

BUILDING BRAND INTEGRITY IN THE ERA OF MARKETING 3.0

在营销 3.0 时代构建诚信品牌

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Abstract:

The era of marketing 3.0 is a new wave in marketing that is more emphasis on the humanity and integrity. This article aims to analyze how building brand integrity in the era of marketing 3.0. Brand requires strategy to be competitive in this era of marketing by leveraging new wave technology. New wave technology is the use of the Internet as a horizontal and utilize social media to collaborate with consumer. Consumer can be partner for various social campaigns. Building brand integrity is a competitive advantage because it can improve brand image and company reputation.

Keywords : Brand integrity, Marketing 3.0, new wave technology

摘要 :

营销 3.0 时代是新的波浪在营销更加注重人性化和完整性。本文的目的是分析如何在营销 3.0 时代的构建诚信品牌。品牌需要战略对在营销时代会竞争利用新的技术浪潮。新的技术浪潮是利用互联网是一个水平和利用社交媒体与消费者。消费者可以成为合作伙伴在各种社会运动。构建诚信品牌是竞争优势因为会提高品牌形象和企业声誉。

关键词 : 诚信品牌，营销 3.0，新的技术浪潮

1. INTRODUCTION

Nowadays people live in a world filled with chaos and crisis, the business environment is increasingly chaotic and complex mainly deal with honesty and business ethics. If in a state the value of honesty and business ethics are expensive, then honesty is a scarce resource for the company. Competition for customers is always intensively conducted by the company. Information Technology has developed and expand network information, making the world more transparent. So it is more difficult for a company to cover their lackness. This is affected internal confidence and also tend to decline public assurance.

Technology is evolving rapidly also have an impact on marketing. With the rapid advancement of technology made the company or brand in particular should maintain the good name and integrity. This happens especially for the companies that used to tend to "not honest" with its customers and stakeholders, resulting in currently has a low integrity. In this condition, a brand sometimes could be left by customers if their integrity is doubtful (Jacky Mussry 2011).

Consumers are the main stakeholders in the modern business. Business will not be successful if there are no consumers buy products or services offered. The Company can not underestimate the power of the consumer. Widespread social media such as twitter, blogs and

facebook allows consumers to interact with each other more massive. They can exchange information and experiences about a product or brand. The Company is currently required to be honest and ethical in informing its products or in any behavior, because the power of the consumer is in front of them. If the company does not keep the "honesty" of the brand, the company is unable to achieve corporate sustainability.

In communicating its products, the company is required not only highlight context of the competition to create products differentiation but also should pay attention to the social side which is how the company's concern for the welfare of society in general and consumers in particular. Honesty and corporate social responsibility is now a concern for consumers before choosing a product or brand.

Now, competition is more complex, and the explosion of world chaos by the dot-com technology affected the rising of new wave marketing. New wave marketing era by Hermawan Kartajaya referred to as marketing 3.0. Marketing 3.0 has demanded the company to change its behavior in dealing with customers and stakeholders. This article aims to analyse how building brand integrity in the era of marketing 3.0 .

2. DISCUSSION

2.1 Brand

Brand is a name, term, sign, symbol or design or a combination that is intended to identify the goods or services of one seller and differentiate them from competitors . The role of brands for consumers is to identify the source and allows consumers claimed responsibility for the performance of the brand and simplify decision-making and reduce risk. For the company itself, the role of the brand is to build customer loyalty provide a safe level of demand, willingness to pay more as well as securing the company's competitive advantage (Kotler and Keller, 2009)

According to Chernatory and Mc Donald in Kujala et al (2011) successful brand has value added (added values) in accordance with the needs and desires of customers. Further added value or differentiation that is the source of competitive advantage. There is needs to be an emphasis on the brand and how the brand assessment carried out by the customer or the community rather than by the company. Brand from the point of view of stakeholders is not only as a medium of exchange or transaction, but more than that, where the brand as a medium of interaction between companies and customers, employees and society.

Building brand equity will improve competitive advantage. Brand equity can be defined as the strength of the brand which is the intangible asset and can provide added value to the product or service (Kotler and Keller, 2009: 264) In addition to the company's brand equity can improve competitive advantage and also manage their assets properly, increase cash flow , market share, setting premium rates, reducing promotional costs, increase sales, and maintain stability.

According to Aaker in Kotler and Keller, 2009, the dimensions of brand equity consists of brand awareness, brand loyalty , and brand association. In order to increase brand awareness, brand loyalty and brand associations, the company did a variety of marketing communications activities. Advertising is a key activity to build brand equity in addition to be supported by events and sponsorship, sales promotion, publicity and

communication through social media that has been very widespread. In global competition currently, then the competition to get customers increase extremely, so the companies must developed strategies for brand building. Companies who can build successful branding strategy will be able to compete in the new wave marketing.

Linked in terms of leadership and organization, according to Gregg Lederman (2008), if you want to build a brand, then a manager should also be able to manage the behavior of employees and manage the behavior of consumers (consumer behavior). An effective leader must be able to understand and support the brand four realities that must be understood by all members of the organization, namely:

1. Brand is not part of the business, the brand is the business itself. This is in line with the opinion of Goodyear 1996; de Chernatory and Mc Donald, 2003, in Ying Fan (2005) that a brand is not just represent products or services but represent the company itself. Brand is a company and brand is always synonymous with corporate policy.
2. A brand is about experiences , not just logos or taglines.
3. The Little things a company does consistently are much more important than the big things it says
4. A well- executed brand strategy is the single most important differentiation between a good company and a great company.

Unlike the concept Lederman, according to Ying Fan (2005), the concept of brand has two constructs that economic constructs as important as social constructs. As an economic construct, then studied both in terms of brand marketing and finance. Advertising is an element of the marketing communication mix that is very real, but to build a brand is at the core of all marketing communications activities. Brand equity bring a continuous stream of revenue for the company.

Research about brand from social side is still lacking. If viewed from the social side, building a brand should consider the interests of stakeholders and the wider community not just for the benefit of shareholders. In addition to the brand of the social side is also more concerned with ethical issues in an effort to build the reputation of the company. Brand include element-level labeling, packaging, and communications products. Companies need a systematic approach to building a company's brand image ethically and not only able to improve the company's reputation, but also a competitive advantage.

2.2 Brand Integrity

The etymological origin of integrity is from latin word *integritas* meaning soundness or wholeness and also includes the prime virues of honesty and moral courage. Ethicaly, integrity is considered as the honesty and truthfulness or accuracy of one's actions. Integrity can be regarded as the opposite of hypocrisy, in that it considers the internal consistency as a virtue, and suggests that those who hold the values that seem to conflict must take into account the difference or change their beliefs. According to Thompson Gregg Lederman in 2011, describes the integrity honesty, trust and consistency. If the definition of integrity is applied in the integrity of brand concept, then brand has a broader meaning than just financial goals and marketing company.

If only the marketing activities focused on the achievement of profit without regard to the true meaning of integrity in building a brand based on brand communication, the brand's reputation in the long run will be very risky. The concept of integrity is closely related or may be likened to the ethical concepts. A brand that has integrity, must be able to act ethically.

Kujala et al (2011) convey the concept of responsible branding, and in order to become a responsible brand, some behavior should be included in it such as an ethical, social nature, and attention to the natural environment, economic aspects that must be considered broader than the interests of shareholders but also the interests of employees, customers and the wider community. There are six key stages can be identified in the brand building process : (i) identifying vision; (ii) analysing key stakeholders; (iii) creating brand identity; (iv) defining brand objectives; (v) implementation and (vi) evaluation (Kujala et al, 2011). Brand is expected to show the values and integrity in accordance with the characteristics set forth in the company's vision. With regard to the issue of responsibility in branding , the terminology in the vast literature on corporate social responsibility has led such concepts as citizen brand (Willmott in Kujala et al 2011), ethical brand (Brunk 2010, Szmigin et al 2007, Fan, 2005, Crane 2005 Maio 2005 in Kujala et al 2011).

Ying Fan, 2005 found that ethical means moral rules, conducted principles that distinguish between good or bad. Ethical branding as part of the marketing associated with the ethical principles that must be held to moral distinction between good and bad in every brand decisions. A brand needs to be evaluated not only from the economic criteria but from moral side. Brands that have ethics would not lie and harm consumers or it should contribute to the wider community in terms of both social and economic.

Furthermore Ying Fan also explained that there is a close relationship between ethical branding and corporate reputation includes attributes such as honesty, integrity, quality, mutual respect, responsibility and accountability. So ethical branding can build a company's reputation. According to ethical branding can be studied both at the corporate level (corporate level) and the level of product (product level). At the corporate level the company's brand is a very important for company reputation.

According to Lederman, there are three componets required to achieve the brand integrity is as follows:

1. Branding Communications; performed using advertising, coupons, promotions, website, public relations and sponsorship.
2. Experience Branding; brands will interact with customers and influence their perceptions. Bind customers through advertising, interacting through web sites, trade shows, collection and use of customer satisfaction feedback, consistent process for thanking customers.
3. Culture Branding; behavior, values and work processes within the organization to keep competent employees. It takes competent employees to interact with customers and delivering the company's values. Realize that employees are competent and have high integrity begins by creating job descriptions, recruitment and selection process is fair, training and development and performance appraisal and awards to employees.

Building brand integrity is not only required for marketing communication activities include marketing, promotion, public relations or hold events and sponsorship, but also includes the development of branding culture. Branding culture means instill the values of honesty in every employee that can be implemented in every activity and management jobs starting from processes such as employee recruitment, performance appraisal and compensation of employees are all conducted in a transparent, fair and honest. Corporate values that will be shared is very important in interacting with customers and the wider community. Build brand integrity by Lederman is a critical factor for the survival of the company. Based on the meaning of the word integrity itself is the moral courage and good nature, then a brand must be able to demonstrate good qualities in other words, to behave ethically. Consumers should be treated well morally, not just an ethical demand, but rather a prerequisite for success in business (Bertens, 2007: 227)

Awareness of business obligations to the rights of consumers is central to business success. According Bartens (2007: 228) there are six rights of consumers to be considered by the company. The six rights are:

1. The right to security; consumers are entitled to a safe product, it means that the product has no technical faults and or endanger the safety and health of consumers.
2. Right to information; consumers are entitled to know all relevant information about the product bought. Suppose the consumer has the right to know the information mentioned on the labels of food products or beverage packaging. Is the product purchased has been certified halal food contains cholesterol or must conform to the truth.
3. The right to vote; consumers are entitled to choose between the various products and services offered. Quality and price of products may vary. Consumers are entitled to compare them before making a decision to buy.
4. The right to be heard; consumers have a right to have the desire to be heard, especially product or service complaints.
5. Environmental rights; consumers have a right to know the product in such a way, especially related to the environment, so that the product purchased does not cause environmental pollution or harm the sustainability of the natural process. Consumers are entitled to an environment-friendly product.
6. Consumer Rights to education; community must be prepared to be critical consumers and aware of their rights. Consumers have expressed criticism or complaints when their rights are violated.

As a simple, behavioral marketing ethics and corporate responsibility to be able to provide real contribution to society and realizing sustainable society. Behavior that is often in the spotlight the ethics issue is related to justice or the rights of consumers, the natural environment and animal conservation, education, and employment. Unethical behavior certainly is an activity that promotes the interests of the company and do not pay attention to the problems mentioned above. Suppose the case of a toddler who allegedly branded milk containing the bacteria *Enterobacter sakazaki*. The case is a challenge for companies and brand managers to provide clarification regarding the product as it relates to ethics and honesty product to explain to the general public.

Another question that will arise from the customers or the public are whether the raw material the product is taken in a way that is responsible and does not destroy the forest, eliminating the livelihoods of local communities. Is the product produced by the

employees hired by the standard minimum wage? Do not pollute the manufacturing process wastes natural environment? These questions must be answered by the company and the brand in particular in order to be an ethical and responsible brand.

2.3 Marketing 3.0

There are several concepts that changed in the current era of marketing. The old marketing concept has shifted to a new marketing concept, is caused by several factors the development of information technology and changes in consumer behavior. Two major changes are causing companies to change their marketing strategy. Referring to the term used by Hermawan Kartajaya that era of marketing 3.0 is a term widely used by practitioners to describe a new wave in marketing that is more emphasis on the humanity and integrity. The concept of marketing has shifted from era of marketing 1.0, marketing 2.0 and the last is era of marketing 3.0. Changes in advancing technology has brought major changes to consumer, market and marketing of this century.

Marketing 1.0 begins with the development of production technology during the industrial revolution. Marketing 2.0 is present as a result of information technology and the Internet. When this new wave technology as a key trigger of marketing 3.0. The following Table 1. illustrates the comparison between Marketing 1.0, 2.0 and 3.0.

Tabel 1. Comparison between Marketing 1.0, 2.0 and 3.0

	<i>Marketing 1.0 Product-centric Marketing</i>	<i>Marketing 2.0 Consumer-Oriented Marketing</i>	<i>Marketing 3.0 Values-driven Marketing</i>
Objective	Selling product	Satisfying and retaining consumer	Making the world a better place.
Drive Forces	The Industrial Revolution	Information Technology	New wave Technology.
Market overview	Mass buyers with physical needs of the product	Smart consumers with a mind and heart.	The whole man with the mind, heart and spirit.
Core concept of marketing	Product Development	Diferentiation	Spiritual values
Marketing principles	Product specification.	Corporate and product positioning.	Corporate mission, vision, and values.
Values Propositions.	Functional	Functional and Emotional	Functional, Emotional and Spiritual
Interaction to consumers.	One to many transaction	one to one relation	many to many colaboration

Source : Hermawan Kartajaya, 2010.

Marketing 1.0 rely on rational intelligent, where good products, reasonable price. Consumers select products based on the high and low prices offered by manufacturers. At this level the consumer is very easy to move. Marketing 2.0 based emotional intelligent, touch the hearts of customers. Although the product is more expensive than others, but still selected consumers, because it has an emotional bond with a product. Marketing 3.0

is based on the spiritual intelligent, do all to the universal values such as love and sincerity then the profits will come. At this stage, the brand has become a "reason for being", because it is the brand consumers recognize its existence.

Force that drives the marketing 3.0 is new wave technology. One of the possible occurrence of new wave technology is the emergence of social media. Social Media by Hermawan Kartajaya (2010: 7) are classified into two. The first is expressive social media such as blogs, twitter, youtube, facebook and other social networking sites. The second one is a collaborative social media that includes social media sites such as Wikipedia, Rotten Tomatoes and Craigslist. Marketing 3.0 will be seen from how the relationship between producer and with the consumer also with stakeholders.

The development of information technology and social media use is widespread, resulting in the emergence of an era of transparency and horizontalize in various fields. Horizontal mean position between producers and consumers are aligned. Information about the product or service is not only owned by the manufacturer. Currently consumers searching information about products to be purchased not only from advertising but via internet or sharing information with other consumers in social media. Consumer may cancel intention for buying if they heard testimony from other consumer dissatisfaction in social media. So now everything is transparent. Currently advertising is not the only source of information for consumers about a product or brand, therefore company cannot lie anymore about their product or brand from consumer.

The power of marketing 3.0 is contained of three subculture, namely youth, woman and netizens. Youth group is young people aged 15-34 years and the pioneer lifestyle trends that occur in the environment. The second group was a woman. Women today increasingly have a very dominant role in making product purchasing decisions. The third group is the netizen, the people who are internet literate. Netizen is triggered by Internet users in Indonesia, which continues to grow significantly. Strength on the number of netizens is not quantity but the voice and aspirations of those who are able to form opinions in society.

Another force drives the era of marketing 3.0 is the perspective of companies to consumers. In the era of marketing 3.0 companies should view human consumer is not only intelligent, but the consumer as a human being with a heart, mind and spirit. Based on the characteristics of the consumer, the business run by the company to be based on spiritual values such as humanity and honesty. Form of spiritualism is how love networking with business stakeholders and uphold honesty capital. If it has reached the stage of spiritual as it is, the relationship between the company and anyone with an interest, whether it's customers, employees, suppliers, will be sustainable.

2.4 Building Brand Integrity in the Era of Marketing 3.0

As explained above, that the era of marketing 3.0 is characterized by the importance of honesty and moral elements of the brand as well as spirituality. Consumers buy a product not only just for functional value but also to meet the spiritual needs (spiritual value). Spirituality does not mean carrying values of certain religious teachings, but it is an activity that not only carries the brand value of commercialization but also the values linked with human life such as integrity, honesty, justice, social and mutual respect. It is very closely related to the concept of brand integrity. The core concept of marketing is no

longer a differentiation but the values (values) humanism. Consumer characteristics changed in the era of marketing 3.0 is proved either by the increasing willingness of consumers to buy the product because of the good reputation of the company.

A study Hines and Ames (2000) in De Pelsmacker et al, 2005, an average of 46% of European consumers are willing to pay more for products that are ethical and honest. Research in America proved that American consumers are willing to pay the higher prices by 6.6% for environmentally-friendly products (De Pelsmacker 2005). Another study conducted by Casadesus-Masanell et al, (in Hainmueller, 2011) an apparel company Patagonia, found that their sales increased for a line of clothing products resulting from organic cotton and consumers are willing to pay 10% more expensive. This proves that today's consumer behavior is likely to care about environmentally friendly products or products with more natural ingredients.

Consumer behavior has brought a wave of change to the era of marketing 3.0 with consumers more humanistic characteristics and intended to make the world a better place. In Indonesia, the consumer movement who care about the natural and social environment has not been as extensive as in the European countries and United States. According to Frontier research, concern for the environment has not become common characteristics, but with more extensive damage to the natural environment and the development of technology will increase the number of socially responsible consumer (wibowo, 2011).

These are several brands in Indonesia has successfully to compete with the humanist and social campaigns :

Tabel 2. Summary of Brand Social Movements

Name of Brand	Social Movement	Moral Values	New Wave Technology
Aqua	1. WASH (<i>Water Access, Sanitation, Hygiene Program</i>)	- Getting solutions in water supply in Indonesia. - Fight poverty and starvation in many parts of the world.	Social media integrated with the TV Commercials
	2. 1L Aqua to 10 L of clean water	Suply clean water in East Nusa Tenggara	Social media integrated with TV Commercials
Kopi Kapal Api	@ScangkirSmangat	Donate books for better education in Indonesia	Twitter
Coca Cola Indonesia	Satu Pemuda Berani Mengubah	Invite youth to create a social change	Twitter

Sources: summary from various sources, 2013

For a brand, the above activities will provide benefit to leverage the brand more personal and closer to every customer.

The Power of marketing 3.0 are three subcultures namely youth, woman and netizens. Youth and netizens subculture is a group of young people as agents of change. Both groups want changes in every field. Tired of the political conditions, and other unrest in the country.

Integrity and honesty is everything for woman. Depict feminine side tend to communicate more using affection, intimacy, and greater confidence than men. This

honesty will appear also in response to the products or services offered to the market (Kartajaya and Winasis, 2010). This statement is an analysis of the results of research on nearly 1,300 female respondents in eight major cities in Indonesia, age 16-50 years, conducted in May-June 2010.

Brands that target women, should be communicated honestly and touched the side of woman humanism . Communication activities made an honest woman here regarding the realization of brand advocacy for women. Example such as social campaign against trafficking of children and women, fighting forest fires wildy by The Body Shop. The values of The Body Shop as defend human rights, protect the planet and forest conservation campaigns very touching human side of its target audience.

Instead other cases related to poor managing brand integrity and customer relationships are Prita Mulya Sari with Omni International Hospital in 2009. This case started when Prita was disappointed because getting unsatisfaction services from Omni. Then, She told the grievances to online media. But such action is considered as a criminal offense and demanded Omni on charges of defamation. The case is a reflection of how poor handling of customer complaints.

The era of marketing 3.0-based human spiritual values, criminalize customers backfired for the company. Even more so in the Internet age where customer communication with the customer is able to become a strong community, and is able to have wide appeal. Public sympathize with coins for Prita movement through social media Facebook and against to the Omni International Hospital. In a short time the brand integrity the Omni International Hospital destroyed, and of course brand reputation will decline. The problem solving should be done with mediation between consumers and company and Omni International hospital should be able to align the position of the consumer.

Brand will be able to survive in the era of competition by promoting integrity and social campaigns such as the case above. Honesty can be used as a competitive advantage because of the role of social marketing strategy with a campaign of moral values have relevance in the creation of the brand image of the company's own products (Marisa Sandhi, 2012). So when consumers have seen the lack of company or morally defective, then the consumer won't buy the products. Finally a brand must be able to prove that they care about the environment and contribute to the delivery of social moral values through collaborative media in order to compete in the era of marketing 3.0.

3. CONCLUSION

1. Marketing era now has shifted to Marketing 3.0 Era. In this era brand not just simply rely on differentiation, but how a brand is able to offer a unique value

- proposition, honest and emphasis on moral values. The Objective is to make the world a better place.
2. To realize the core concept of marketing in the 3.0 era, marketers must take advantage of the new wave of media technology that is horizontal with the use of social media such as the internet, youtube to collaborate with consumers. Make the consumer as a partner for a variety of campaigns and brand social movement.
 3. Building brand integrity is a competitive advantage because it can improve the brand image and corporate reputation

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