

# BRANDING THROUGH SOCIAL MEDIA AS A COMPETITIVE ADVANTAGE ON FOOD AND BEVERAGE ARENA IN RIGA, LATVIA

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**Abstract:** *Branding was usually considered as the 'end-game' tactics. The rise of social media changes the scope of branding by letting small companies emphasise on their brand values to differentiate from others and gain a competitive advantage to stay afloat. The comparison analysis has been done in the research to discuss the importance of well-established branding on the social media of dessert cafes in Riga, Latvia.* **Keywords:** branding, marketing, social media, digital marketing

## Introduction and theoretical objectives

Branding is often associated with huge companies and their 'brands', such as Apple, Google, Coca Cola, to name a few. However, the recent drastic shift in the market perception and the rise of new companies and entrepreneurs united with a social media development caused the huge development in branding, even though people might not associate it with the study of branding itself. To clear out all the misunderstanding around what branding is and what it is not, the author shall cover the definition of branding in the following paragraphs.

When people hear the word branding or brand, the first thought which crosses their minds is the logotype - e.g. Nike 'swoosh' or the brand name on its own. That means that the general public associates your company with its visual resemblance. However, if you ask a person to imagine a company, that is refreshing, they would most likely think of Coca Cola, as that is the ultimate brand to promote that refreshing feeling.

You might argue that Pepsi and Sprite are both refreshing beverages as well. Here comes another part of branding, which is interestingly enough the most important - the promise. Every company has a promise it makes to its customers. Mercedes? They make a promise that if you drive their car you will be regarded as a responsible adult, while BMW focuses its marketing efforts to build a feeling of dynamics and style.

When you think of a product or a company as a lifestyle, now you are talking about its brand. If you own a Blackberry phone, you feel more organized and business-like. Apple products, make you the most trendy and 'superior' person. These are all great products of excellent quality, but the brand itself shapes the feeling, the emotion, which the customer and the end-user feels.

The **aim** of the research is to analyze the benefits of branding approach in social media for food and beverage companies in Riga, Latvia based on a comparison analysis of Latvian dessert brand activities in social media.

**Objectives** of the work are:

1. To understand the importance of social media in modern marketing mix for dessert companies in Riga, Latvia.

2. To demonstrate that branding in social media is a the most efficient way for small dessert companies to stay competitive in Riga, Latvia.
3. Provide recommendations to other food and beverage businesses on how to create a brand online and utilize social media as an additional element of their marketing mix.

**Methodology:** Comparison analysis of social media profiles - Instagram - of the leading dessert companies.

### **Theoretical information**

“*A brand* is a name, term, design, symbol, or any other feature that identifies one seller’s good or service as distinct from those of other sellers” (*American Marketing Association*)

That is a rather general definition provided by American Marketing Association, the one this research is going to be centred around is “**Branding** is endowing products and services with the **power** of a brand” (*Kotler & Keller, 2015*)

Such a shift in understanding of what brand is allows us much more impactful marketing activities. From now on, under brand we understand the idea/feeling/emotion that is connected with your company/products to help people remember you and differentiate from the masses and your competition. Otherwise, if thinking of a brand as an icon or just a name, you can get only that far with your marketing and hindering your overall marketing performance by the lack of the ‘power’.

**Social media** (p, s) websites and applications that enable users to create and share content or to participate in social networking. (*Oxford Dictionary*)

Social media marketing is shifting marketing activities to social media platforms to engage with customers and create a more meaningful conversation around your company or a product. Noteworthy, we should not identify social media as a single marketing tool, or treat it the same way as traditional marketing channels. “Social media is a **hybrid element** of the promotion mix because in a traditional sense it enables companies to *talk to their customers*, while in a nontraditional sense it enables customers to *talk directly to one another*.” (*Glynn Mangold, Faulds, 2009*).

When marketers saw all the opportunities and possibilities of social media, they have instantly forgotten to adjust for context of the platforms and just duplicated their traditional mindset on much modern and dynamic platforms. In most cases, social media present us with incredible functionality for advertisers with full control over the results of the advertisement and wonderful visual and engaging platform for branding. However, there is still a way for sales and marketing in a way of direct sales via the platforms. The research is centred around social media as a modern branding tool.

### **Food and beverage companies in Riga, Latvia**

Riga is a well-known for its culinary wonders, represented by a multi-layered cultural diversity and modest lifestyle of Latvian people. “The food and beverage industry is nominated as one of the city’s priority sectors in terms of increasing its competitiveness” - The Riga City Council. (*European Region of Gastronomy by International Institute of Gastronomy, Culture, Arts and Tourism / IGCAT, 2017*). The moment you step into Old Riga,

you are getting overwhelmed by the variety of restaurants, bars, cafes, bakeries of all cuisines and cultures. That phenomenon makes Riga a wonderful place for food tourism.

There are more than 750 restaurants in Riga, according to TripAdvisor and over 150 restaurants of premium level cuisine, according to LIAA. This research will focus on dessert companies in Riga, Latvia to narrow down the analysis and provide specific suggestions.

There are **23 desserts** in Riga, Latvia, according to TripAdvisor.com. Usually, such companies are founded by enthusiasts of their craft, which makes them more interesting and wonderful branding cases. For the clarity of the research, the author has selected three dessert companies - BakeBerry Bakery, Arbooz Cafe, Yvette Cafe. All three represent different cases, which will be discussed in the following chapter - Case Studies.

## Case studies

### **BakeBerry Bakery** (*2nd place, TripAdvisor*)

Description: BakeBerry Bakery is a gourmet metropolis right at the heart of the Old Town, where the best culinary traditions from all over the world come together. Artful interior and a smell of freshly baked pastry will enchant both French slow life pace lovers and fashion ladies from Milan, as well as business people from the center of Brussels and Latvian contemporary flavor seekers.

Website: [www.bakeberry.lv](http://www.bakeberry.lv) (could not be accessed during the research due to security concerns)

Location: Audeju iela 11, Riga 1050, Latvia

Instagram: @bake\_berry

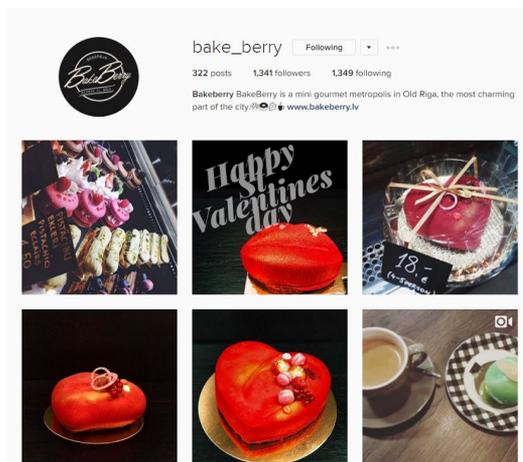
Followers: 1,341

Average engagement: 120 likes per post/month (2997 likes in total/month); 11 comments in total/month

## Analysis

The company is a part of Restau-Rateur Group with their seven restaurants and one luxury boutique hotel - International Riga, International Jurmala, Melna Bite, T73, Bakeberry, Sezona Restorans, Wooden Villa, Legend Beach. One of their definite weaknesses is lack of clear social media marketing strategy, not mentioning any branding activities online.

Taking into consideration, customers' reviews and ratings online on websites, such as: Facebook (4.8/5), Foursquare (8.8/10), TripAdvisor (4.5/5), we can conclude that their competence level in brick mortar restaurant business is above ordinary. Unfortunately, that is not enough in the modern times, especially, if you wish to stay competitive with small dessert cafes popping up due to the development of social media.



(Picture 1. BakeBerry Bakery, Instagram Profile)

BakeBerry Bakery has a well-established brand, which is recognizable and talked about, according to observation of customers' behavior on social media platforms. About 20 customer pictures with geolocation tag at BakeBerry Bakery per week on Instagram. 3-4 reviews on TripAdvisor. However, their social media activities do not fully contribute to the conversation.

The author could not access their website as it was blocked by Google due to security concerns, therefore the research on the brand communication online was slightly limited, but not to an extent to significantly affect the comparison analysis.

Their Instagram profile does not communicate its brand at all, the whole page is lacking the general layout and one visible theme. The quality of pictures varies from an utterly bad to a professional picture to an amateur graphics.



(Picture 2. Bakeberry Bakery, Instagram Posts Examples)

### Recommendations

#### 1) Show company's culture

According to reviews on TripAdvisor, the company has an incredible personnel, why would not the company use that to their advantage? "Funny personnel, delicious and BEAUTIFUL desserts...." 5 stars 27 feb 2017 review on TripAdvisor

#### 2) Show company's premises

Once again, customers point out the uniqueness of their premises decoration. Why would not you communicate that through your social media? That would increase the

curiosity of those who have never visited and give grounds for discussion for those who visited.

“The cafe got my attention, because one of the tables had comfortable swings instead of chairs...” 5 stars 2 feb 2017 review on TripAdvisor

### 3) Fix the visuals

Nowadays, everybody searches for new places online and in most cases people would search for it on social media, having poor visual representation will not make you any good.

#### **Arbooz Cafe (12th place, TripAdvisor)**

Description: Although originally planned as a small boutique cafe, specializing just in hand-made macarons, cakes and cupcakes, it soon has become a hotspot for city’s desserts connoisseurs. In just a few months after opening, arbooz was chosen as one of the 12 brands representing Riga – European Capital of Culture 2014 for the travelling exhibition organized by the Ministry of Foreign Affairs of Latvia.

Website: <http://arbooz.lv/en/>

Location: Dzirnava 34A, Riga, Latvia

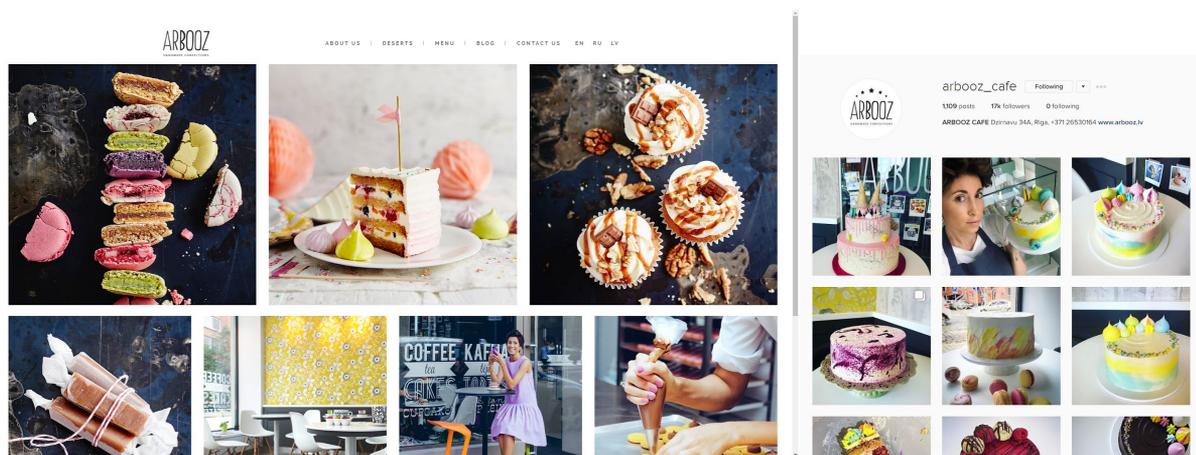
Instagram: @arbooz\_cafe

Followers: 17,000

Average engagement: 771 likes per post/month (13887 likes in total/month); 117 comments in total/month

#### Analysis

Arbooz Cafe is a small place in the centre of Riga, that opened only in summer 2013. The whole marketing structure relies solely on social media without any paid advertisement. The branding of the company is incredibly well-represented and communicated both in tangible world - brick & mortar cafe and intangible - social media and website.



(Picture 3. Arbooz Cafe, Official Website, Instagram Profile)

The very moment when you get to the cafe’s official website, you understand their brand values, company’s culture, all the emotions and feelings are convincing, but very light. Proceeding to their official Instagram account (@arbooz\_cafe), we experience exactly the same feelings and emotions. Moreover, the company has its “personality” in a face of the founder - Karina, who is personally engaging with customers in social media, making the whole experience more natural and exciting.

Arbooz Cafe brand is a wonderful combination of beauty, dynamics and bright personality, just like the founder. Lovely and genuine enthusiasm results into a lively conversation and high engagement rates with the audience.

## Recommendations

### 1) Highlight great reviews

People are so excited to try out Arbooz products that some of the most engaging stories appear online.

“That was a cold winter day. I was meandering the city streets in search for ‘something interesting’ as a small gift. Just like that, I stumbled across the Arbooz cafe and decided to taste macarons for the first time in my life.

‘May the lightning strike me, my life has not been lived in vain!’ - I exclaimed, raising my arms to the ceiling.

The moment later, I was rewarded with 10 divine macarons as a gift.” 5 stars review on TripAdvisor

### Yvette (not present on TripAdvisor)

**Description:** The world of beauty and taste. Founded by Yvette - florist and confectioner

**Website:** <http://www.yvette.lv/>

**Location:** Grostonas 21, Riga, Latvia

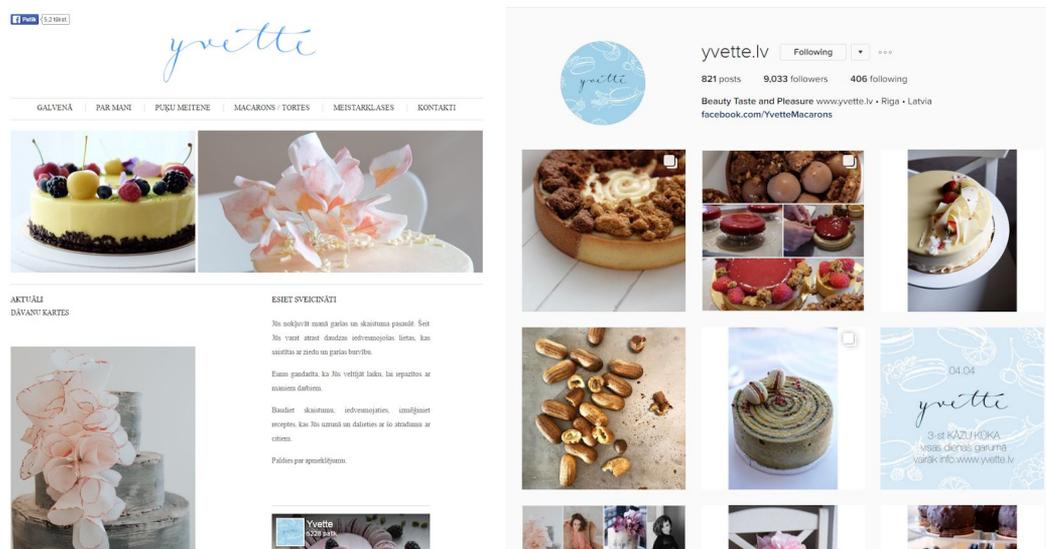
**Instagram:** @yvette.lv

**Followers:** 9,033

**Average engagement:** 246 likes per post/month (3692 likes in total/month); 60 comments in total/month

## Analysis

Yvette is a small project created by an enthusiast and a truly professional confectioner - Yvette. Her aim is to unite the beauty of flowers with the tastiness of cakes. Her brand illustrates all the feelings amazingly well. The lightness of flowers-like decorations united with stunning designs create the necessary beauty.



(Picture 5. Yvette, Official Website, Instagram Profile)

Official website is a joy to use, the simplicity and functionality are inline with the brand values. The company's Instagram profile follow the similar feeling of lightness of the wind and beauty of the flowers gently following the blow. All the pictures are made professionally. Once again this profile illustrates the importance of having a brand 'personality' as we can see photos of the founder, which makes the brand lively and more natural. All communicating is done by Yvette, herself.

The profile is centred around the main activity - cake baking, which shows us the multitude of ways, one can differentiate itself through the branding, even though the product is almost the same as in other cases.

### Recommendations

1) Every product or company has its own brand personality

Identify your company's brand personality. It may be a founder as seen in Arbooz and Yvette, it may be a personnel, or even a customer as suggested for BakeBerry Bakery. Engaging your brand personality in a dialogue with the customers will improve the social aspect of your social media presence, thus, will improve the whole brand performance online.

### Conclusion

1) Companies are missing out on the conversation, which is created by their customers, unless they are present online and engage with them.

2) While big cafes are tempting their fate by being overconfident with their marketing efforts on traditional media channels, they are missing out a bigger picture - social media. Only small companies resort to social media as their primary marketing channel and they master and utilise it in such a way that it brings them higher customers' involvement into a brand activities, thus raising the demand for their products and services.

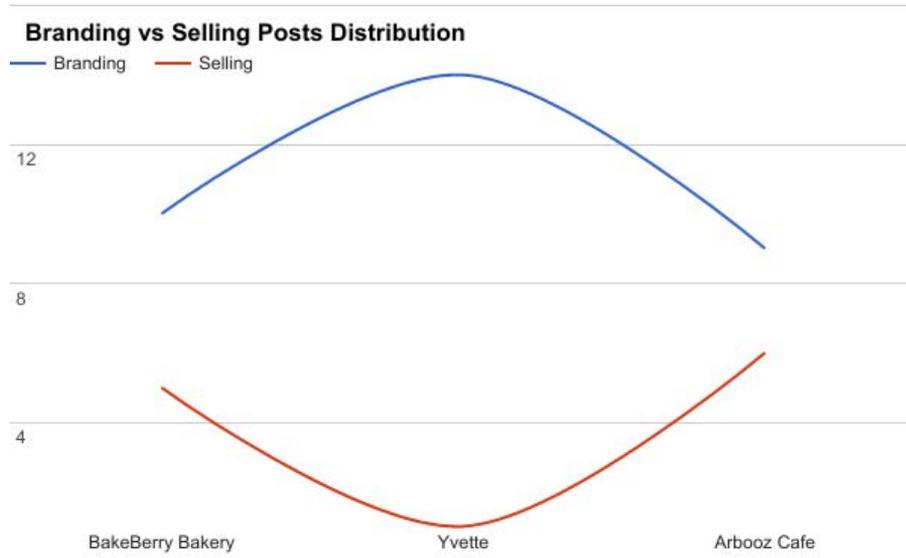
3) However, just having an account on social media will not be enough to satisfy the hungry for attention customer. The company should take care of its visuals and communicate the same brand values as it is communicating through their other marketing channels.

4) Analysis shows that optimal post distribution is **10 to 5** - Branding to Selling posts (*Figure 1*), that leads to higher engagement rate of **8.9%** (Average likes to followers) (*Figure 2*). However, professional visual content and clear brand values communication results into more comments to posts ratio (*Figure 3*).

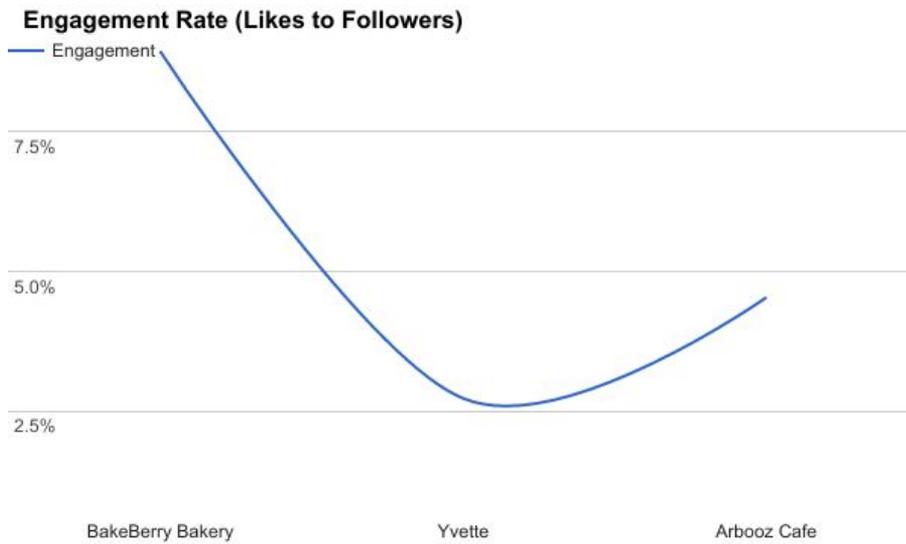
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6. Yvette. Official Website. <http://www.yvette.lv/>
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8. Bakeberry Bakery. Instagram Profile. [https://www.instagram.com/bake\\_berry/](https://www.instagram.com/bake_berry/)

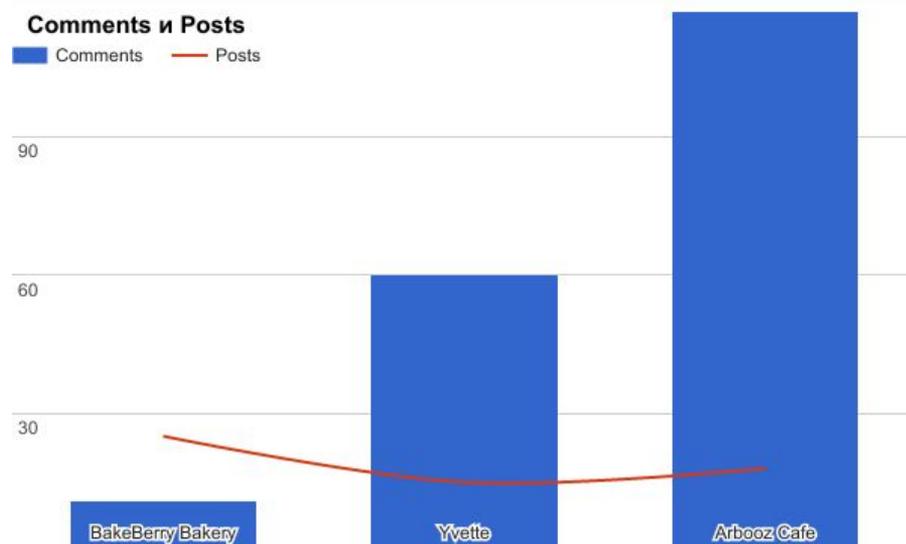
## Appendices



(Figure 1. Post Distribution)



(Figure 2. Engagement Rate)



(Figure 3. Comments to Post Ratio)