of?

These examples may illustrate how complex cultural adaptation can be, emphasizing once more the importance of strategy on social media (Hanna et al., 2011).
5 CONCLUSION

This study has focused itself on understanding whether the foreignness of a market would somehow influence the process of e-CBE creation. The engagement concept previews the establishment of a deep emotional connection between the client and the firm, but will this connection be the same, regardless the destination market? The optimization of the engagement process for the web 2.0 technologies has permitted an easier and faster engagement procedure.

A somewhat extensive research on the definitions of engagement, its drivers, effects and stages has helped to draw some conclusions which, due to the nature of the studied cases, will give some first hints on how Portuguese firms take advantage of social media in order to capture the attention and to engage foreign consumers.

The research was set off based on the acknowledgment of the facilitating tools provided by web 2.0 and social media in the creation of engagement, assuming that a firm should always have a strategy in mind, rather than mere digital tactics, so that clients can fall for a brand. The importance of the brand experience and the consumer generated media, stimulated by the tangible value of the connection with the brand, were also valid and solid assumptions at the beginning of this study.

Collected data has given enough means to state that, despite the residual number of studied cases, a plurality of firms were contacted and utterly distinct company profiles could be drawn.

Theory and practice meet a number of times. Results verify that, above all, internet has changed things. Nothing new on that, but the truth is that all firms understand the profound change that this has brought to their management planning. Studies were corroborated by some collected data: the importance of engagement in order to establish intimate bonds with clients (Sashi, 2012), its effects – empowerment, commitment, retention, trust, connection and satisfaction on the good side and bad brand critics and misleading advice, on the other hand - (Brodie et al., 2013) or how connection needs to give a tangible value to the one who wants to be engaged (Heller Baird and Parasnis,
What is more, the priority given to friends and family on social media, hence the necessity of recommendation is also highlighted (Heller Baird and Parasnis, 2011).

Furthermore, evidence supports how engagement somehow facilitates enlarged revenue, efficiency and cost reduction. However, social media may not exactly be immediately translated into higher levels of loyalty or spending, but engagement is still crucial to stimulate the emotional side of the client. Only by feeling engaged, will he spontaneously share the brand experience in his network (Heller Baird and Parasnis, 2011). Evidence keeps validating some theoretical ideas such as the benefits for a brand of combining traditional and social media and how social media is all about experiencing (Hanna et al., 2011). Additionally, the perception of the owned, paid and earned media is clear, as well as how outdated the one-size-fits-all-cultures strategy is (Corcoran, 2009).

Taking everything into account, one could infer that scholar and managerial approaches are remarkably synchronized, proving that social media management is at its golden days. However, the previous section has shown that it is not exactly the case. Once again, some firms do show a great deal of knowledge and skill on the matter, but there is another side of the story which does not show ignorance, but, perhaps, lack of interest. At this point, it might be expected that noteworthy firms like the cross-examined ones would have more defined strategies and budgets for social media. Even if one thinks of the average time of interviews, one can speculate about the reason why there is so little to say about such an extensive world as the web 2.0.

Why not to take advantage of the new streaming apps such as Snapchat and apply it to promotional techniques? If the most mentioned words in the interviews were people and communication why, on average, do firms communicate so little to so few people? The infinite world of social media gives us endless types of apps, so why do firms still have Facebook as a synonym of social media? Why do most of them insist on having digital tactics rather than a digital strategy? Only a consolidated strategy will be enough to create a real brand experience. Is this exclusively the Portuguese reality? Would American, French or Brazilian firms alike do the same? Are the targeted clients the
reason of the little investment on this? Is social media still too young to give enough confidence on managers to invest on it? Are brand managers of a different generation who does not yet trust completely on these new platforms?

Due to the lack of supporting evidence to the Customer Engagement Cycle (Sashi, 2012), this study suggests an updated version to the original. This new model stands for a process which replaces the last step originally presented – Engagement – for another one that combines Advocacy and Retention.

This research is not conclusive. Firstly, the heterogeneity of the firm’s positions facing social media allows divergent conclusions. The need of cultural adaptation, the importance of social media, its benefits and potential are also referred, but, on the other hand, most times this is not how they perform. Overall, it all comes down to lack of strategy. Perhaps, difficulty in providing ROI, limited time and insufficient audience (Tully, 2015) give some hints on the reason why social media, in this study, is not yet seen as a consolidated strategy of all firms.

Nevertheless, the same study contributes both to the scholar enlargement of international brand management with the proposal of an alternate Customer Engagement framework and to the managerial world: the awareness of the new model aligned with the theoretical development can be used by managers to build a solid digital strategy, boosting all the potential of social media.
6 LIMITATIONS AND FURTHER RESEARCH

A number of factors have limited this research. First of all, the sample is not appropriate to make any generalizations; therefore, further research should consider having a bigger sample. Qualitative research should always be included, but some quantitative data could enhance results. This study has focused itself exclusively in Portuguese firms so the risk of cultural biases cannot be excluded. Other researchers should provide some time on the study of firms from other countries. Furthermore, a more strict company profile could be analyzed, in order to have a number of companies from the same industry and size. This change could extrapolate interesting results. Finally, the employed version of NVIVO software has not permitted more ambitious analysis, hence, a more developed version should be considered.
REFERENCES


How do you connect with the consumer? How is the first contact made?

Nowadays, any activity of our business, of our personal life - from wanting a new dishwasher to a new house - everything is about social networks. Because it is a tool – whether as an app, a website, whatever – that you use and that it is omnipresent in our society and in a wider group of people. Therefore, it is where you need to do a little bit of everything: you need to say what you are doing, what you did. You need to get people’s feedback, you need to test which messages may or may not interest people and it has a very addictive side of being instantaneous, of having an almost instantaneous relationship. And, so, it is kind of pointless asking what we do. We are on Facebook, like we are on the internet, as a means of social communication, or as an activity or as a business that allows us to do a little bit of everything.

Of course – it is obvious – when Canal was launched – and it is available on cable, to those who have access to cable, on ZON (now NOS), Vodafone and MEO, but it doesn’t reach half of the population: we get to 2 million homes, more or less, which means 3 or 4 million people, so being on TV is very limitative to us. There, for us who are new, social networking is an organic way to make our awareness grow: friends who like our page and share it, so we have to give people excuses and opportunities to talk about us and share it, too, even if it is just for a simple “tell your friends that it has been launched a new TV channel about culture and creativity” and we get people to talk about it. This is level 0.1. It can also be a great tool for updates “hey, look, this week we’ll have this documentary première” and this is a very smart way of keeping people updated.

It is also very useful for something a little bit more sophisticated – “look at this new artist, this grafitter. Wow, 100 likes in 10 minutes”, this must be interesting, a lot of people are enjoying it, maybe we should include this on our schedule, we should bet more on this. And so the feedback kicks off. You can do it backwards, as well – to those whose level of engagement is big enough for you to give them something in return, like a concert ticket. And so you start building your relationship: what people except from you and what you can give them in return to get their attention or to reward those who
follow you the most. And so it comes another general thought about social media, but extremely important: building a relationship.

And this is the tool that allows you to have a stronger relationship than you ever had before. Most relationships before – even with interactivity, internet and everything and all ways of communicating... people have preferences – I like Nike better than I like Adidas, I like SIC better than TVI – you develop your preferences, but social networking allows you in terms of brand engagement is the relationship because there’s feedback – I can comment on, I can like the page, share my point of view, share it with my friends -, both parts can participate.

Before it wasn’t like that. RTP plays a movie or a show or have a TV anchor that you like or not: you have the relationship, but it is not as bidirectional as social networks and, so, everything is left do in these new platforms.

**And when you talk of foreign markets, is the connection made in the same way?**

In a very basic approach – because maybe I’m being too superficial – yes, I can’t feel any difference when talking about foreign markets. The only advantage is that you have a certain standardization, like internet does: you have a website, you use digital means or have and app, this advantage of automatically having something that can be globalized in a second, you just need to post it on your website, or on your app. In this sense, that’s it. But maybe if you are more specific I can be less superficial.

**No, that’s it. I just wanted to know about your first contact, how it is done. You want to connect to your consumers...**

There are a lot of stories here. I’m not sure if it isn’t wrong just to consider technology, which is really important to us. For instance, we have a polish website. That’s the only way we have for the polish to understand us and, maybe, that’s the only way for us to internationalise. We also have a polish Facebook page, we had a polish team who wanted to make that and dynamised it. But it takes more than just doing it, you need to feed it and that’s more complex than just the technological part.

**You’re on Facebook...**
Facebook, Twitter, Instagram. And Tumblr, but it is not very updated.

**In how many languages? How many separated accounts?**

We only have a polish Facebook account. On Twitter, seldomly, we have more global content, more international, for instance, a minidoc on an american artista or a Pitchfork show and we automatically understand that posting the same thing but twitting the première of Iro Moray or David Wilson’s minidoc, suddenly, repercussion is much higher. Because it is global and we’re talking about a global language and theme. The thing is that when you talk about brand engagement, you’re not talking about your product – we sell content, but even if you’re out of the content industry - you have to come up with content to be on social media.

And that’s the main question: the way you define and create a Facebook strategy and which content is pertinent for your company to post because it is all about communication options. It more than just “ok, I have this great product here”, I can give you Nuno’s example: toilet paper – they can focus on some discount or how innovative they are. I can’t tell you which one is the right option. Usually, you have PR who takes care of more institutional matters – and, maybe, Renova’s innovative view of the black toilet paper – it is more a positioning matter. And then on your daily basis, you can have the toilet paper in the supermarket with a more competitive price than Continente’s own brand. And that’s a brand option: where it should be, the number of people it should reach, etc. I don’t really know.

**How many times do you interact with your audience?**

Daily. We are a content company and daily – and that has a lot do with the way that social media create their own visibility, the message reach – and, so, there has to be a plan and a strategy: we have to regulate, it can not be seasonable, you can’t do it this week and not in the other. A firm can’t do it, it has to have discipline, bringing more organized and systematic ways. In our case, since it is all about content, we have to it daily and, sometimes, more than once a day.

**And what about the polish facebook?**
The polish facebook is not... well, everything is about resources, right? And no matter how... we invested in Poland, in a market where we are not, a market which doesn’t bring any kind of return. It is an investment for the future. Maybe a Creative Camp... and that’s the reason for that set up. It is not a daily concern to dynamize it. If only we had the resources, we would do it daily...

The point of doing it was that to start understanding the reactions, differences and, at the end, was a project – although this is a never ending thing – when you connect yourself in a social network you don’t think of its ending, right? Unless the social network shuts down and you keep doing your work somewhere else. Nowadays, social media is so important that it will never end. Anyway, it can work as a test and that was what we did in the summer, when we had a quite big polish team who allowed us to do, create, feed and start having some feedback of the polish market, to understand its sensitivity and how different is that team from the portuguese one, even when you’re talking about content: how different the choices, how would they work on that information, it was quite experimental to us. The most formal and organizative part of the polish strategy has to do with TV operations and more centralized aspects of our activity.

**In which markets are you in?**

On the web, we’re in the whole world. The content. Whenever we post something along with Pitchfork or ArchDaily... Our content gets to a lot of places with Creative Camp, we have 20 different nationalities. But our core business is in Portugal. After Cerveira this has broaden a lot.

[N] We had 2 portugueses participants out of 20.

So, there’s a side of the channel – more free in editorial terms and Camp turns out to be more similar to it – that is quite globalised within its limits, of course, but well positioned, even with the artist with whom we work, etc. as a cable tv operator, Canal180 is in Portugal. That’s why partnerships with Pitchfork, Archdaily, etc, are very important so that we can work on an international perspective. Which is actually our main goal. To be this anywhere in the world.
Is satisfaction measured?

no. It is not measured nor used as a database. Sometimes, satisfaction has to do with the product, if it arrives on time, if it is good or not. You like the color, the new collection, the snickers, the iron, the cell, whatever. It can be used for that. And we can use to draw some conclusions, as well. But, once again, I think that our business is a little bit incipient, since if we could do something, if we bought lots of programmes to play on TV it would be more interesting to make it more interactive. “Did you like the show? Tell us about the premières. Let’s ask our Facebook followers if they liked this month’s premières and what are their suggestions”.

We could do that but, as we have little capacity to create from that, we end up not doing anything. We’d rather test areas and artists and experiment how to create content.

Right now, our Instagram account is of one of our polish colaborators and it has been responsability of different artists from Poland, Germany, USA...

[N] Every month has a theme. This month is Brazil and we reflect that on the documentaries that we play on TV. A special weekend, every saturday we have a brazilian documentary, and “Hoje Escolho Eu” is made by a brazilian artist as well. And in Instagram, people.. this month the rule has changed because artists used to post their portfolio. Last month, it was Spain, the one before Germany. We had 4 german artists, 4 spanish and 4 brazilian. It’s cool because I don’t have to post.

At the end, everytime that it is possible, we open up our platforms to the artistic community: “Hoje Escolho Eu” is 180Música by artists, Instagram too. And we need it, otherwise it is too messy. You’re in the office all day, unless you keep photgraphing the TV, you’ll have nothing to post. It is hard because you’re closed in here. During Creative Camp is ok, but not right now. Yesterday, a brazilian artist who have more than 300 000 followers, posted something and 300 people started following us. We only have 2 000ish, so it’s pretty cool. Our brand makes it possible for artists to do this things for us.

And what about retention? Is it measured?
Well, yes. In that strict sense I believe so. Our product fidelization, yes. As I was saying, we try.. the equivalence is our content and artists relevance. Obviously, we try to maintain a certain level of relevance in our posts, and most of them reflect some artistic areas and, so, yes, we’re always aware of what people are saying about its relevance. But it has much more to do with post relevance rather than loyalty per se. But, in the end, we have more people following us on Facebook than on TV. And, specially those who don’t subscribe our TV channel can see what we’re doing through Facebook and that’s a good way to make them loyal: more than getting to know the channel, we can increase retention.

**Can you say if there is any connection between the relationship life cycle of people with the brand and the level of retention?**

No, but I’m sure about its positive effect. Without a shadow of doubt. That’s why we invest in it and that’s how it has to be.

**Regradless the country?**

Yes.

**Do you find the customer’s commitment towards Canal180 more emotional or more rational?**

In our case, it is truly emotional. For both reasons. You will only watch Canal180 if you’re into creativity, stimulus, new things, so it’s not just a network – and I think that it is like this when you talk about content in general – but in our case, it is not informative.

**How is this commitment tangible? By likes and shares?**

For me, this emotional side has an immediate... our engagement is always very positive. We don’t have complaints. And it is something rare on Facebook, for exemple. I mean,
people don’t have any reason to feel unhappy and that’s why I think there’s an emocional connection.

And the same thing for foreign customers?

Yes, it works the same way. We have a particular thing. When you’re approaching a specific theme – for instance, that example I was giving on well-known artists minidocs or producers, and one of the goals of Canal180 is to talk for the general public, but also to the creative community: the channel’s audience meets their own creators, designers, architects, etc. And, for that, social media presence, even on Twitter, is used in a much more professional view, in hashtags, research... We get global proposals through social media. And it’s more interesting to understand how this works in a global level rather than here in Portugal.

Do you feel that word-of-mouth brings you more people?
Of course.

Is it a significative value?
Honestly, I think you can be on social media for two reasons. The first one: you have a very profitable business and you use people’s time to give them something. Worten does that a lot, it’s always giving people who waste time on their page, playing games and sharing things, value. And people do it because they’re always waiting for some discount or some product. Another way of putting it, much softer, is you creating a relationship for the content itself. And if you’re giving people content that they appreciate and identify themselves with, they will share it with friends. It is always useful, whether in a social or material perspective. The usefulness is the network. And so you have these two options. As you have in your life, isn’t it?

And that impact is different in foreign markets?

No. The nuance that exists is so... look, this is a very basic human thing, I’m not sure if you’ll find differences. You can use – and this hasn’t a lot to do with culture rather than
a series of events – one network more than other, but social networks serve different purposes. Twitter is different from Facebook.

But what about the return for the channel? If a brazilian shares something, do you get more likes on your page than you would get with a spanish guy doing the same?

No. I think it is impossible to establish a pattern on that. Well, I could mislead you if I’m talking about a spanish band – and this, making the thing as basic as possible – for instance, graffiti is a very hot thing in Poland right now, like it is in Portugal. But these are always cultural nuances. This is the echo, Facebook only amplifies what people already like. I can’t imagine to see humanity, country differences based on social media responses. They respond to content, different stimulus based on the culture and in what they have in there and don’t. And that can change the dynamics of things, but honestly I don’t think so. Do you have any insight of Facebook being more successful in one country than in other? Or some brands?

No. But you can understand that some cultures use... Americans use Facebook as autopromotion, some studies say. On the other hand, chinese use it as a sharing platform...

Yes, that’s culture.

That’s why I though you could...
Yes, I could have noticed something.

[N] And what about the portuguese?

Not mentioned.
Just to say bad things. I don’t know, but in the end, they are not that different. But, sure, humanity is stronger than culture. But it depend on the stage you are. Chinese are
becoming more individualistics than they were one generation ago. So I don’t know but we don’t have any data on that.

[N] We know something. Everthing that requires a little bit of analysis, a little higher critical sense, has a really low feedback because people don’t want to compromise themselves. People are just passing by, scrolling, liking and sharing. But when you try to talk of something a little bit more weird there is no feedback at all. Or if the artist is not known... If you post a Banksy’s stencil you have a lot of success. If the same stencil – or something alike – by a polish artist no one cares about it. Because that requires that critical sense that I think it is not seen on social networks. And probably in Portugal, most of all. We’re a society full of haters, with lots of people ready to say bad things about you, but to build something a very few people are available. And we feel that a lot in Canal180. So you need to go mainstream, most of our most popular posts are on things like kitchen devices or something made out of toilet paper... things with little artistic background, it is not provoking anyone... when you show artistic exercices, no one cares. So people are not very attracted to more sophisticated concepts.

**Does the emotional engagement have an impact in the brand strenght?** Awareness, retention, value..

[N] depends on what you define as brand strenght. Depends on the value, right? GALP is a high value brand but no one has an emotional relationship with it. But it has a very high value. Our brand is for a minority. That emotional engagement can’t reach a lot of people. Cristiano Ronaldo can do it. If he didn’t score as much as he does it would be harder, but he scores, has style, all the girls want him... he is global and in a gigantic number. In our case – maybe it has do it with our critirea – we have a high level of emotional engagement, but it can reach a lot of people. It is more about the awareness.

**But does it increase?**

[N] Sure. Lots of people are strongly emotionally engaged with us, whether liking posts or not. They are around. And I’m sure we increase retention and make people’s Facebook better. That’s a big deal although it doesn’t increase the profitability of the brand.
I was looking for something funny. I can’t say if it was Vítor Belanciano to Kate Wiggs. He was talking about her success and that being weird. She thought she couldn’t be successful, but I can’t find it.

[N] And you feel a little bit of that doubt.

**Do you feel Portugal more engaged than other markets?**

[N] Absolutely. Facebook is in portuguese. And that’s a thing I think we’re wasting our time on. Our brand can go much more global. We have a polish facebook because polish people can’t handle english. Lots of young people but they can’t understand english, so it would make no sense to have it in english there, no one would follow us. And that’s why portuguese people are loyal to us, but we struggle with a lot of issues. One of the good examples is the higher success that our videos have when posted by Pitchfork. And it is because it is a bigger network but also because of the english context. If people see the link, they will like it. We’ve noticed something funny. We have partnerships with ArchDaily Brazil and US. US is much bigger: 1 million for 200 000. We post an episode of I Like once a week. We post it and we always tag Canal180. And we only had brazilian followers. I noticed 100 more people in the day it was launched and they weren’t american. And it was posted in the same day at Portugal, Brazil and USA. Brazilian people would follow us, but not the americans. Maybe because of our Facebook being in portuguese or because brazilian people are more up to this, I don’t know. But I’ve noticed that.

Look, she said: “people who like different things like me. The problem is that the world, in general, doesn’t care for different things”.

[N] This has a little bit to do with that emotional engagement thing. It is obvious that having a lot of emotionally involved people is not enough in economical terms.

**In a wider sense, how do see the role of social media in a brand internationalization, once, as you said, even your Facebook page is in portuguese?**
A main thing here is that, when you have a static website and you have to buy things somehow – whether in Google, whatever – things are static, you have to convince people to go to your website. In social media – it’s not that easy world where people will start yelling your name – everything is interactive. And if you have a point, if you go into a market of bikes and you have no bikes in Barcelos, you start yelling on the streets that you sell bikes. But on Facebook the capacity of spreading the network is as stronger as the number of people who are in there. So if you have 10 people or 1000, it is not 100 times higher, is exponential. Because the network refers to the number of connections. And we are here and we can connect to each other: you and I, you and she... if we double the number of people in there, we already have a strong connection. And that exponential effect of finding people who see what you do as something interesting... in a very simple idea, that’s the power of the network. You spread a seed and someone will want it and when someone shares its interest in your seed, he is showing it to all of his network. And it gets a life of its own. And that life has a good side – word-of-mouth – and a bad side as well, not necessarily bad, but you can’t control what people say about your product. People can talk about the worms on McDonald’s burguers as they did once and it is the same thing on social networks. But that potential of getting to a lot of people, without market studies is a very powerful tool, very complete, not sophisticated, but you need to know how to handle it as your own Facebook page. And that’s where a lot of people fail. In that and in not having an updated website. As everything where we don’t put as much effort as we should.
Attachment 2 – Concept Bags

Let me start by asking how do you connect with the consumer?

Concerning Concept Bags, we have two main focus of communication. Firstly, in terms of communication, the brand has two strong strategies: the green communication and that being an alternative support, if I can say so. An outdoor on the street is a high investment and, if you invest in reusable bag production, the thing will go viral and the consumer keeps something useful and that is something much more interesting for brands, who are our main target. On the one hand, go green conquers brands worried about environmental issues and green marketing and it also conquers the final consumer. For instance, we’ve decided to create a Facebook profile for Concept Bags and not for any other brand of the company. MABrand Objects has a very nice communication, it works almost as a story-teller because its goal is the promotional marketing and so you think that promotional marketing is like a BIC pen with my company’s name on it. No. It’s not what we do. We make totally personalized gifts, from scratch. We have to take a look at the brand and think about its positioning, what it is going to do. Will it be at NOS Alive? So we can’t make a necklace like everybody else, let’s work on some flowers to put in one’s hair since hippie style is trendy again. But it’s hard to explain that to a client. While at Concept Bags is different. Actually, right now – because of that new law prohibiting plastic bags, we received lots of messages asking where the bags can be bought, if there’s any collection available, if it can be bought a single bag. So, we have those two main concerns: final consumer and firms, firms being our main concern. Concept Bags started when Jornal Expresso challenged us: it is the month of environment and we want to do something, which are your suggestions of promotional marketing? So we thought of doing those three recycling bags. And from that, you understood that there was no other firm concerned with doing just that, that it would add value to the market, that it was the future, a brand that had everything to be international. And so we decided to do it, in 2009. Initially, very attached to its mother – one would always follow the other: we do this, but we have a specialized brand in reusable bags and we do everything from scratch: you think of the creativity, bag format, we don’t use a standard size. And since we work for Continente, we’ve started having more clients. When you walk on the street, all you see is Continente’s bags. Meanwhile, in 2011, they applied for the QREN project in order to
internationalize the brand and to have a more consolidated approach where some markets that we think that are strategic to promote the brand were selected. The international strategy consisted, essentially, of two big moments: the prospection phase - where you analyze market indicators so that you can think of the best strategy -; usually followed by a business fair in the selected market, you would work on your network, sales follow-ups by email, meetings, proposals evaluation. Essentially, it was those two big moments. At the same time, there was a communication process going on, pre event, during the event and after the event. What I can tell you is that we never replicate models because, for example, the first market that we’ve approached was one of the toughest ones: Brazil. By that time, the state of São Paulo wanted to prohibit the use of plastic bags – and, as you can imagine, Brazil is one of the most populous countries in the world – so basically, over night there would be no plastic bags and consumers had to have an alternative. Total panic as you can imagine. This was may and we were participating in APAS, the biggest retail fair of Latin America (at the time, it was). Listen, I was there for 5 days and I didn’t visit the whole fair, it would be impossible. It was funny because the stand caught one’s attention, the green communication, natural grass, everything super eco-friendly. Brands walked by and it was something they needed, so you have no idea. It was my first fair, you wouldn’t have time to lunch, to have dinner, you couldn’t stop. It was a very good approach. But what you have to understand is that the brazilian market has very specific characteristics and, most of all, what works today, doesn’t work tomorrow, it was exactly what happened with that law. Obviously, supermarkets and plastic bags producers started fighting and they backed off and so, until today, you have bags. And what have you learnt? First of all, you have to be aware of how you communicate. For instance, you can’t use the word “saco” because it’s a bad word in Brazil. Then, in terms of colors, Concept Bags is very green and you can always adapt to every market. By then, we felt that brazilian people weren’t used to read their emails as we do. I reply to my emails everyday, they would wait a month to answer you. So after that fair we understood that, that it was important for them to have something, so we’ve started a direct marketing campaign, selecting those firms that looked more appropriated and we’ve set the kit – VIP Pack - inside something similar to a green postman bag where we had a bunch of samples and flyers – and what have we learned? They wanted solutions. But had no idea
what they could have. Nor how to work with it. The law tells me what to do and you tell me how. We took some samples and I would say that we could do whatever they want, they would simply pick one up and say that we just had to change the logo. But the supermarket was a tiger, but everything else could stay: shells, the sea, the only thing that mattered was the logo. So, in that particular action I was telling you about, we’ve included a guide to help in the changes with examples of other countries like Irland, USA, Australia, things other brands did. For example, this supermarket included a tax, that one offered the first months, that brand... some examples. Then, we had advantages for both of them, for the consumer, because we know that who will receive that is some marketing assistant that will have to sell the product inside, so we have to give them the tools: “look, these guys produce these things and are telling me that this will work”. So we’ve made that direct marketing action. Because brazilian people have to look, to see, it was very successful. If you ask me if we replicated that to other markets like Germany, no, we didn’t. Since they are european countries, they’re used to reading e-mails, therefore, there’s no need to give our company credit. In Germany, all communication strategy was made in a partnership with AICEP, Portugal’s Embassy in Germany. The Embassy would recommend Concept Bags and, so, all communication started from that. We would send things to them and they would set meetings for us and that was really important. But, then again, we only figured things out because in the prospecting phase that was said to be mandatory, as a matter of fact, we had to adapt every presentation. For example, we have a 30-page presentation, with a few texts and a lot of images and examples. For german people that’s unthinkable: they had to have 4 or 5 pages of pure text, with product, price and if you had any reference to green communication – for instance, one bag replaces 1000 disposable bags – you had to have the bibliographic reference of where you caught that information. So, that’s completely different. If we would do that in Brazil – and would you ask me why we haven’t done it and if I am fooling brazilian people? No. They just don’t care about those things. They want cute bags. It’s a much more emotional engagement, they have to like you otherwise they won’t take that relationship forward, whilst german people are all about numbers, objects, tangibility. So we have to adapt. Regarding social media, we have a script.
Are business fairs the main contact point with the client?
Yes.

Whether talking about national or foreign markets?

Not in the national market, no. In Portugal, Concept Bags have always been a little bit behind its mother MA Brand Objects. Since we already had a sort of big customer portfolio, we started stepping in little by little. We presented some proposals, some briefings and we present Concept Bags and some requests popped up. In Portugal, we had never been in a fair. One time we made a communication action by postmail, when we wanted to present the brand with a flyer, just to let people know that there was something new going on. When talking about internationalization, at the beginning, it was a little bit like that, we already had some clients in Spain, in Angola, but then you wanted something that would boost sales and highlighted your presence in the international market. So we focused on faires. Before attending them, we would always collect last year’s main visitors’s contacts so you could think that you were in a retail fair and who would be there? In Brazil, supermarkets, basic sectors companies were some of the contacts we tried to reach one month before, more or less. We would send some newsletters saying that Concept Bags would be in the fair so 2 weeks before we would send some invitations depending on the fair. Some of them would charge you to go in, so if we could get some invitations, it was funny because people would associate the stand to the invitation. Obviously, in the 500 000 contacts made not all would do something, but it’s a way. But the main physical approach towards the client was in the fair.

Do you feel that social media have helped?
I could compare things like this: you would send the newsletter, the invitation, at the same time you were exploring the fair’s website and what we were doing on Facebook was something like two weeks before we would post something saying that we were packing, when we were in London we wrote the word “London” in plastic bags to say that we were going to be there. I can’t tell you if we had some return from that. We do it because the client receives the newsletter, gets the invitation, goes to Youtube,
everything has to be synchronized. If someone goes to our Facebook page and our last update has nothing to do with it, there is no integrated communication. So our goal is to integrate communication as a matter of fact. And that kind of communication was specially thought for the Portuguese consumer because we weren’t writing neither in German nor any other language.

**Don’t you have different social media profiles for each country?**

No, we don’t.

**In which social networks are you?**

Website, Facebook and Youtube – where we have a promotional video that opens itself automatically on the website. We have the Youtube account because, sometimes, we post some videos on Facebook, such as the plastic bag cycle campaign.

**In which language are the video descriptions?**

Always in Portuguese. But the video is in Portuguese, Spanish and English because of the three website versions and they are all available on Youtube. But we try to make those kinds of associations on Facebook. At the fair, we would take some pictures of the stand, the people, so everyone would see how our participation was going. We would share any news piece on the subject and that was the kind of posts we did. We never gave much importance to Facebook because our target is the business sector and Facebook is not their main concern. But the website is: look up for Concept Bags, learn whose group it belongs to. Facebook didn’t have that much credibility at that time and we still think about it nowadays. So we only have it in order to the final consumer can understand that we keep ourselves updated.

**How often do you interact with your consumer?**

Every month we send our newsletter to Portugal, every other month to Brazil. Because they are our solid markets. Our Portuguese newsletter is always sent on 16th or 17th of every month, so it is a regular thing, and we try never to send it on Friday and themes are always updated, which is not an easy thing to do. I remember, not a long time ago, - because people are more and more concerned about sports, eating healthily, running –
so we had a newsletter on that with some Concept Bags’ backpacks. We try to make these associations because you’re sitting on your desk all day, you receive thousands of newsletters, you won’t read it unless it catches your attention and makes people think they can use it at their firms. In Brazil, we’re a little bit behind because we are not a solid brand yet and we’re trying to teach firms how to use us: supermarkets, recycling bags, its versatility comparing it to an outdoor – this was what we did in Portugal years ago, but it has developed because you can’t be saying the same thing over and over again. So we adapt, depending on how you’re settled at that market and on your goals.

Is it just sent to Portugal and Brazil?
Yes.

Is there any other means of interacting?
With clients. I can tell you how Brazil is waking up now because the year only starts after Carnival. So we haven’t done a regular communication, answering requests and things die a little, so we have to do something now. You look at your database, make a selection of those who are more important and tell them that you have what they need and what they are looking for. We don’t know how we will do it, yet because we’ve already done the VIP Pack, but, usually, we try to stand out with something physical to capture one’s attention. we do it whenever we feel the need of doing it. In Portugal, recently, we had to do something because of the new law that we didn’t want to be associated to it. We agree with it because, as a matter of fact, there’s nothing to agree or disagree, we had an alternative to the prohibition and the plastic bags’ payment and we presented something like “we know you’re looking for a plastic bag and Concept Bags is an expert in reusable bags”. We send a newsletter and, during two weeks, our emails accounts had a banner saying that the solution was to reuse. We advertised on Marketeer magazine. And a news piece was on Hipersuper, the distribution magazine. But I’ve done what you were saying. They asked things that I didn’t want to answer. Well, actually, Concept Bags didn’t want to answer whether it was getting associated to the Government’s measure or not. As I was telling you, we are not in favour nor against. And it was like that. And we got some messages from some random butchers and drugstores asking what we were doing. And we replied to budget requests, asking
people to ask the sales department or we simply said that it was impossible for us to make 50 bags. Concept Bags is an expert brand in reusable bags and our attention is set for mass production. If we sell just 50 bags, we will have to have a standard product. I have this cell phone, let me just change its color and distribute it and that’s not what Concept Bags does. We either say that we don’t have a solution for them and guide them to possibilities such as minimum quantities – but usually we ask them to do it by email – so that the sales department can answer. That client may not be an interesting one for Concept Bags, but who knows about MA Brand Objects? So we keep answering. Because you won’t wear a bag saying Pingo Doce, Continente, Dia... People think about buying reusable but it has to look nice. And we don’t have a collection, we don’t sell to the final customer and we tell people that and tell them where they can buy it. For instance, we make APED’s bags and most of them are for sell. And those are ecological bags because we use recycling material, plastics bottles so we give our advice. We never ignore people because we think that’s important. Even if it’s not interesting, any information request deserves an answer. When there’s a follow-up, we send them to the sales department.

**How often do you update your profiles?**

Youtube is always a good support. Initially, Facebook was updated on monday, wednesday and friday so we wouldn’t do it everyday, we don’t want to be that annoying brand always posting. If we would do it monday, wednesday and friday this week, next one would be sunday, tuesday and thursday. We’ve tried to post some news and the next day something creative – because Concept Bags is all about creative bags made from scratch. I remember one asking how are their fall days, so you had four fall-themed bags so that it would be understandable that they can adapt. It was really like that: monday, wednesday, friday, tuesday, thursday and at the most popular hours: evening or the end of the afternoon, after lunch... lately, we haven’t been that regular because the person responsible for that department left the firm and, during the transition, that is not a priority – a mistake, I know. But whenever we can do it, we try to be regular.
How many portuguese and foreign page likes do you have on Facebook?
I can’t really tell. Mostly portuguese because all posts are in portuguese. Whenever you participate in fairs... because people see the flyer with the link for Facebook and like the page for curiosity, but it’s a small number. It’s not like we’ll have 1000 likes or anything. Mostly portuguese.

Is satisfaction measured?
On Facebook?

No.
MA is a certificated firm by ISO:9001 so it has the complaint management system, process follow-up, so from the moment of the request until the delivery, a salesperson is following every step. The product is ready, goes to storage and you try to get the feedback and if something goes wrong – I don’t recall anything like that happening at Concept Bags – it is managed inside the firm so that the mistake is spotted and the solution found, but you try to get feedback anytime you can. You don’t overthink, have a form nor something standard. But then you have the salesperson engagement and depends on how close you are to the client and the way you try to get feedback. And then you understand satisfaction through reorders because it’s hard to get nice words from clients. In the end, if everything is ok, you’ve done your job. But we always try to follow. If I were making bags for you or your firm, I would ask you, one month from now, how everything was going, how your sales were, your feedback.

You can feel satisfaction from reorders...
Exactly. Obviously you’re dealing with a lot of sales strategies and price and rivalry, but, normally, reorder is a sign of trust and that the client enjoys the product and you feel that. If you go to a store and don’t like it, to a coffee shop that you don’t like, you won’t go back there and don’t even bother to tell them you didn’t like. You just don’t go back there.

Do you have high reorders percentages?
Yes. Because our client portfolio stayed. You notice it much more in the distribution sector because they can’t live without the product. Perhaps other brands don’t work like that, bags are just part of a communication strategy, you won’t do it again and not having a reorder doesn’t mean they weren’t satisfied. MOCHE had a campaign were if you bought one or two cell phones – and that was specified on the website – they got some little bags for the campaign. If they came back, it would be for something different. When Concept Bags is used for a marketing strategy, it is not possible to evaluate satisfaction through reorders because it’s too specific. In distribution we can because it’s an essencial part of their business.

And can you notice different levels of satisfaction depending on the nationality of the client?

I can’t tell. As I was saying, that has a lot to do with the sales department and how well they are with the representant. Sometimes you can hate it, right? How it was made. But you feel that the behaviour is similar. The supplier made everything we had proposed, timings, price, quality... Why not think about a reorder? I don’t think it’s different, but that is not my role in the company, so I’m not sure.

And retention? Is it measured?

No. You measure it the way I’m telling you, but you won’t see at Continente anyone using a pin saying Concept Bags. Probably when the contest opens, Concept Bags is not the only supplier. It’s one of the market rules, they need to ask some firms and maybe we have some competitive advantages. But while if you like a jeans brand you will always buy it because you really like the brand, since you’re talking about a low cost product which is not essential. I mean... We’re talking about a firm which needs to have Coca-Cola in their stores because it’s Coca-Cola and clients want it. If you have a Concept Bags bag or any other company, you won’t tell the difference as a final consumer. Even because our name doesn’t show up in the bag, bags are adapted to their communication. It’s the same thing and so we can’t evaluate that. We could only do it if we had a collection for the final consumer and there’s a brand which is a little bit different from us which is Reisenthel – a german brand with shopping bags, trolleys and
with that, since the design is very cute, you start buying a product and then another one and it’s easier to measure retention.

**But is it noticeable that relationship’s life cycle has any impact in this retention issue?**

Sure. If I like it and reorder it... I can feel that. Because, like I was telling you, lots of our customers came from MA, so they had already worked with MA, they had the chance to try the service: first the bags, then uniforms – we have another brand expert in uniforms – so sometimes you work a lot for the same company. And we can produce bags just once, but meanwhile they order promotional products and so we come back to the same old question: when talking about marketing requests, bags are a once in a while issue, but in supermarkets and distribution things change quite a lot.

And, once again, is it different internationally?

No. Concept Bags’ international strategy also started from MA. It arrived to Concept Bags because it’s such a friendly brand, easy for people to like it and it was a product with its very own space in the market. So when we were showing off to a client, we wanted it to show everything behind it. As a matter of fact, you go to the first meeting and you already take some promotional samples with you. And with that, Concept Bags has opened some doors to MA but then was MA which actually sold because it has a lot to do with approaches, what they are looking for at that moment. If it’s a bag, maybe I don’t have where to put it, but if it’s a pen, some point-of-sale material, like when we’re talking about beverages brands, they use it much more often.

**What would you say about the client’s commitment towards your brand? Is it more rational or more emotional?**

Much more rational. Because we’re talking about business segment. At the end, he just wants a cheap, quality product. Because, then, that emotional commitment... “oh look, Continente offered me a bag”. He wants that emotional side but with the final client, but our brand will no longer be present. With the final consumer we can’t have that... because it’s never us directly. There’s a sales team and it has to exist empathy because
you’re either a German businessman who looks at things in a very cold way – without any kind of prejudice towards the market – but some people, even in Portugal, don’t relate to that at all. It’s purely objective. And they don’t look at the personality. But if you have a long lasting relationship with the client, it’s obvious that there’s a different connection. But I’m sure I do that whenever I ask for a budget for a service. During the fairs, I asked for 3 of them. Why am I choosing that stand over the other one? Because they are nicer than the other? But it’s 1000€ more expensive. So, at the end, the main factor is always more rational. Price, in this case.

**Do you take advantage from word of mouth?**
Yes, yes, yes. Actually, in this plastic bag prohibition, since we work for APED, a lot of supermarkets were calling them asking what were they going to do and they would tell them that we were their supplier and so they would contact us. Or they would call saying that they saw that Expresso recycling bag and that it was us who produced it. But, again, it’s never about the final consumer. When you look at a Continente’s bag, there is no reference to Concept Bags, but we feel that lots of times they get to us because someone told them about us, APED, Sociedade Ponto Verde...

**And abroad?**
We feel it less because we have a different positioning. It’s not solid yet. Look, we’ve started our internationalization process in 2011, the last fairs were in 2013, we’re in 2015. So, until you have a presence as strong as you have in Portugal: clients, portfolio, the brand living by itself – because at that point it has to live by itself and not walking hand in hand with it. So internationally is very hard. But things happen. We’re in Brazil since 2011 and some clients come from others.

**Is advocacy measured?**
On what grounds?

**Can you tell how many advocacy are made and how much do you earn from them?**
No. Usually, we share inside the firm with the sales team. If you’re dealing with client A and I’m with B and A recommends B and I’ll tell you. It’s quite important to have
synergies among teams because what one tells about Concept Bags can’t be different from what the other says. It’s important to have an integrated communication at every level, but we don’t worry about measuring it.

**And advocacy exists when the client likes a page, shares, tweets?**

In this case, since we’re talking about business sector, where their main communication channel is not Facebook, we get it a lot from emails or calls, never by social media. Because – once more – how can I use Facebook at work? Imagine I come across some bags and I think it’s a good thing to send you for your company. But I won’t do it via Facebook because everyone will see it. You either do it by private message and the brand won’t know or if you share it, people will thing why on earth I am sending you that. If you write a comment, people will see it and that’s not interesting sometimes. If it’s personal, I’ll tell you easily. When it’s professional, people are more careful. In terms of social media, specially Facebook, which is what we use, we can’t feel that kind of advocacy.

**A moment ago you told me commitment was more rational. In terms of overall engagement, is it still more rational or is there a stronger emotional part?**

At first – and that’s why one of the pillars of Concept Bags’ communication is the go green – there’s an irrational emotional engagement. Because go green is a nice way of calling one’s attention, but you’re doing it in very important things. And we’re not covering all the important things and the real consequences of using plastic bags. So all communication was thought in a very friendly way so you can have that emotional engagement: I like Concept Bags, the brand makes reusable bags, they are friends of the environment. You even try to use not so objective words, so that you try to get an emotional side. But, let’s say, we went to the supermarket last week. Probably when they told you you had to pay 0,10€ or 0,50€ for a bag, at that moment, you didn’t think that you should take a Concept Bags’ bag with you because you really feel the brand. No, I have no solution but to buy the bag. It’s a very useful item, that you have to use everyday, but you weren’t used to pay for it. It has always existed, you had never paid for it. Initially, you could see Concept Bags as a super cute brand that you liked, but from the moment you have to pay it... You start asking if that plastic is not bad for the
environment too. I’m trying to see from the consumer’s viewpoint. But, overall, engagement is more rational.

**Do you feel that engagement increases the strength of the brand? In terms of value, awareness, retention?**

Yes. I just told you that it was mostly rational. And rational takes physical features into consideration. So you evaluate positively the bag because it’s ecological. Concept Bags’ bags have good quality, good price, are personalized, right on time service... everything is rational and everything has good advantages. Sometimes things don’t happen the way they should, but it’s only normal that that kind of engagement exists and that it helps to have a solid image because when one of these things fail... “The bags are good but it takes one year to get the package. They run late”. The type of things you always evaluate in every company and when you want to buy something. The price is good, but what about delivery? That’s fundamental. So, since it’s a rational thing, it’s important that everythings goes well.

**And, once again: what about abroad?**

I didn’t experienced anything different. As I was telling you, we’re not talking about a product... Coffee, for example. You like one brand better than the other, but it’s all about personal taste. Here, no matter how engaged you are, and no matter how seriously you take ecology into account, when you take all those things off, you’re just talking about a regular product you use everyday. So everything looks the same and there’s no point in not replicating it. The answer goes the same as in national market.

**You’ve already told me that you don’t use Facebook the same way you would if the final client was your target. But how do see the role of social media in the development of the engagement process?**

It’s highly important, mostly because when you think of a international strategy with only a team in Portugal, you have no local team. How would you do? You would have to send letters, call, and that doesn’t work in some markets. Hence, social media and internet are very important for a two-year communication plan, otherwise you would still be doing things much slower. And we send newsletters, invitations, Facebook,
website, digital firm presentations. We send very few physical information. So I can’t really tell you how... every action we’ve done was practically made digitally. Specially during pre-fair because you can’t be in the country. During the event you have a team, a stand, a physical support, but then when you come back, all follow-up is done... You set a meeting, but until then everything is done by email, proposals in which would be impossible to do a number of things if it weren’t for the internet. It is possible because there are some international brands, but it was important so that things could be done in the short run.
I would start by asking how is your first approach towards your client done? How do you connect with the consumer?
Digitally?

Yes.
In terms of digital marketing, our strategy is based, essentially, on social media: Facebook and Instagram, also in Pinterest, but our main focus, ever since we’ve started, is Facebook. On Facebook our main concern when we try to interact with the consumer is to create content. We don’t communicate the features and benefits of the product – it could be an option that many firms choose and we could do the same, it would actually be much easier for us because our product has several benefits – being 100% natural, with no additives, 100% portuguese – we could go for that path. And, at the very first stage, we mentioned it a few times, but we are more and more concerned about content: recipes, tips, taking advantage of some moments to communicate, but always focusing on the experience. Therefore, our major drive for the communication with the client, both online and offline, has a lot to with the emotional side and our wish that our brand becomes part of our clients’ lives. And for that to happen, we believe that we can’t work from a mere rational connection, exclusively based on the benefits and characteristics. But fundamentally an emotional relationship: that people feel the brand as their own, that people get used to it during several parts of their day, being part of their daily routine and that is it a brand that gives them advice on nutrition, sports, recipes. Do you know our Facebook page?

Yes. And, besides social media, do you use offline methods to better capture consumer’s attention or is it more focused on digital strategy?
We give more importance to digital because it’s much cheaper and efficient to brands that, like us, are starting with very small marketing budgets (despite this year’s budget being two times bigger than last year’s and probably next year’s will be two times higher than this one. Hopefully, because it means that business is running well and we believe that that’s what will happen). But digital is clearly the foundation, a highly
important part. Then, the other very important contact point for us, is event marketing. We have lots of street actions in marathons, challenges, conferences, college actions... and we’ll do more things now because of the good weather coming and most outdoors actions start in April. In April, we’ll have some weekends with two and three events. We never put promotors in charge of these actions, we do everything with our own resources. This doesn’t mean that, once in a while, we don’t ask for logistic help. But usually we just use our own staff, who know what is Fruut, what makes it different, which is our communication drive, how we like to communicate. And, at the same time, there’s another advantage that is the immediate feedback that they bring to the firm: about the product, Facebook, website, packaging, price. Everything. And we use that a lot since the beginning, our first actions were events and a significant part of our budget was spent on events and this year will be the same, more than 50% of it, so you can imagine. And, therefore, we use it as a communication tool, with both inside and outside flows. We explain people what is our product and people tell us what they think about us. And it has been an incredible experience for us, in medical meetings we meet clinical directors, in sports events we contact both high performance and amateurs athletes and it has been a very interesting tool for us.

**And how do you segment your target on Facebook? Do you have a different profile for each market?**

Exactly. We intend to have a strategy where each country has its own profile. Everytime that the language justifies so. It may happen that Fruut Argentina will be the same as Fruut Spain, we haven’t decided that yet. But it won’t be weird that now that we are getting to the french market, we’ll have Fruut France and so on.

**But, right now, how many profiles do you have?**

Two. I know that it has been created a UK profile but it wasn’t us who did it. UK? I saw it yesterday. It wasn’t UK. Deutschland. Germany. Someone has created it – I don’t know why – someday I’ll find it. But then they come and go because we report it. But it has been created one, very recently, because I’m always looking for updates. It was yesterday or the day before that. But we have two: Portugal and Spain, for now.
How often do you interact with the consumer on social networks?
This year’s plan is to do it almost everyday. But it wasn’t like this. We used to post three times a week.

And what about Fruut Spain?
Fruut Spain is progressively higher. Right now, it has been 3 times a week, but this is a very early stage because the product will only now enter the spanish market, it’s not there yet, we’re only testing it with just 500 likes, so everythng is being done really slowly. Only when the product kicks off at the point-of-sale, will things start to happen, like what happened in Portugal. But everything is done really slowly, 500 people who follow us so that we can give them some information and, just after that, things will accelerate.

And other than social networks, do you use tools such as newsletters?
No. We don’t send newsletters.

And is satisfaction measured?
Not yet. We only exist for the past year and a half.

But with the feedback that you keep receiving...
We notice feedback, as I told you, on social media and email. People easily say that the product is awesome or it sucks, the product something... And events also tell us things. We were thinking about it and last year we contacted with more than 800 000 people during events. It’s huge. Obviously, some people are counted twice, but in a safe 800 000 people universe. And so we’re talking about a disproportional universe for our dimension, actually. We were always on the road, so we got that feedback. But we don’t have a formal satisfaction analysis.

But can you have an idea of the impact of satisfaction on repurchases?
Yes, in two indirect ways. One more falible than the other, but, at the same time, tells us a couple of things, because we are extremely recent. In terms of repurchase, what we can see quite easily: when making a 6-display campaign at Pingo Doce, every 2 or 3 months, we can clearly imagine how repurchase occurs. If the first campaign also was the first time people would buy the product, and in the second, some people would be repurchasing the product at the same time that some others would be buying it for the first time; by the time we were doing the sixth, after one year and a half, I would say that a high percentage of people that look at the display at Pingo Doce and bought our product – card display that are in the same place – are reordering it and we can compare the total of sales in the second week of a campaign one year ago, when the brand was launched, and now. And differences are huge.

Was the Facebook profile created at the same time that the brand was launched?
Yes.

So you can’t compare what..
No, it was at the same time.

And I suppose that retention is not measured as well...
No, not at all. Not for now.

Despite the very little life of the brand, can you feel that older customers tend to buy more than new ones?
I can’t say that. I have no data on it. I can tell you that, like in every product, that some people buy it, try it and then buy it every week, as well as some people who buy it every month and some others who buy it and then stop. So I can’t draw any big conclusions. As a matter of fact, I can tell you – from our clients’ feedbacks – that some people – even from some pictures they take and post on Instagram and Facebook. It’s super easy to see it, you just have to Google it and you see how many pictures, and in Instagram there are a lot – are completely in love with the brand and so they eat it, then their cousins, then the uncles, sisters... And this is all empirical, there’s no scientific
foundation. Our main concern is not there yet. We have other things to waste our resources on.

Would you say that the client’s commitment towards Fruut is more emotional or more rational?
I think it’s more emotional. But there’s also a big part of rationality. A big part of it is rational. Lots of people enjoy Fruut’s benefits: celiacs, who cannot eat gluten but can eat our products, they are clearly rational. Or, at least, mostly rational. However, I would say that other than that particular group, there’s a very strong emotional feeling. It’s a new portuguese firm with an innovative product, healthy and people were used to see it in a certain way on Facebook, the way we interact. And so they end up creating an emotional connection with the brand.

How is that commitment made tangible? With likes, shares?
Shares. Pictures that people keep posting on Facebook every month. I don’t know. With e-mails, messages... From that, we can have precise data about our impact and that’s kind of easy to get.

Despite being at a very early stage, can you tell the difference from foreign markets – in this case, Portugal and Spain?
No, not yet. It’s too soon.

But, in some way, there’s a similar behaviour...
Sure. For now, it’s very similar.

You were telling me that when someone buys the product, so does the cousin, the uncle... Do you notice the importance of advocacy?
Yes, it’s important. As a matter of fact, our product is based on the recommendation of Associação Portuguesa dos Nutricionistas and is actually written on the label of the product. That was extremely important for us. The recommendation of someone who is entirely unsuspicious and who tells people to eat it because it’s good for you. That had a huge impact. And we also have another kind of recommendation that is not measured
which is bloggers. It’s impressive. If I had to tell you who made Fruut and gave it all the
protagonism that it has right now, I would have to say that the main part came from the
bloggers. Ever since they came across the product, they kept saying good things about
it, that it tasted great, that they recommended it, that it was part of their day, posting
pictures more than once... And we are talking about free advertising because we didn’t
have money to pay them. We have more than 300 bloggers talking about us. It’s huge.
Girl blogs, health blogs, nutrition, sports, fashion, cooking...

Is there any connection between a blog post and the increased number of Facebook
likes?
Absolutely. Some bloggers are totally... and sometimes they write because they are
doing a contest and it’s a total madness! One of them gave us, after 2 hours, 1000 likes.
Total madness. Not all of them. Some just gives us 20 or 30, 40, 50. But I’m talking
about contests. But even when is just a review, it’s noticeable. They say for people to go
to Fruut’s page and so. And you can see a big input from there.

Do you know any foreign blog which has done the same?
I believe some things were posted from Spain. The product is being launched right now,
but I think that at least one of two reviews were made. The firm who is working with us
in Spain has already send us the report and I think that one or two have already
mentioned the product. But we contact them directly. In Portugal was the other way
round, they were the ones who contacted us. At the beginning, we did it. But now we
have a person who only works on digital marketing. We have a girl who only does
digital marketing. But when we started, it was me who did it. Then I had Tiago but was
doing marketing, sales. It was me who did it, so I didn’t have the time to call bloggers.
Today we have someone in charge of that. But they used to contact us.

So, finally, you were telling me that the commitment is mostly emotional, although
with a rational side. But is the total engagement more emotional or more rational?
Emotional. And we are working for that. And we’ll fail if we can’t have that. All our
strategy is focused on that. Everything we do, everything we’ve been doing in
marketing is absolutely focused on that. There is not much rationality you can see in our communication. You just need to take a look at this display here. Look at this boxes. These are the transportation boxes for supermarkets. This box has a rational explanation behind it: the colors, the fact that we are the first brand that I know of – it may exist some others that I don’t know because I know very little – but from what I know, I don’t know any other brand in distribution who works with patterns. We work with patterns. I don’t know any other brand. We have shown this box to lots of people. Our audience on social media is 80% feminine. And, although we don’t have the money to do a market study, is the reference we have. We have done a micro market study to 70 people. And it was done incorrectly because I’m no expert in doing it. I’ve learned a lot and it gave us a clue that 60% were females. Now Facebook gives us more, but it’s not accurate because I believe that women interact more with brands than men. I don’t like any brand page but my wife likes at least 20 of them. So women are much more receptive to that than men. But we were looking for a more feminine pattern – this one is new, we’re just finishing our stationery – we wanted a more girly image, without setting men apart, but something more feminine because, in the end, this is our identity. Our packaging will be like this in the short-run. Our packaging pattern will be this one. Maybe in september. It’s risky because it’s a very young brand but we’re running it. because we want a different brand that calls people’s attention and that shows that emotional side, whether in content, shape, colors, patterns, everything we do.

Do you feel that this engagement increases the value of the brand? In terms of awareness, retention...

In the food industry – I’m just talking about food industry. I believe so in every industry, but in the food one, even more. Food industry has something that if every brand doesn’t think about it – I won’t say names – they will have lots of problems. And I know that some of them don’t think about it. But we do. You know that business is running great and we’re very happy. But when we’re sure of that, we’ll have problems right away. And, so, we have big threats: distribution brands and rivals. What I think that will protect our brand from all rivalry and that will make it win all the battles – I don’t know how long it will take, 1, 2, 5, 10 years, 6 months, I don’t know – but I know that will happen faster than people think, we’ll have strong rivals. And, eventually,
multinational companies competing with this, this is a hot market trend all over the world. What will let us win, or be something very important for these battles, will be the strength of the brand. People loving the brand, not changing it for anything, feeling related to the packaging and feeling part of the project, feeling that they were with the brand ever since the very beginning, the first fans, saying that those are the guys who gave me the recipes I do for my friends, this product is so good. I was having a gin and eating it, what a great moment! And that is what will make us different. Because I’m sure that it will be hard for other brands to have this kind of communication. Because it takes much more effort. And it’s also much more expensive. One thing is to communicate the price, the 100% natural benefit, giving samples for people to try it – which is what every single brand in the food industry does. But we will not do that. At all.

Can you tell me some of the digital strategies that you’ve been thinking for this year?
We are always focused on content, as I told you before. It’s all about content.

Creating different pages for each country...
Sure, different pages is one of the pillars, internationally. In Portugal, we’ll always try to have different things. I use to say that Inês – responsible for digital marketing – is much more than a marketer. She’s a content producer, as the ones for magazines and networks. Because our main concern is to create content. Whether in recipes, sports and nutritional tips, cooking tips. Our strategy is that. And then, by the time we grow a little more, we’ll start advertising on the web. Youtube and that. And this year. And it will be strong. As we see this – and in food industry you can see two ways, well, there are more, but fundamentally, two ways of putting this – or you’ll follow the traditional marketing, multimedia, lots of TV, press, mass marketing or you can follow a differentiated strategy and we think that digital marketing has that advantage: you can better select your target. Facebook is a fine example of it. we can segment by age, preferences, town, country. Whatever we want. And who says Facebook can say other tools from the Google universe and so we’re much more into that. Digital marketing, effective, low cost and event marketing. And we leave all the rest behind because it’s
highly expensive to all the big brands. I’m not saying that at some point we won’t have to go there – and perhaps we’ll have to do it sooner than we think – but it’s unlikely for people to see us there in 2015/2016. Or if you do, it will be in very segmented things: a women’s magazine like Vogue, it’s more our thing. But, I don’t know, Flash! looks pointless.

You’re on Facebook, Instagram, Pinterest and...

Twitter in Spain. In Portugal we’ve opted not to have it, for now. Resources. We have people in Spain working on that. Everything is supervised by us, content is created by us, but they are helping us.

And, by now, can’t you establish behavioural differences between Portugal and Spain?

It’s too soon. One month and a half from now it’s different. But it’s too soon.

At last, how do you see social media in the process of internationalization of a brand?

It’s amazing. Because, once again, in a low cost perspective we can have high impact strategies. We can get to whichever segments we want in a much more effective way. It’s almost a copy of what we’ve done in Portugal. The importance that digital had in Portugal may be the same outside Portugal, or, at least, very similar. In Spain we’re talking about 57 million consumers. We can reach millions of people with a campaign launched from a computer in Portugal. And at a low cost. It’s perfectly possible. So for a international strategy it’s awesome when 20 years ago we would have to buy an advertisement page at Hola! or a tv commercial for TVE or something like that. Today we can stay away from that, showing a brand, a positioning, a value proposal in a totally distinct way and, once again, much more segmented, avoiding what happened of showing something to lots of people who didn’t care but were watching the spot at that moment. So it’s a big advantage for us. And for any firm.
First of all, I’d like to know how do you contact with the consumer? Which strategies do you use, both online and offline?

The core of Mymaga’s communication is our website. On the website we have everything we can imagine: videos, quick guides, product brochure, tutorials of how to use the software, anything! We focus everything on the website. Whether to communicate with the final consumer or to our partners or someone who asks for information. Everything is on the website. Besides the website, we also use social media quite a lot, specially thought for the final consumer. Back then, during Christmas time, we did a lot of campaigns, specially for kids and teens where they would have to send us some creative work in exchange of Mymaga equipments.

And do you use tools such as newsletters?

We send newsletters when we have special campaigns. However, our products are sold in retail, therefore, what we do whenever we have a new retailer in some new country, we advertise it on social networks, we use them a lot for that. As well as the website.

In which networks are you?

Facebook, Instagram, Twitter, Flikr and that’s it.

Pinterest?

Yes, Pinterest too.

Linkedin?

No, not on Linkedin.

And do you use the same page and the same profile for every country?

Yes. We’ve been using a single profile, so we always write in english. The thing that happens – mostly on Facebook – whenever we have some specific information for a country: let’s say El Corte Inglés – when El Corte Inglés started selling our brand – we did the adapted promotion in spanish, but we always try to make everything as global as possible, that’s why we do it in english.
And how do you get people to know your website? Specific strategies?
Usually, the brand – in this early stage – is focused on retail. So what we do is try to give small formation to the retailers so that they can do a crossed brand awareness, sort to speak. We’ve tried that. Additionally, since we have such a great network in the education industry – although not directly connected to retail – lots of partners and stakeholders, since we promote ourselves through newsletters and events, we do it a lot. The first event we attended was Bet London – the world’s biggest technology and education fair – january in London, every year, one of the biggest. It was our first experience and it was quite good in order to create brand awareness. We had a stand with every solution displayed, but no one knew us, unlike several solutions that were already there. So it was a good kick off in order to create more brand awareness.

How often do you interact on social media?
At the beggining we did it much more frequently. But usually, since we’re very connected to education, we try to use themes such as Spring breaks, summer break, back to school... We try to use those popular times. But we try to update it every week. But it’s not always easy to have enough content for that. When we launch a new product, it’s easier for us to do some quizzes, clues and take advantage of those new products to create content.

Don’t you have a posting schedule?
No, no. Right now we don’t. The brand is too small yet, when its awareness increases maybe that will make sense. But we’ve tried some of Facebook’s advertising tools, a SEO (search engine optimization) campaign in order to create more awareness, but we’re still at a very early stage.

And do you use Facebook more than the others networks?
Yes, Facebook. Without a shadow of doubt, it’s the one we use the most.

And don’t you use Youtube?
Oh yes. We have all of our videos in there and also on Vimeo.

**And is satisfaction measured?**
No. Not yet. We don’t have how to do it yet.

**When was the brand created?**
Last year’s may. 2014.

**And where social networks created at the same time? Can you compare the before and after of its usage?**
No. Social networks started later. The branding, brand activation and all started around may. Creating the mission, values, those things, we did it in may. But we’ve only created the social profiles in august or september, when we started it for real.

**And can you feel any sort of difference in terms of satisfaction? Before and after networks?**
Well, they walked hand in hand with the creation of the brand. So, since it’s so recent... It’s part of the beggining of the brand. Even before having a complex website, we started sharing with everyone. What we have been doing in order to create brand awareness? Brand awareness has been created from our contacts and networking of the industry, connected to the firm which is behind it.

**Indirectly, your clients talk to you about your service. And can you tell some difference regarding their country of origin?**
Not yet. And then we have this problem, which is to work directly with retailers. Retail is a huge market, a little bit distant. Even because we don’t sell directly, we use a distributor, so we can’t have a clear image about it. But consumers ask us where can they buy accessories, where can they go in case of a broken piece, in that sense we notice the use of Facebook much more than the email itself.

**In every country?**
In every country.
And does satisfaction have an impact on repurchase?
We can’t measure that yet.

And isn’t retention measured?
No.

In that case, you can’t tell if the consumer’s relationship lifecycle will have an impact on retention?
Not yet. It’s a very early stage yet.

Do you think that consumer’s commitment towards the brand is more rational or more emotional?
In this case, I would say more emotional. Even because we’re talking about education. Usually, our feedback is... and, so, since we associate ourselves to summer breaks, back to school time... We feel that the relationship they have with the brand is... They tell us “look, I already have my Mymaga. I’ve used my Mymaga for this...”. For me – and since it’s a very personal gadget, it’s your own computer that you’ll use to study, to work, to take to school, to play games, to go online... And so I believe that it’s a much more emotional relationship because it’s a very personal product.

And is the same thing abroad? Or do you think that some countries are just more rational?
Well... If you take Portugal and Spain it looks like there’s always a warmer reception. But the product’s lifecycle is still in a very early stage for us to measure it.

And in which countries are you?
In Europe, we’re still opening some new markets but we’re already on Portugal, Spain, Austria, Poland – I need to check this with Oscar – not yet in England, well England yes, on Amazon. I’ll tell you later because Oscar has been opening some new markets. But I think we’re on 6 european markets.
And what about Latin America?
No. Well, our goal is to enter in there but through our joint venture. It will be our brand but promoted by JP, at a retail level. What we are doing right now is to open the brand to the SME channel. We want to split the brand and have solutions for retail which will be different from the solutions for SMB. And what is SMB? Sell it to schools, firms... So products will be differentiated, we’ll have some solutions for classroom integration. But it will be for very distinct markets. And when that second channel is finally consolidated, so will communication be more directive. In retail, you’ll talk to the final consumer: parents and kids, whereas in SMB you talk to teachers, school administrators. So communication will be different and our goal is to split it, even on the website and social media will need to be thought as well. But then we’ll want to have a truly segmented communication because they are very distinct publics. A different strategy will need to be through.

How can you make the commitment tangible? By shares, likes, comments?
Right now, we’ve been doing it through likes. We don’t have many shares for now, but lots of likes. We have some peaks – whenever we have offers and special campaigns, it’s visible. Even more at the moment that we are not popular yet, it’s a great way of increasing this commitment and the awareness and even to make people participate, creating a sort of tribe. “You can get this gift if you send us something, a school paper, a text, a sentence, whatever”. We want to start engaging this very tiny tribe we have since it’s still the beggining.

Can you feel the power of worth-of-mouth and recommedation?
Not yet. It’s too soon. What we do quite often so we try to understand the consumer’s reaction at the moment of the purchase is meeting the retailer or whoever is working at the store, so you can have an idea of what people say about us because, at this stage, it’s very hard for us to have that feedback.

And are all markets similar? You can’t say if latin countries would recommend more for instance?
It’s too soon. Since we’re only working in Europe in a very standardized way, we can’t understand that. But when we talk about other projects outside Mymaga, undoubtedly Latin America is easier to cope with than with Europe, for example. Kids have their equipment at home, but at a level of the integrated project, it works much better in Latin America than in Europe, for example.

And is the total engagement still more emotional or is it more rational?

Our idea is that... What we wanted was that the engagement were to be more rational for the parents. More than talking to our final consumer, we’re talking to the shopper – parents, in this case. So that’s one of our missions: to engage parents rationally, so they can say “ok, this may not be an iPad, but it has a whole new educational layer that no other product has”. That’s why we bet on the science kit and everything that is differentiated on education, including parent control. Our goal is exactly that one: we want to create a dual relationship with these parents who buy Mymaga: we want them to feel “care parents”, I care about my kid so I’ll buy him a new videogame, I won’t by these new high tech gadgets, I’m buying the ideal solution for him and that can mix the best of both worlds. And then, more than that emotional side of being a responsible parent who buys the best for his son, the rational side: why is this the best for my kid? It’s not just a toy. It will have all these accessories, this educational software... And what we hope is that, in the future, a little bit of the two can be reflected.

Do you think that engagement will increase the strength of the brand in terms of awareness, retention...?

Absolutely. Lots of parents go to a retailer and don’t care if the tablet is good, if its operational system is whatever. They buy the one with the red rubber, the one from Violetta. Many times, they ignore the most important part that is for a little bit more money, they can invest on their kids’ education and that’s exactly our objective. Trying to show our differentiating factor, showing that we are really different from others and explain why we add value to an equipment that is for more than just staying at home to play. But it can also be used to study, to take to school into the classroom. So we try to explain all this holistic approach to our consumer, so he can add value to our brand by being a responsible brand who cares about education.
Once again, is it equal in every country so far?
So far. But we’re talking about european countries, right? Despite all our differences, we’re very much alike. I’m sure that once we enter Latin America, things will be very different.

So far, the strategy...
It’s standardized for all european countries.

And reactions have been...
Very much alike.

How do see the role of social media in the internationalization process?
It’s so important! Our brand is still underdeveloped at that level. But it’s a much easier way to go further. We can have a retailer in a country where we are not who sees us and wants to sell our brand. In the internationalization process is important because, out of a sudden, we are no longer focused on one country. When our brand is born, is born for the world because no matter if we are focused on that particular market or not, it’s extremely easy to be aware of the brand everwhere. At the beggining, when we started looking for rivarly, we Googled it and so that’s how we got to know several brands that we didn’t know. And it’s frequent that our first contact with a brand is not on the website, it’s on Facebook or on Youtube to see the presentation videos. So it’s an essencial part. As a consumer, my first impulse is to look for the Facebook profile. So even advertisement, banners for Facebook and other networks are very important. I think that it should be part of our investment. A website is important because it’s your brand’s image, but the first contact will always be done on social media.
Attachment 5 - Onebiz

I would start by asking how does OneBiz connect to its consumers, in a first approach?

First of all, we are present in several markets. Almost 30 countries. We are familiar with lots of realities and approaches. From the portuguese reality – the one we know the best – to the furthest in terms of strategy, China, where we’ve been experiencing social networks in an incredibly different way than what we do in Portugal. But starting from here – mostly because we are more into the corporate client with a much more institutional positioning where, mostly, all we do is to manage the brand. So we have a managerial and institutional brand perspective, we communicate more for that, in a more generic way, we are more focused on the positioning rather than in the specific message to the final client. Our local partners are the ones in charge of the direct communication with the final client, whether as a company or as a private consumer - the case of our businesses of education, home service and esthetics are where we communicate until the final consumer. And the integrated institutional headquarter marketing we do is between us and then our partners. Our franchisees are the ones in charge of interacting with the final customer. In terms of different approaches, we have different tools because some social networks are for the corporate area – Linkedin is essential, isn’t it? And it is our main tool. When we’re talking about the final client - specially particulars - Facebook, Twitter and Instagram assume another relevance – in esthetics is essential – it really depends on the business itself. And also depends on the country, for instance, in China, none of these platforms are important. For them, the fundamental social network is Wechat, the leader. As a matter of fact, it is a global leader because it is enough to be a leader in China to be the global leader. And all of their personal interactions – even telephones are being replaced for it – because it is a system that mixes up Whatsapp and Viber – and it is the main tool even to spread business messages. The same in Brazil with Whatsapp and, although we don’t use it here in Portugal, in Brazil is essential to communicate, to sell, to whatever to the final client. So this is a very generic introduction of our first approach. There’s just one thing missing here: in these international logics, we follow a guide of brand image, but messages are created locally. Otherwise it wouldn’t work out. In Turkey, Twitter is huge, bigger than Facebook, because their messages are a little bit off everything we do.
everywhere else, very institutional because we’re talking about Finance, companies, capital collection, investment bank: everything grey, everything heavy. But, in Turkey, everything is light and bright, very commercial, we communicate to the businessman as if he were a person – well, he is. But it is exactly the opposite of the western reality and even eastern sometimes. So we act locally and this hasn’t been talked a lot – at least from what I’ve been reading, but I’m no expert in social media – but the brand and company’s adaptation hasn’t been talked that much. And I believe that, most of the times, it’s all about pouring out the identity – not the corporate identity – but the brand values which are different in some countries. And social media is interesting because they make companies more flexible, much more than they used to be, also because of the brand values. The thing that used to be unchangeable – regardless the internationalization process – is not anymore. At least from my experience. There are practically new brands in some countries because social networks force a completely different communication. And whoever is doing it differently is stepping aside reality. Obviously, we’ve been seeing these tools for a long time now, they are more or less popular in that country, but the communication strategy is totally different.

**How often do you interact with consumers?**

Daily.

**In every country?**

Yes. We try to explain that to our local partners, so that it can be a daily communication and more than once a day. The same as saying that it is not just a single interaction, but we try to make it more than once a day. This is our concept. Sure that it does not work like this in the corporate area, specially when you’re talking about institutional areas where you don’t have much to say more than once a day. But when you’re talking about the final client, you have to do it several times a day.

**Is the satisfaction of the client measured?**

So far, we don’t have any system for that - other than the contabilistic feedback – sales, positive comments or likes – but we don’t have any system – not even in Portugal. Maybe it’s a flaw, but we can’t measure satisfaction.
In abstract terms, can you think of a before and after social media in terms of satisfaction?
Sure. In abstract, sure I can. We’re obviously much closer to the consumer than we were before, we know what he’s thinking, with all the good included but sometimes, there are also bad things too. If there’s negative buzz, well, that’s negative too.

And do you feel any differences in other countries, other markets? Or are the levels similar?
They are similar, using different strategies and tools, but in Portugal, clearly, at that level, we are quite well positioned and we’re in the front row in terms of social media users. So Portugal works actually as a reference, curiously, to many of our social networks strategies.

And do you feel it has an impact on repurchase?
Absolutely. If well done and fed, the first contact brings us return and the effort before social media and the whole communication with the client, specially in terms of costs, right? And the feedback timing market arrival, these messages... nowadays they have much more immediate timings and are much cheaper too. So, as long as the impact is positive and not negative it is positive in the sense that we get there much quicker, we can measure results, faster and cheaper than before. That’s the most obvious.

And isn’t retention measured as well?
It is. To us, social media is a way of doing it, but not exclusively. Sometimes, firms only do it that way – to us, it is more a way of increasing retention, communication, awarding, satisfaction evaluation, but it isn’t, by far, the only one. Specially in the corporate field, we have several offline methods. And they will stay offline, and also with the final client, specially when it comes to the first approach, face-to-face still is, to us, the most importante. But online methods are something that it has been used and will continue to be. But it’s not the only one. Offline methods, despite our businesses, is still the most important thing.
Do you feel that the client relationship life cycle has an impact on retention?
Without a shadow of doubt. If well done, we stay in the consumer’s minds. If there were no social networks it would be much harder and expensive to communicate and messages would have to be different and it would be practically impossible to do it offline.

And, once again, is the answer similar when we talk about foreign markets?
Yes. The answer is the same in generic terms, but then, particularly, depending on the country, has more or less impact. In Africa, Angola for example, the effort has a very little importance so it’s not clear that it will have some sort of impact whatsoever. In most african countries that’s how it works, but everywhere else where social media is already a big thing, the answer is similar everywhere.

If you could describe the type of commitment of clients towards OneBiz, would you say that it is more rational or more emotional?
Clearly more emotional. For us, offline is rational and online, with social media, is emotion.

How do you turn this commitment into a tangible thing? Likes, comments, shares?
Besides those classic situations, that I consider as a numeric measurement, either talking about likes or shares. We take a much more serious look into the qualitative aspect, to the comments and their content – whether they are positive or negative – but we take that into consideration so that we can improve our commitment, much more than a mere numeric issue. It’s also important, but I think that the commitment and engagement are better shown when there’s a register rather than just a simple like or share.

And in foreign markets?
It’s bigger in China, for exemple, or in Brazil with their tools, if there’s no interaction. There are no likes in China with Wechat. Well, actually you can like things, photos, but it’s irrelevant. Nobody cares if you’ve liked the picture or not, it’s much more about interaction, text messages or voice messages. Mostly, they use voice messages, which is curious since their caliglyphy is not easy to write on a cell. They draw, it’s cute. It’s a
good experience in order to understand social media in China. They communicate as if they were talking on a walkie-talkie. Things change a bit, but it’s always the same matrix: the client’s feedback, no matter if it’s written or spoken, it’s much more emotional and, for me, this is much more valuable than just the quantitative aspect.

**Do you feel the “customer gets customer effect”?**
Absolutely and in every country. Once again, in countries where social media is relevant. For example, we’ve analyzed that in Switzerland with our esthetics center. From the moment that the tool started working well those ratios were clearly improved. So, the answer is positive.

**And are those advocacy levels measured or are just estimates?**
They are measured when you work on a very isolated way, they are measured in terms of sales impact, demand... And, in that case, Lousã was a good business – an esthetics center lives a lot from word-of-mouth and from the moment we created our Facebook profile we could feel it increasing.

**Advocacy exists when... I mean, does advocacy only exist online or also offline?**
Offline... It exists in every way, but in some places, people are more and more into looking up this or that concept, that page, liking it or suggesting to add the page as a friend. And we feel it more on our esthetics business because esthetics lives a lot from Advocacy and specially women have a great deal of that counselling side. To their girlfriends we can see it a lot. A lot.

**Can you feel that a particular market is more attentive to this advocacy aspect than others?**
Yes. Western markets are much more into that than any others. Western market wants to know other people’s opinions before trying and in others, specially Eastern, doesn’t work like that. They analyze things colderly, recommendation is just another element. In here, advocacy is enough for us to try anything. So, the answer is: there are some markets where advocacy is more important than others.
Commitment is emotional. And the total engagement is still more emotional or is it more rational?

First there’s this emotional moment, at the beginning. But this will work almost as a curve – reason versus emotion – and emotion starts losing importance when interaction starts. Then you need to validate reason and it’s more a confrontation rather than a fundamental element in the decision-making process. It’s an important element at the beginning, then the focus is on maintenance, that isn’t as essential as it was. Only if the impact is negative, will it negatively affect the consumer, otherwise it is just needed for maintenance.

Does engagement have an impact on the strength of the brand?

Obviously. That’s clear. It helps more and more the strength of the brand, to its awareness, its values, it was exactly what I was saying. It’s the market doing its job – the online market, so to speak – and advocacy and satisfaction levels are more and more connected to social media, I can’t tell you exactly but its impact is huge.

And does it work the same way in every market?

No. Not yet, specially in Africa that is miles away from this level. It’s not at the same level, it doesn’t weigh the same, but in some other markets – more “traditional” ones – the power of social media, and even in Russia that I know quite well, is walking towards that way. But the answer is not the same in every market. But it will, certainly.

How do see the importance of social media in the creation of engagement and in the internationalization process of a brand?

It’s fundamental. To communicate, specially in multi-language, to communicate in english, in mandarim in China, like we’ve been doing. Turn it into tropicalized portuguese for Brazil is fundamental. And then there’s the cultural concern. Communication does not stop being communication on social networks. It’s communication. It’s the type of communication and acculturation is important not to say fundamental. In other words, to understand and to communicate based on the culture of the market, in a transverse and not central way, is fundamental.
Do you have a different profile for every market?
Yes.

In a total of?
A lot.

And in which social networks are you?
Practically all. Wechat in China, Whatsapp in Brazil, Facebook, Twitter, Instagram and some others that I don’t use but have heard of. We’re basically in all of them. Google+...
Attachment 6 – Unicer

I would start by asking how the connection with the consumer is done. Offline and online.

With the consumer... The approach. In what sense?

How do you contact the consumer?

Regardless the market?

Yes.

Regardless the market – transmarket - because there are variations between every market, the main contact point is the point-of-sale. Always inside the place they get the product, whether it’s on-trade or off-trade. Why? Because it’s the decision-making moment. Specially with mass consumption goods where you don’t have online sales – because when there are online sales, contact is extremely different – mass consumption goods where you can’t control the sales chain or you control part of it but not the sale itself, the point-of-sale is essential. Talking about social media and digital marketing, the other contact points are mass media – tv, radio, outdoors, press despite its decreasing interest – and also the digital world: social networks, internet, mobile apps, etc. So there are a lot of contact points – oh, events too. They are clearly becoming more and more important as a contact point with the consumer because they help us to create and give the possibility of giving the brand experience, as a brand and not as a product. I don’t know if this answers you but keep asking so I’ll try to...

And is this transbrand?

Transbrand. Although there are some variations. For instance, a brand that automatically has limitations when it comes to at what time it can be broadcasted on tv or on the radio, only after 10pm, depending on the target. If we’re talking about a brand for a younger or older target, the instruments are totally different. So we have to adapt. For younger people, a curious fact is that the purchase, under 16 years-old, is done by the parents and so there’s a need for a different communication with the consumer and the purchaser, the one who purchases, the shopper. Also, when it comes to beer, only a few part is bought by men. It’s women who buy it. Shopper is one thing, consumer is
another. Then you have variations with markets. In some countries where we are, such as Saudi Arabia, social media is very limited and so social networks are not that relevant. But markets such as Africa, Angola where we are, the poor quality of communication, lack of energy, etc. People of Angola’s social media consumption of social media is essentially the wall of Facebook or SMS. So we have variations from market to market. But the basic principle is always the same: we contact the consumer/purchaser during the act of the purchase, because when I communicate in social media we are not communicating for the consumer, we’re communicating with people: some are consumers and some are not. But I’m not looking at them as consumers because I can’t do the conversion. I can’t measure if some post has increased the consumption of Água das Pedras.

In which social networks are you?
Depending on the brand. Considering it all, we’re on Youtube, Pinterest, Twitter, Instagram, Facebook, naturally. And that’s it, at the moment, just in the main ones.

How often do you interact with consumers?
Interact or communicate? It’s different.

Interact. And communicate.
Communicate, in the one-way logic, the established frequency for Facebook is 3 post per week, tops. With no media investment, because this has to do with Facebook’s algorithm and its significant reach loss and the reach that Facebook allows us nowadays. On Twitter, it’s much more frequent than that: it can go up until 3-5 posts a day, however, we don’t do it everyday because there’s no need for it. Youtube, for us - and I see the channel not exactly as a social network - Youtube works much more as a research engine for young people, like Google works for older people. And our approach towards Youtube, since it is a video collector, can be worked from a community logic – that we don’t do – we just use it as a media platform. Then, some brands do it more frequently, some do it with less frequency... The lower the sales implementation, the lower is the frequency because there’s less activity. Imagine the american market where we have Água das Pedras: our distribution is limited to New
York, we only communicate for New Yorkers who follow our page – a ridiculous number thinking of the whole american universe – and there is very little communication because there’s no brand activation, there is not much opportunity for people to come across the brand in the point-of-sale. So, the more expression the product has, the higher the frequency of communication will be.

And this answer is similar to every market.
It crosses all markets yes. Because the thing is that, in social media, where we don’t make the rules – they are individual homes where friends are gathered – brands go in and, as it didn’t happen with websites, they’re going into people’s homes and rules are alike. There are no different rules on Facebook. Its algorithm is unique, the same in every country in the world. And it’s all about reach. So it’s not the different platforms in different markets that will make us change our viewpoint. The only difference that could exist is that in those markets where you can do some media investments, in some others you can’t – for instance, Instagram supposedly will let us do media investment somewhen this year, while in the USA you can do it for quite a long time. We don’t have a strong presence in the US so you don’t do it, but were we to have it, communication would be much more because we would have media investment, then we would do in Portugal. So what defines the frequency of communication is the market penetration, its maturity stage, the number of actions and events, the easiness of coming across it in the point-of-sale because if you create appetite and you can’t find it later, it will only work a couple of times, and also the specificities of every culture and market, the specificity of the market’s channel.

Regarding culture, how is communication worked? What does limit communication, what is a post and how is it done?
What does limit communication? Brands like Super Bock and Água das Pedras are the only ones who communicate beyond Portugal. And Cristal, but this one only in Angola. I think that the best example we have is Super Bock. I don’t want to say that it is a global brand because it is not a brand like Coca-Cola. It’s a portuguese brand, 100% portuguese, which is internationalizing itself. It already has a very significant distribution and market penetration, it is the most sold and spread portuguese beer brand
internationally. What it is building, and has already built, is a brand and a unique brand concept, regardless the market where it is. Super Bock is Super Bock. But Super Bock itself, as a product, varies from market to market. In Portugal, it’s an original Super Bock, but in Brazil it’s a lager. In Portugal it’s a bock. Alc/vol is different. Super Bock, in Saudi Arabia, is alcohol-free, because alcohol is not allowed. Stout, black beer, in Portugal is stout, in Spain is a “niegra”. So there are little product variations. How does it communicate itself? It has its own DNA, its brand, its positioning, always transverse. It has its tone, its way of being. Super Bock is a close, fun brand, it is not an irreverent brand, but it has sense of humour and it’s smart. A clever sense of humour. It doesn’t use rough, easy humour, it likes to work from real issues and it reflects a lot in its communication. To use those things that are part of people’s lives. It doesn’t like to live apart. It talks a “you-language”. If I had to describe it – and we do that exercise every year – it’s a friend that is with me, with whom I talk to about my real life, but also when I need to go out and have a few drinks with. It knows what’s trendy, without been a geek, it knows the hot new scene in music, the newest bands, but it’s not – how should I put this? – it’s not a music nerd, it’s not an alternative music lover, it’s not that. But it has heard about that band who played at South by SouthWest and maybe that’s worth listening and it always has something to talk about. It’s really close to family and friends, it mingles a lot. And then it tries to express it in everything it does: it’s very reasonable, it never drinks too much, so you’ll never see the brand communicating any sort of excess. It doesn’t drink and drive, so you won’t see the brand in association with a bike or a motorcycle or a car, or a skateboard. In the end, we try to communicate as if we were a person. And so we have stories to tell. In the end, we want to tell our story. Or to take part in people’s stories. Because it’s New Year’s Eve, or Father’s Day – if we have a dad, so does Super Bock – and so on and so forth.

So do you communicate more from content rather than a simple product description?
On social media it’s not done from the product. The main difference – and, for me, the main battle that still exists between traditional and digital marketing is the acknowledgment that social media is not a mupi, it’s not television nor a website. People didn’t came to see us and, therefore, when people come to see me I can tell them
whatever I think it’s appropriate. But when I’m stepping into their living room, I have to adapt to circumstances. And circumstances make me say something relevant. Nobody cares – and we have this conversation with our brand managers quite often – nobody cares about the components of the carbonated water of Água das Pedras or about the ten reasons why you should drink it and that it’s the only one that is really natural. For the consumer is bullshit. I’m sorry for the language, but that’s it. What the consumer wants – and that’s the way we communicate – is how it makes me feel. This refreshes me and it has much more to do with the aspirational rather than the functional – not technical, because that doesn’t work for what we want to communicate – it’s for the empathy, for the talk. We are part, it’s as if we step inside a coffee shop and we sit next to friends. We don’t want to be that guy who knows everything and can tell us some facts that nobody cares – 65% of world population can’t read “r” – that’s not what friends talk to. And that’s exactly it. So everything that is a factual product we try – and that’s the challenge – we try to turn it into a story. We create stories. And some cases work perfectly. Stout, for instance, is really hard to work with. Most people don’t like dark beer and so if I describe its caramel flavour, the creamy golden foam... so, with highly appealing images, because in beer industry, it’s what works – water is different – the beer segment, a beautiful glass of beer, in the right time of a day like this, just a glass, a very simple and appealing image is enough. A brand like Água das Pedras – with much lower emotional engagement -, sodas – well, not exactly – a brand like Águas das Pedras has much more to do with escapeness, if I’m stuck at work or at college, it’s an excellent picnic, where can I take my mind to? And that’s exactly it. And then, the other factor in communication, is that people access social media at their workplace, whether as a student or as a worker. So what do people really want to read? What will get to them, what will make them read the post? And so it’s a vicious cycle, people need to read it in order to get to more people. And so, when people are focusing on work, it really has to be something different, something fresh, something that will make them smile or laugh or something sneaky. It’s the cat, old people who dance and that sort of things phenomena. And does it break my routine?

**Is consumer’s satisfaction measured?**
Consumer’s satisfaction... Yes, but it has nothing to do with social media. Yes. There are several studies who measure the consumer’s satisfaction, product’s quality, campaign’s recall...

And do you feel it in terms of repurchase?
How so?

A higher degree of satisfaction may lead to...
Oh, yes, yes, yes. But there are several facts that influence the non-repurchase. While some years ago – and you feel it a lot in supermarkets – the price war is total. And, so, if I look at the shopper – who is different from the consumer – people are really focused on the price. If a rival brand, and if the person is not loyal to a product nor a brand, he will balance between the 50% off product and the other. And today retention is much smaller. The number of consumers who buy more than one brand and make decisions because of pricing is much higher than some years ago.

And is that similar in every market?
It’s similar in markets with a main competitor. What I mean is: water. People don’t buy it because of the brand, they just buy water. It’s irrelevant. Juices and sodas, for some segments, brand is important. Coca-Cola is Coca-Cola. There aren’t many people who go for something other than Coca-Cola or Pepsi. With beers, the dictonomy is between Sagres and Super Bock. There is some purchase of generic brands – specially in supermarkets such as Lidl – but it depends on the category of the product. Água das Pedras, for instance, Pedras is the category, but the consumption of such product is still very connected to sickness and, so, it doesn’t quite have a rival. So it varies a lot. Pricing has a bigger influence on some segments than others.

And do you feel that the stage of the consumer’s lifecycle has any kind of impact on retention?
Yes.
So, an older consumer tends to be more loyal to the brand?
Honestely, I can’t tell you. I don’t know and I don’t even know if there’s any study on that. The main question, doubt or alteration is that younger consumers have many more alternatives than older consumers had at their time. And so your experimentation degree is much higher than your parents’ at your age. And so it’s only natural that older people are creatures of habits and less prone to try. That’s standard. Older people don’t try new things that often. Young people do and they are not loyal to anything. And care a lot about what’s trendy. Someone starts drinking Bacardi Breeze, so everyone drinks Bacardi Breeze. Meanwhile, nobody cares about Bacardi Breeze anymore and there’s something new around. So, yes, but it’s not linear enough so we can prove it with our brands.

Can you notice any difference in retention and satisfaction before and after start using social media?
Product satisfaction? I don’t think so. It’s really hard to tell. Because we don’t even know if people we are communicating to are our consumers. Some people like brands and don’t drink beer, for example, Super Bock. It’s hard to separate things. We’ve done a study years ago that tried not to measure the consumer’s satisfaction but to measure the degree of satisfaction towards the brand. On social media. And it showed that after connecting with the brand the advocacy level has increased. But we’ve only done that once.

You told me that you try a more emotional approach towards the consumer. Do you feel that his feedback and compromise he has with the brand is also more emotional?
On social media? Completely emotional. Social media is everything but rationality. What social media had changed completely was the capacity of giving an uncensured voice to everyone where everybody thinks that they have a huge audience and it’s true. Years ago, when people wanted to complaint about something they did it by email or telephone, but they didn’t have audience. What social media allowed was the audience. From the moment that we have that shift, the rational side disappears totally and emotional comes in. And, so, all behaviour on social media is much more emotional:
love, hate, I love, I hate. I loved Super Bock Super Rock. I thought the toilets were disgusting. Everything is an extreme. There is very little... because everything is fast, everything is very inconsequent. Firstly, I’m not talking to anyone. I’m not calling anyone so I don’t need to talk to a person that needs to listen. I don’t have to write a structured email. I can simply write anything and that’s it, it’s sent. It pops up automatically. And that’s very enjoyable for people. Yesterday – it’s sad what I’m about to say due to being late night – I was watching the news on CMTV. I hate Correio da Manhã, but it was the only network broadcasting news yesterday evening. I wanted to understand what was happening with the plane crash. And a psychologist was explaining – and he said something that I can understand now but at the time I thought it was really stupid – he was trying to explain that the behaviour and the psychology of the human being has dramatically changed in the last 20 years and the stimulus has also changed quite a lot. His sentence was very simple: “20 or 30 years ago no one would enjoy, no one would think it was enjoyable to crash an airplane and to kill more than a 100 people”. Maybe 20 years ago, no one would enjoy to write something and see reactions. This feeds itself. And so we have that shift. And social media brought that. So I think they are highly emotional.

**And besides comments, how can this commitment be turned tangible? Likes, shares?**

A “like” is the most simple and lazy way of expressing yourself. And years ago we’ve created a movement to change the like button. Because it’s the same if my grandfather dies or if I got a job promotion, it’s always a like. There’s no dislike button. And it’s very strange when people write something bad on the social network and someone likes it. Naturally, we are not saying that we like that something bad happened. So, for me, like doesn’t work. What interests us as a brand are comments – because it takes effort to do it, it forces commitment of someone talking to us. I’d rather have people saying bad things about me and my brand that not saying anything. And I can deal perfectly with bad critics. Because it means that I’m on people’s minds. It’s everything I want. I can turn a negative comment into a positive one. I can try to turn someone – and we’ve had cases likes that – who hated Super Bock Super Rock but we’ve seduced them to like it again. With a like I can’t. So I prefer someone who shows their face. From the brand
viewpoint, sharing is the best free advertisement possible. With a share we increase our reach. And that’s what we need. To increase reach.

And do you feel different levels of commitment depending on the market? Yes, but... I’ll compare two. No, three markets. In United Kingdom what we feel is nostalgia, not of the emigrant but of the white english man who spent his vacations on Algarve and ate that lobster and drank God knows what and he writes “oh that great afternoons with Super Bock...!” And so commitment is different. It is the type of commitment of “where can I find this?” but we can never satisfy them because we don’t have enough distribution. Then, we have the nostalgic emigrant commitment. It’s curious because, unfortunatelly, emigrants are younger now. They are no longer those emigrants of yesterday, the 50-60 year-old ones, the second generation. No. We’re talking about people your age that are no longer here. They had to leave because, as a matter of fact, there was no option in our country. And so it has grown and developed a lot the quality of their interaction with us and the way they interact. Then we have Angola. They write a lot, say a lot, but everything in a very simplistic way. It’s very quick. Saying something just because. There are different levels of commitment. Portuguese are the more complete ones. What we like the most is when someone says that Sagres is better. It’s paradise. I don’t need to do anything. Minutes later, 10 or 20 people will say otherwise, that Super Bock is better. What more can I ask for when the consumer is talking about my brand? That’s what is really good. I know how much my brand values. But I also know that people are expecting that we, marketeers, talk about our own brands, it’s part of the process. Obviously, Super Bock will say that we’re the best. What matters to me is those who drink, who feel it, those are the one who have experimented it. Because the value of the opinion of someone who is next to you is much more important and much more defining in the purchase moment than ours. Shampoo, make-up, everything is decided because someone, say a friend, has tried it. Maybe if it was your grandma you will not buy it because you think that it’s for another Target and for younger people it will do something different to your hair. Word-of-mouth, advocacy is better.
So I believe advocacy is very important...
It’s crucial. Maybe not the recommendation for the purchase but the advocacy in order to try it. Lots of people on social media don’t drink beer, but follow us because they like our communication, our events. And they are recommending us, whether talking good or bad things. And that’s important. Because they will reach some shopper or some consumer.

Do you feel that stepping inside social media has increased those levels of advocacy? Well, it must certainly has, but can you tangibilize it?
No, we can’t. I think it would be a mistake telling you that it has increased the level of advocacy, the same way as it would be hard to say that it has increased the level of buzz and sharability. If, today, social media loses a little bit because we don’t have enough data to analyze it, we are only starting having it now, years ago we didn’t have anything. So it’s impossible to analyze that.

Advocacy exists when there are comments, shares, of course but is there any other factor you count as advocacy?
Share is advocacy. Or talking about us spontaneously. Things that are advocacy and a phenomena is the user-generated content. There are no purer expression of love for a brand or product satisfaction. And we live a lot from that because people can see eachother more easily from an image taken by other consumer than the one taken in a amazing studio with the best lighting with the perfect beer. So clearly to us that’s important.

Is the importance of advocacy equal in every market?
No. Naturally, in markets, like in Portugal, where they fight for leadership, it’s not about advocating. When we are lauching a new product, yes. A subproduct of Super Bock, such as Green, in a fight between Green/Radler, obvioulsy advocacy will help. If we are the leader or practically leader, if we are well implemented in the market advocacy will not change anything. However, Pedras is leader in Portugal. And advocacy is important. Because we are trying to overcome the myth of only drinking it when you’re sick and that Pedras is highly refreshing and gives you pleasure.
Unfortunately, most of us suffer from the bad experience because we drank it when we were feeling sick and there was nothing else we could drink to make us better or we are not drinking Pedras in the proper conditions: too hot or too cold. So it depends a lot on the market, the maturity of the product, the challenge. For instance, Pedras needs advocacy and it is a leader. So it depends a lot.

Commitment is emotional and what about the total engagement? Is it also emotional or a little bit more rational? Commitment?

The dedication of the consumer is very emotional, right? As you were saying. And engagement – everything that goes between the first approach and the advocacy – is created by more functional reasons, its benefits?

I think it depends on the consumer. Some of them drink any beer, any water, they don’t have a relationship with the brand, it’s not loyal. And some of them are indeed loyal, they prefer the product or the brand. I think it depends quite a lot.

Does engagement increase the brand strength? In terms of awareness, retention,...

Yes. Because engagement helps us build... At the end, the bigger the engagement, more ambassadors of the brand we’re creating. Pedras has a curious fact. Most people don’t even remember to ask for one. And it’s really interesting to make an experiment. If you go to a restaurant or a bar, whatever, ask for a Água das Pedras and see what happens around you. Even people who are sitting with us will say they also want one. As simple as that. So, the bigger the engagement, the more ambassadors we get and more purchase influence as well. Pedras’ phenomena is clear.

And is the same, once again, in every market?

I think we don’t have enough information to tell you that. Markets are really different. Let’s take a look at Angola. Angola doesn’t have supermarkets. They sell it in the middle of the woods. They are very different realities. Very very. Consumers’ driver, our basic instincts, are the same. But cultural variation is so big that maybe if we look at markets in a transverse way it doesn’t happen but if we look at the nordic market. In
England, people drink a lot of beer by themselves. They go to bars alone and ask for a beer. Day and night. Here too but older people who sit by the counter and ask for it. In other markets, people drink alcohol for the gathering, as a party. So cultural varitations don’t allow us to tell that everything is that transverse. I don’t know if it exists that much.

**Those changes make that every profile – Facebook, Twitter, whatever – is adapted to every country? Like Super Bock Portugal, Super Bock Spain, Super Bock Brazil?**

Yes. On Facebook, since it’s the only network that allows you work in a global page logic – but yes, communication is different. But there’s something very important, as I said at the begging. There are no barriers. No passport logic on social media. What I post in Angola, I can see anywhere in the world. So, although I communicate to a specific market being aware of its specificities, I can’t communicate things that in other countries don’t make sense. One example: some months ago, for Angola, I failed a communication that said “bate bué”, a bottle of Super Bock in an image. “Bate bué” is a very popular expression in Angola that means that it’s cool, it’s nice. “Bate bué” in Portugal means that something is very alcoholic. So, the hard part of explaining this to the local agency is huge. But the truth is that, without the context, and nowadays with shares, I won’t notice if that is Super Bock Angola. That is Super Bock. And Super Bock is telling me that in Portugal “bate bué”. That doesn’t respect social responsability and the drink responsibly. And, so, yes we need to be very attentive. We had some other situations during the whole Je Suis Charlie was going on, we posted something in France and we had such terrible luck. Another example, my colleague António is responsible for Cape Verde. But in traditional marketing. And he had an outdoor on Fire Island with something like “Super Bock Super Fire”. In the same week that the volcano erupted. We had to take it off. So local specificity is very important, but we have all this context. And specially in social media there is no geography. The only one that exists is when North Corea and so on block you from entering some networks. Other than that is not possible.
So what you are basically saying is that those pages exist but it’s like they don’t exist. Almost as if they were something to spoil consumers? If local specificities will not allow some publications in the sense that I can see Super Bock Cape Verde and I understand every post without having to remind me that I’m not there. It’s adapted but not that much.

It’s quite adapted. Well, not adapted. We make a posting schedule for every market. It’s not global. And it is always thought considering local specificities. Almost never – except when we have huge actions and communications – will we have a post that is the same for every market. What we think is if it makes sense for that market, if it’s approved, what will be its impact from the outside? And only if there’s a negative impact will we delete it. But it’s the opposite. We create for local markets.
### Attachment 7 – Interview Guide

<table>
<thead>
<tr>
<th>DIMENSION</th>
<th>QUESTION</th>
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<tbody>
<tr>
<td><strong>Connection</strong></td>
<td>How does the firm connect to the consumer? (salesman, telephone, letter or other offline means or by SNS?)</td>
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<td></td>
<td>What’s the role of social media in this connection?</td>
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<td></td>
<td>Do these contact points differ when you are approaching different countries?</td>
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<tr>
<td><strong>Interaction</strong></td>
<td>How frequently do you interact with your consumer?</td>
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<td></td>
<td>How frequently do you update your social media profiles?</td>
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<td></td>
<td>Does this change targeting other countries?</td>
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<tr>
<td><strong>Satisfaction</strong></td>
<td>Is consumer satisfaction measured?</td>
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<td></td>
<td>Did you feel any difference in terms of satisfaction since you have been using social media?</td>
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<td></td>
<td>What is the impact of satisfaction in terms of repurchase?</td>
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<td></td>
<td>Are these values the same when we change the destination market?</td>
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<tr>
<td><strong>Retention</strong></td>
<td>Is retention measured? How?</td>
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<td></td>
<td>Do you think that the lifecycle of the relationship between brand and consumer has an impact on the level of retention?</td>
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<tr>
<td></td>
<td>And, once again, does the destination market change anything?</td>
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<tr>
<td><strong>Commitment</strong></td>
<td>How would you classify the kind of commitment of your clients? More rational or more emotional?</td>
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<td>How do you feel this commitment? With shares, likes, tweets?</td>
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<td><strong>Advocacy</strong></td>
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<td>Is it any different internationally?</td>
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<tr>
<td>Do you feel the <em>customer gets customer</em> effect?</td>
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<tr>
<td>Are these advocacy levels measured?</td>
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<tr>
<td>Advocacy exists when… (Likes, shares, blogs,...)</td>
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<tr>
<td>Are all markets similar?</td>
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<tr>
<th><strong>Engagement</strong></th>
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<tr>
<td>How would you label your clients’ engagement: rational or emotional?</td>
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<tr>
<td>Does the engagement highlight the strength of the brand, impacting the co-creation of value, confidence or retention?</td>
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<tr>
<td>Is the level of engagement similar in every market?</td>
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