



Ain Shams University
Faculty of Commerce
Business Administration Department

The Relationship Between Social Media Marketing And Brand Equity

A Study Based On Electronic-Word-Of-Mouth As A Mediating Variable

العلاقة بين التسويق عبر وسائل التواصل الاجتماعي وقيمة العلامة

دراسة سلوك الترويج عبر التخاطب الإلكتروني كمتغير وسيط

A Thesis Submitted for the Master Degree in Business Administration
Faculty of Commerce
Ain Shams University

Prepared By

Marina Fathy Wadie

Under the Supervision of

Prof. Dr. Gehan Ragab
Professor of Marketing
Business Administration
Department Faculty of
Commerce Ain Shams
University

Dr.Rasha Ehab
Lecturer In Business
Administration
Department
Faculty of Commerce
Ain Shams University



اسم الباحثة: مارينا فتحي وديع سمعان

عنوان الرسالة: العلاقة بين التسويق عبر وسائل التواصل الاجتماعي وقيمة العلامة

دراسة سلوك الترويج عبر التخاطب الإلكتروني كمتغير وسيط

The Relationship between Social Media Marketing and Brand Equity A Study Based on Electronic-Word-of-Mouth as a mediating variable

الدرجة العلمية: ماجستير إدارة الأعمال

لجته المناقشة والحكم علي الرسالة:

مشرفاً ورئيساً	أ.د. جيهان عبد المنعم رجب أستاذ التسويق بقسم إدارة الأعمال كلية التجارة - جامعة عين شمس
مشرف	د.رشا ايهاب مدرس إدارة الأعمال بقسم إدارة الأعمال كلية التجارة-جامعة عين شمس
عضواً	د/ منى ابراهيم الذكروني استاذ التسويق كلية التجارة-جامعة المنصورة
عضواً	د. عزة البورصلي استاذ مساعد إدارة الاعمال كلية التجارة-جامعة عين شمس

/ / تاريخ المناقشة:

الدراسات العليا:

أجيزت الرسالة بتاريخ

/ / ٢٠م

موافقة مجلس الجامعة

/ / ٢٠م

موافقة مجلس الكلية:

/ / ٢٠م

ACKNOWLEDGMENT

First and foremost, thank you **Allah** for granting me the persistence to accomplish this research.

My profound gratitude and sincere thanks are extended to my supervisor **Prof. Dr. Gehan Ragab**- Professor of Marketing Business Administration Department Faculty of Commerce Ain Shams University, for her support, constant encouragement, valuable guidance and useful remarks on this thesis. Her precious comments have enriched the thesis in so many ways and helped me a lot as a researcher.

I would like to express my deep thanks to **Dr. Rasha Ehab** Lecturer in Business Administration Department Faculty of Commerce Ain Shams University, for her continuous support, patience, motivation, enthusiasm, immense knowledge and devotion of time and energy among the stages of this thesis.

I would like to thank **Dr. Azza El Borsaly** – Associate professor of business Administration Department Faculty Of Commerce – Ain Shams University, for agreeing to be a member of this viva committee and for her valuable time and professionalism.

I would also like to thank **Dr. Mona Ibrahim** - professor of Marketing - Faculty of Commerce - Mansoura University, for agreeing to be an external member of this viva committee and for her generous time, effort and professionalism.

My sincere thanks, appreciation to my professors; Dr **Sameh tawfik** for his tolerance, caring and support.

Dedication

I would like to dedicate this thesis to
my father *Fathy Wadie Samaan* who always believed in me.

To my mother, without her sacrifice, support and constant
encouragement I would not have been standing here today,

and to my sister

Karin Fathy, thank you for your constant empowerment
and being part of my life.

I also dedicate this thesis to my friend

Rania Ibrahim, Yomna Mohsen

without their support and help this
thesis would not have been completed.

Abstract

SMM is the most popular and effective tool of marketing and communication. The study showed how SMM measures as perceived information and perceived entertainment could build the brand equity in terms of Brand Awareness, Brand Association, Brand Loyalty, Brand Image, Perceived quality through Electronic Word of Mouth. The findings of the study showed that SMM positively affects brand equity and E-WOM mediates the relationship between SMM and brand equity.

Finally, the study showed that the Facebook is a key platform to build relationships with consumers to get information about a brand and its products. The future of social media as a marketing tool is also considered. Several recommendations were developed to help managers navigate their online presence in a way that specifically suits their consumers' internet usage patterns, in order to effectively manage available E-WOM on their brands.

Key words: Social media marketing, Electronic word of mouth, Brand equity, Brand Awareness, Brand Association, Brand Loyalty, Brand Image, Perceived quality.

List of Contents

1.1 Theoretical background:	1
1.2 Research Background	3
1.3 Previous studies on Social media marketing:	4
1.4 Previous studies on Electronic word of mouth:	6
1.5 Previous studies on Brand equity:	7
1.6 Exploratory Research:	8
1.7 The Research problem:	9
1.8 Research Questions	11
1.9 The Research objectives:	12
1.10 The Research hypotheses:	12
1.11The Context of the Research	14
1.12 Research Methodology	14
1.13 Research Importance:	16
1.14 Academic Importance	16
1.15 Practical Importance	17
1.16 Thesis Structure:	22
1.17 Summary	23
2.1.1 History of social media.....	26
2.1.2 The role of social media in business:	26
2.1.3 Involvement in Social Media.....	27
2.1.5 Benefits of the social media marketing	31

2.1.6 Characteristics of social media marketing.....	33
2.1.7 Social Media as a Branding Tool	33
2.1.8 Role of social media in marketing:.....	34
2.1.12.1 Facebook.....	37
2.1.12.2 Blogs.....	37
2.1.12.3 YouTube	38
2.1.12.4 Twitter	38
2.1.13 Characteristics of Social Networking Sites	38
2.1.14 The Impact of Facebook on marketing.....	39
2.1.15 The Facebook ecosystem.....	40
2.1.16 Facebook as a Marketing Tool	40
2.1.17 Facebook as a global marketing channel for brands.....	42
2.2 Electronic word of mouth.....	42
2.2.1 Characteristics of E-WOM	43
2.2.2 E-WOM mechanisms (tools).....	44
2.2.2.1 Online reviews:.....	44
2.2.2.2 Personal stories:	44
2.3 Brand equity	46
2.3.1 Dimensions of brand equity	52
2.3.1.1 Brand awareness.....	52
2.3.1.2 Brand Associations	53
2.3.1.3 Brand Loyalty	54
2.3.1.4 Brand image.....	56
2.3.1.5 Perceived Quality	56
2.3.2 The Relationship between SMM and E-WOM	57
2.3.3 The Relationship between E-WOM and Brand equity.....	58
2.3.4 The Relationship between of SMM in brand equity building	58
2.3.5 Conclusion.....	60
3.1 Introduction	83
3.2 Research design.....	83
3.3 Research Population and Sample	84

3.3.1 Research Population	84
3.3.2 Sample and Sampling procedures	84
3.4 Questionnaire Design	85
3.5 Pilot Test	89
4.1 Statistical method:	92
4.2 Assessment of measurement model	97
4.3 Descriptive statistics:.....	108
4.4 Mediation analysis:	123
4.5 Conclusion.....	129
5.1 Introduction.....	131
5.2 Discussion of the findings	131
5.3 Dissections of the first hypothesis.....	131
5.3.1 First hypothesis.....	131
5.3.2 Second hypothesis:	132
5.3.3 Third main hypothesis	133
5.3.4 Fourth main hypothesis	134
5.4 Contribution of the study.....	135
5.5 Recommendations and Action plan.....	136
5.6 Researcher Limitations.....	133
5.7 Suggestions for Future Research.....	133
5.8 Conclusion.....	134
References	135
Appendix	1

List of Abbreviation

SMM	Social Media Marketing
E-WOM	Electronic Word of Mouth
WOM	Word-Of-Mouth
SNS	Social Network Sites
SM	Social Media
IMC	Integrated Marketing Communication
CMC	Computer Mediated Communication
APPS	Applications

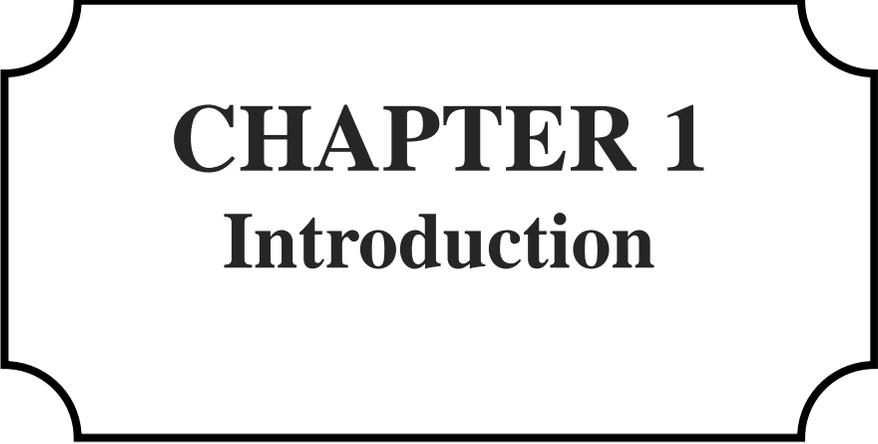
LIST OF TABLES

Table no. Subject Page no.

- (1. 1) Research definitions 2
- (1 .2) The Number of fans in each Facebook page 10
- (1. 3) Research Variables 10
 - (2.1) Different definitions and beliefs on brand equity concept50
 - (2.2) Common Measures of Brand equity on previous studies51
 - (3.1) Table of variables65
 - (4.1) Skewness and kurtosis values of measurement items73
 - (4.2) PLS results for the measurement model179
 - (4.3) PLS results for cross loadings84
 - (4.4) PLS results of Fornell-Larcker criterion87
 - (4.5) Research sample distribution according to gender88
 - (4.6) Research sample distribution according to age88
 - (4.7) Research sample distribution according to salary89
 - (4.8) Research sample distribution according to level of education90
 - (4.9) Research sample distribution according to profession 91
 - (4.10) Research sample attitudes toward variables under study92
 - (4.11) Correlation matrix of constructs 94
 - (4.12) Collinearity assessment 96
 - (4.13) PLS results for structural model 98
 - (4.14) Significance testing results of the total effects 101
 - (4.15) PLS results for mediation analysis 103
- (5.1) Action plan.....116

List of Figures

Figure no	Subject	Page no
(1.1)	Research conceptual model.	11
(1.2)	Social media users in Egypt	18
(1.3)	most famous social network sites worldwide ranked by the number of users in millions	19
(1.4)	Social Media Statistics for the top social media platforms in Egypt	20
(1.5)	Average number of interactions among social media platforms	20
(1.6)	Interactions types on Facebook.	20
(1.7)	Facebook Post Types	21
(2.1)	Brand Equity Model	47
(4.1)	Structural and measurement models.	76
(4.2)	Structural and measurement models estimates	78
(4.3)	Structural and measurement models final estimates	82
(4.4)	Research sample distribution according to gender	88
(4.5)	Research sample distribution according to age	89
(4.6)	Research sample distribution according to salary	90
(4.7)	Research sample distribution according to level of education	91
(4.8)	Research sample distribution according to profession	92
(4.9)	Research sample attitudes toward variables under study	93



CHAPTER 1
Introduction

CHAPTER 1

Introduction

1.1 Theoretical background:

In this chapter, an overview of the thesis is provided, by discussing the research background which led to defining the research problem and formulating the research questions, objectives and hypotheses. In addition to, highlighting the context of the research as well as the methodology utilized.

Therefore, this chapter will include the following:

- Research Background
- Exploratory Research
- Research Problem
- Research Questions
- Research Objectives
- Research Hypotheses
- The context of the Research
- Research Methodology
- Research Importance
- Thesis Structure

Table (1.1) Research definitions

Variable	Definition	Study
Social media marketing	Defined SMM as applying traditional marketing to the new Internet-based means of interactions.	Smedescu (2013)
Perceived entertainment	Perceived entertainment represents the likeability of an advertisement as well as the pleasure and enjoyment consumers derive from the advertisement	Deo.W, le. A, chen.D (2014)
Perceived information	Perceived information refers to the ability of to inform consumers of product information, which can match consumers' needs and wants to producers' offerings, thus permitting the marketplace to be more efficient.	chen.D (2014)
Electronic word of mouth	All informal communications directed at consumers through Internet-based technology related to the usage or characteristics of particular goods and services, or their sellers.	Arkonsuo and Leppiman (2014)
Brand equity	Define consumer-based brand equity as “a set of brand assets and liabilities linked to a brand, its name and symbol, that add to or subtract from the value provided by a product or service to a firm and/or to that firm's customers”.	Aaker (1996)

Variable	Definition	Study
Brand Awareness	Defined as an individual's ability to recall and recognize a brand.	Lee, Leh (2011)
Brand Associations	Brand association defined as the memorable of a particular brand, via the association with attributes and benefits of the brand.	Severi,ling (2013)
Brand Loyalty	Defined as the constructive mind set toward brand that leading to constant purchasing of the brand over time.	Severi,ling (2013)
Brand Image	Brand image defined as a brand that is brought to the consumer's mind by the brand association as consumer's thoughts and feelings about the brand.	Severi,ling (2013)
Perceived Quality	Perceived quality defined as the overall perception of customers about brilliance and quality of products or services in comparing with the rivalry offering.	Severi,ling (2013)

1.2 Research Background

Recently, the world is witnessing new means of viral space communications including social media communications, which eliminate distance between people. Facebook, Twitter and You Tube considered the most common social media communication means. These sites provide direct communication services; such as sending messages, viewing the profiles of others, knowing their news and information (Kumar et al., 2010; Saad, Badran 2016).

Social media has different forms as words, picture, videos, and audios. (Safako & Brake, 2009). SMM is any form of direct or indirect