Impact of Social Media Marketing of Japanese Craft Brands on Brand Loyalty: A Conceptual Model

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ABSTRACT
This study examines the impact of social media marketing on brand loyalty within the realm of traditional Japanese crafts, renowned for their cultural significance. Drawing on the existing theories in marketing research, this paper proposes a conceptual model that explains how social media platforms influence consumer loyalty. The goal of this paper is to shed light on how social media enhances brand engagement and facilitates brand communication, and how these factors contribute to brand loyalty. Notably, many traditional Japanese crafts are predominantly marketed through exhibitions or physical stores, but the efficacy of social media remains unclear. By uncovering the potential of digital marketing for Japanese traditional craft brands, this research offers valuable insights and practical implications for navigating the contemporary marketing landscape, particularly in leveraging social media to bolster brand loyalty in cultural and creative industries.

Keywords: *Social Media Marketing, Brand loyalty, Consumer Engagement, Brand Community, Brand Communication.*

1. INTRODUCTION

Japanese traditional crafts are a fusion of traditional methods and sophisticated techniques that have been passed down for a long time, and their beauty and uniqueness have been highly praised, both domestically and internationally. However, according to the study about Japanese traditional craft, the wholesaler function has declined due to changes in the distribution structure based on mass production and mass consumption, and the scale of the traditional craft industry is shrinking year by year (Kimura, 2017). In recent years, the proliferation of the Internet and social media has given businesses the opportunity to effectively promote their brands and build relationships with customers. Social media is widely used, especially among the younger generation, and its influence can be said to be extremely large. Social media is used not only for advertising and promotion, but also for brand storytelling and communication (Laroche et al., 2013). However, is it expected to have the same effect for traditional products such as craft brands? Communicating the background and manufacturing process can attract interest, but limited research exists on social media marketing's effectiveness for Japanese craft brands, given their unique market. Crafts are primarily sold offline, engaging directly with customers, making social media communication challenging (Bureau of Industrial Labor Affairs Tokyo metropolitan government, 2015). Therefore, the goal of this research is to provide new knowledge in this area and clarify the role of social media in industries and markets.

1.1. Research Motivation

While research on social media is abundant and its importance is evident (Puspaningrum, 2020), many studies have the scope of research limited. Can we say that social media is equally important for traditional Japanese craft brands? This study is motivated by the aim to promote the use of social media in craft brands. Social media marketing is widely utilized as a modern marketing tool, potentially playing a crucial role for craft brands, yet its impact remains unclear. This study aims to establish a conceptual model that explains how social media marketing activities encourage brand communication and influence brand engagement in craft brands, aiming to enhance brand loyalty of the cultural consumers. By doing so, it seeks to deepen understanding of how craft brands can effectively utilize social media and contribute to the improvement of their marketing strategies.

2. LITERATURE REVIEW

2.1. Current status of Japanese Traditional Craft

According to the latest data from the Ministry of Economy Japan, Trade and Industry, as of October 26, 2023, there are 241 "traditional crafts" designated by the Minister of Economy, Trade and Industry nationwide. Trade and Industry, the total production value of the industry peaked at 523.7 billion yen in 1972, remained around 500 billion yen until the Japanese asset price bubble in 1990, and then declined. In 1998, it was approximately 278.4 billion yen, decreasing sharply until 2010, reaching about 87 billion yen in 2020. According to a survey by the Ministry of Economy Japan in 2022 of Trade and Industry, many business operators said, "*It is difficult to plan and develop products based on consumer needs (43.4%)*" and "*Not enough awareness or promotion of the production area (38.7%)*". According to a survey by the Tokyo Metropolitan Government's Bureau of Industrial and Labor Affairs on the realities and challenges of the creative industries (2014), changes in the business environment that will affect future operations show that in the overall creative industry, about 40% perceive the advancement of digital technology, nearly 40% perceive the advancement of internet distribution technology, and about 30% perceive the expansion of consumption behavior on the internet as significant factors. Specifically in the field of craft industries, responses indicated a perception of the expansion of consumption behavior on the internet (41.6%) and an increase in demand in overseas markets (22.1%) as significant influences. Looking at future management priorities, about 40% of the overall creative industry prioritizes securing and developing talent, while about 30% prioritize developing products, services, and successors, with approximately 30% focusing on venturing into new fields. In the craft industry, priorities lie in product development (36.4%) and marketing and expanding sales channels (35.1%). These findings underscore the need for marketing through social media, which can directly connect craft industries with the world. However, the sales methods in Tokyo's craft industry are predominantly through physical stores (35.1%), followed by participation in exhibitions (27.3%). Traditional crafts are not commonly purchased on a daily basis and it is necessary to gain knowledge about the product, through communication with craftsmen and sales staff, before purchasing it.

2.2. Branding in social media marketing

Social Media: Social media is a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and which allow the creation/ exchange of user-generated content (Kaplan and Haenlein, 2010). Social Media Marketing is using social media and social networking sites to market a company's products and services (Cvijikj and Michahelles, 2011). According to the Digital 2024 Global Overview Report the number of social media users worldwide has been rapidly increasing since 2011, with over 66 percent of the global population currently using the internet, reaching a total of 5.04 billion people. Additionally, the time spent on social media platforms has been increasing year by year. According to Statista's "Distribution of Instagram users worldwide as of January 2024, by age and gender," the majority of Instagram users as of January 2024 are between 18 and 34 years old.

Brand Loyalty: Brand loyalty can be defined as "a deep commitment to repurchase the preferred brand repeatedly, despite situational influences and marketing efforts to switch brands" (Oliver, 1999). Perceptions derived from shopping experiences form the basis of consumer satisfaction, ultimately leading to consumer happiness (Gong and Yi, 2018), which in turn influences consumer well-being. Brand loyalty towards a company or its products ensures the company's sustainability (Bennett and Rundle-Thiele, 2005). Moreover, the strength of a good brand loyalty relationship should be weaker in asset-based consumption, than in competency-based consumption. Consumers engaging in competency-based consumption tend to feel more attached to brands (i.e., affectionate, passionate, and connected) thus forming a stronger relationship with the brand. Brands with a strong and distinctive identity are more easily recognized by customers, contributing to higher brand loyalty. Additionally, resonating with the brand's characteristics and values reinforces identity. Brand loyalty and brand identity complement each other, mutually reinforcing and contributing to sustained success and improved customer loyalty. Social media marketing activities have been shown to be a factor in enhancing brand loyalty (Ismail, 2017), likely due to the tendency of followers of brand pages on social media platforms to be loyal to the brand. There is not much research on brand loyalty in the field of creative industries. In Taiwan, the experience industry in the experience economy, Creative Life Industry (CLI), is defined. In CLI, businesses focus on highly experiential services that enhance customer understanding. Compared to other experiences, CLI emphasizes the aesthetic beauty of product designs, incorporating traditional culture into modern settings to create entertainment value. Customers passively enjoy these experiences through their senses. Escapist and aesthetic elements significantly influence brand loyalty, impacting revisit intentions as well. Elements like unique living designs and architectural aesthetics inspire brand loyalty, helping CLI businesses create optimal experiences that strengthen customer loyalty (Chang, 2022).

Brand Engagement: According to engagement conceptualizations in the marketing literature, Engagement is a motivational state that occurs by virtue of interactive, co-creative customer experiences with a focal agent/ object in focal brand relationships (Brodie et al,. 2011). Also, The level of an individual customer's motivational, brandrelated and context-dependent state of mind characterized by specific levels of cognitive, emotional and behavioral activity in brand interactions. A customer's level of cognitive, emotional and behavioral investment in engagement specific brand

interactions (Hollebeek,2011). According to previous research, Customer engagement has consequences for many different stakeholders including the focal customer, the focal brand/ firm, as well as other constituents, for example, customers of other products and brands. Consumer engagement with the brand post on social media has a significant impact on customer's brand love (Hamzah, Wahab, Waqas, 2021). Interactive elements such as liking, commenting, or including links to websites, as well as unique and creative novelty, are important factors in content posting that lead to consumer engagement (Hamzah et al., 2021). One of the best outcomes to be achieved from Social media brand participation is a consumer engaged with the brand content (Barreto and Ramalho, 2019:Park and Namkung, 2022). Instagram has demonstrated that marketing activities have an impact on brand awareness, brand image, and perceived quality, which in turn significantly influence attitudinal and behavioral loyalty. Particularly, brand image was identified as a central factor in shaping brand loyalty. Furthermore, consumer engagement with brand posts on social media was found to have a significant impact, affecting both brand awareness and customer loyalty. Fostering customer brand engagement is expected to lead to increased consumer brand retention and loyalty (Hollebeek et al., 2014).

Brand Communication: In recent years, social media has often facilitated the formation of communities centered around communication between companies and consumers (Mizukoshi et al, 2012). The reason why brands participate in social media is a consensual one: they are compelled to be there. Social media is a new environment in which everyone participates (Coelho et al., 2018). These communities on social media are easily accessible to everyone and allow for casual participation. Brand communities created through social media serve to benefit their members by facilitating information sharing and strengthening bonds between customers, brands, products, and companies (Laroche et al., 2013). Also, expand their repertoire of "Customer Engagement Behaviors", such as actively contributing content after initially joining a community (van Doorn et al., 2010). involving consumers with the brand-related online activities builds their strong relationship with the brand, creating a sense of belongingness, developing trust, and increasing consumers' satisfaction and commitment (Vikas et al., 2021). Brand communication is the conversation among consumers conducted online, enabling customers to share information themselves. This has led to significant changes in how companies engage in marketing communication (Mari, 2023). Consumers discuss not only product or service information but also subjective and experiential opinions and rumors regarding various levels of service, such as packaging, delivery, and employee behavior (Grewal et al., 2019). It has been shown that consumers posting product information can reduce their purchase intent (Grewal et al., 2019), and differences exist across industry categories (Schivinski,Dabrowski, 2016). Experts emphasize that social media is a crucial communication tool for building valuable relationships between brands and consumers, highlighting the importance for brands to listen to consumer's voices to deepen relationships (Coelho et al., 2018). Marketers conduct marketing using a listening approach on social media premised on understanding consumer's true feelings and voices to engage and retain their hearts, and analyzing information posted on social media to improve engagement and drive sales. Experts suggest consumers join brand communities primarily to be heard, recognizing newfound empowerment, though disagreement exists regarding consumer motives (Coelho et al., 2018). Brand communities, formed by users through social media, are believed to enhance brand loyalty (Hajli et al., 2017). They serve as a new marketing communication that enables direct interaction and sales without relying on mass media. Dialogues via social media can enhance purchase intentions, strengthen brand relationships, and positively impact brand loyalty, acquiring more loyal customers (Laroche et al., 2013). Brand communities, outside of corporate management, may not merely affirm brands; anti-brand communities exist, posing risks of backlash or loss of original value upon marketing incorporation (Krishnamurthy,Kucuk, 2009; Isii,Mizuhara, 2006). Interviews in some prior studies indicated that while many consumers perceive positive effects of social media interactions with brands on relationships, some already hold positive opinions, minimizing the impact (Coelho et al., 2018).

The following provides information about various marketing related concepts defined by different authors (see Table 1). These definitions reveal various important concepts and approaches in marketing and brand strategy.

Table 1. Terminology concept

Concepts	Authors	Definitions
Social Media Marketing	Cvijikj, Mihcahelles, (2011)	using social media and social networking sites to market a company's products and services
Social Media	Kaplan,Haenlein (2010)	a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and which allow the creation/exchange of user-generated content

Table 1. Terminology concept (cont.)

Concepts	Authors	Definitions

Brand Loyalty	Aaker (1997)	the main idea of a brand. This means that brand loyalty reflects the level of loyalty or consumer interest in a brand
	Schiffman and Kanuk (2009)	a consistent consumer preference to make purchases for the same brand on a specific product
	Oliver (1999)	a multidimensional approach based on cognitive, emotional and behavioral aspects
Brand Love	Carroll and Ahuvia (2006)	The degree of passionate affective attachment customers have for a particular brand
Consumer Engagement	Van Doorn et al. (2010)	behavioral manifestations that have a brand or firm focus, beyond purchase
		customer's affinity for a firm, such as customer brand engagement
		customer's behavioral manifestations that have a brand focus, beyond purchase, resulting from motivational drivers
Engagement	Brodie et al., (2011); Hollebeek et al., (2014)	a multidimensional approach based on cognitive, emotional and behavioral aspects
Customer Engagement Behaviors	Sprott, Czellar, Spangenberg (2009)	an individual difference representing consumers' propen- sity to include important brands as part of how they view them- selves
Brand Community	Muniz,O'guinn, (2001)	social entities that reflect the situated embeddedness of brands in the day-to-day lives of consumers and the ways in which brands connect the consumer to the brand, and consumer to consumer
		a specialized, non-geographically bound community, based on a structural set of social relationships among admirers of a brand
Brand communication	Yang,Battocchio, (2021); Vikas et al. (2022)	any piece of brand-related communication "distributed via social media

3. PROPOSITIONS

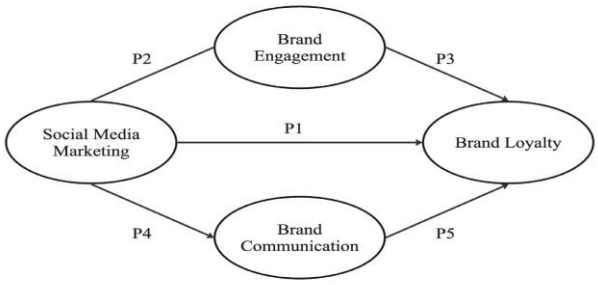

Figure 1 The conceptual model

This conceptual paper employs a systematic literature review method to examine the influence of social media marketing on brand loyalty and engagement among consumers of traditional Japanese craft brands. The study focuses on everyday items like tableware, furniture, and clothing, which are representative of Japanese crafts.

The proposition in this study is as follows (see Figure 1):

P1: Perceived social media marketing activities positively influence brand loyalty for craft brands.

P2: Perceived social media marketing activities have a positive impact on brand engagement for craft brands.

P3: Brand engagement has a positive influence on brand loyalty for craft brands.

P4: Perceived social media marketing activities positively influence craft brand communities.

P5: Craft brand communities have a positive impact on brand loyalty for craft brands.

The conceptual model is based on the research model of the work of Ahmed Rageh Ismail (2016).

4. CONCLUSION

After conducting research based on this research model and propositions, the following suggestions will be obtained. The current research model provides insight into the impact of social media marketing activities on brand loyalty and engagement of traditional Japanese craft brands. By quantifying the relationships between these variables, we can gain

a deeper understanding of how social media marketing influences consumer behavior. The findings may also help guide traditional craft brands to brand strategies by identifying the most effective social media marketing strategies, to increase brand loyalty and engagement. Effective use of social media marketing can give traditional craft brands the opportunity to expand their reach and access new markets. It will be possible to understand what types of content and interactions on social media drive higher levels of brand loyalty and engagement, and brands can also strengthen brand community through interaction and communication with consumers. Additionally, proactively engaging with consumers allows brands to connect with a wider audience beyond traditional trade show and in-store channels, incorporate more consumer opinions, also increasing brand awareness and potentially attracting new customers. Social media will serve as a platform to educate and promote cultural heritage related to Japanese traditional crafts. By disseminating information, we can educate and engage consumers, deepen their understanding of traditional craftsmanship, and contribute to its preservation. In conclusion, this study could provide valuable insights and practical conclusions for Japanese traditional craft brands seeking to utilize social media as a strategic marketing tool. By understanding the impact of social media marketing on brand loyalty and engagement, brands can develop more effective marketing strategies, strengthen their brand presence, and preserve and promote Japan's rich cultural heritage in the global market.

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