



Determining factors affecting E-branding in Iran (A case study: Food industry companies of Tehran)

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Received: 2022/09/25 Accepted: 2022/10/15 Published: 2022/11/01

Abstract

The aim of the study is determining factors affecting E-branding in Iran. This study was a descriptive survey and the survey instrument was a researcher-made questionnaire. Statistical society was all of experts in food industry companies of Tehran. Sample size (140 persons) determination is based on the Cochran formula and cluster random sampling method was used. After data collection, data analysis was performed using SPSS. Results showed that perception of customer, infrastructure of technology and branding style have significant role in E-branding in Iran.

Keywords

E-branding, perception of customer, Infrastructure of technology, Food industry companies of Tehran

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Introduction

Across a range of service industries, technology is dramatically changing the service delivery process as it requires more employees and customers to interact with technology-based systems either as a substitute for or complement to face-to face service interactions (Curran et al., 2003; de Jong et al., 2003; Meuter et al., 2005).

In recent years, increasing numbers of businesses have been using the Internet and other electronic media in conducting their branding efforts, giving the chance for Electronic Branding (as a new branding phenomenon and philosophy) to grow in a very dramatic and dynamic way. E-branding or electronic branding refers to the application of branding principles and techniques via electronic media and more specifically the Internet. It includes both direct response branding and indirect branding elements and uses a range of technologies to help connect businesses to their customers.

From the author point of view, implementing E-branding by business enterprise can change both the shape and nature of its business all over the world. Because the increase usage of the Internet and other Electronic Branding tools (i.e.: E-mail, Intranets, Extranets and Mobile phones) in electronic transactions might create not only a lot of opportunists for small business enterprises but also can eliminate a lot of its threats. From this prospective, it is noticed that the Internet, other electronic media tools and Electronic Branding tools are playing a vital and essential role in conducting branding activities within business enterprises regardless of its type or size (El-Gohari, 2010).

In the EC-related literature, there were considerable studies, either in developed or developing countries, that put prominent efforts to clarifying the EC adoption phenomenon; however, mostly in the LSEs and SMEs where may not be quite appropriate for explaining EC adoption in family SMEs. Likewise, there was almost no EC adoption study in family SMEs' context in Iran. Given this situation, in this research for underlining the EC adoption first order factors and their related aspect items in Iranian family SMEs, the related factors influencing EC adoption in SMEs and particularly family SMEs, either in developed or developing countries, were reviewed and categorized, based on the similarities. In this way, the relevant literature in SMEs and family SMEs in Iran, were specifically reviewed. Despite of the considerable EC adoption study in SME's context in Iran (i.e. Ghamatrasa, 2006; Ajdari, 2007; Hajkarimi and Azizi, 2008; Afzal, 2008; Sanayei and Rajabion, 2009; Ghorishi, 2009; Sameni and Khoshalhan, 2009; Abbasi, Sarlak, Ghorbani and Esfehiani, 2010; Hajiha, et al., 2010; Ghobakhloo, Aranda and Amando, 2011a; Ghobakhloo, Aranda and Amando, 2011b; Hajli and Bugshan, 2012), almost there was no study of EC adoption in family SMEs' context. Consequently, an experience research with an explanatory nature, conducted by the semi-structural knowledge-people (In-depth) interviews, was arranged to identify the exclusive EC adoption determinants and their related aspect items in Iranian family SMEs, through re-evaluating the concepts and their categorizations in a deductive content validity.

Due to the importance of the topic, the purpose of the study is determining factors affecting E-branding in Iran.

Methodology

The present study is a descriptive one. Theoretical bases of the study were collected by reputable sites, books and related articles. The information and data for hypothesis testing

were gathered by a researcher-made questionnaire. Statistical society was all of experts in food industry companies of Tehran. Sample size (140 persons) determination is based on the Cochran formula and cluster random sampling method was used. After data collection, data analysis was performed using SPSS.. In this study, Validity and reliability of the questionnaire was approved. Validity of the questionnaire was accepted by expert opinion of university and reliability of that was calculated by Cronbach's alpha and the value of that was 0.82.

Before completing the questionnaire by the participants, basic description of the study and its objectives as well as additional details about the questions presented to them. Enough time to complete the questionnaire was provided to participants. Write the name and characteristics of participants for the questionnaire was not compulsory, so they can fully express their opinions. After gathering information from the questionnaires, the data were analyzed and results are discussed with the findings of previous studies. All of data were analyzed by SPSS software.

Results

Table 1 shows descriptive statistics of participants. As showed by the table, males with 62.9% participants are the highest sex of participants. Master participants with 50% make the most and participants with job experience Higher than 20 years are highest in the group of job experience.

Table 1: Descriptive statistics of participants

Statistics						
Sex	Female			Male		
	52	%37.1		88	%62.9	
Education	Bachelor		Master		Doctorate	
	30	%21.4	70	%50	40	%28.6
Job Experience	Less than 10 years		Between 11-20 years		Higher than 20 years	
	35	%25	45	%32.1	60	%42.9
Age	25-35 years		36-45 years		Higher than 45 years	
	40	%28.5	45	%32.1	55	%39.4

- Does perception of customer affecting E-branding in Iran?

Since the test statistics is lower than table critical value at 95 percent and corresponding confidence interval shows positive, this means perception of customer affecting E-branding in Iran.

Table 2: The mean comparison based on the one-sample t test

Variables	Average	SD	t	sig	Confidence intervals 95%	
					Lower bound	higher bound
perception of customer	4.32	0.389	3.73	0.001	0.179	0.273

- Does infrastructure of technology affecting E-branding in Iran?

Since the test statistics is lower than table critical value at 95 percent and corresponding confidence interval shows positive, this means infrastructure of technology affecting E-branding in Iran.

Table 3: The mean comparison based on the one-sample t test

Variables	Average	SD	t	sig	Confidence intervals 95%	
					Lower bound	higher bound
infrastructure of technology	3.98	0.258	4.71	0.001	0.235	0.256

- Does branding style affecting E-branding in Iran?

Since the test statistics is lower than table critical value at 95 percent and corresponding confidence interval shows positive, this means branding style affecting E-branding in Iran.

Table 4: The mean comparison based on the one-sample t test

Variables	Average	SD	t	sig	Confidence intervals 95%	
					Lower bound	higher bound
branding style	4.05	0.189	5.22	0.001	0.118	0.209

Discussion

Results showed that perception of customer, infrastructure of technology and branding style have significant role in E-branding in Iran. Yaghoobi and Shakeri (2008) studied E-branding using technology acceptance models. The aim of this study was comparison of 3 models of technology acceptance model, Theory of reasoned action and theory of planned behavior. Results show that theory of planned behavior has better performance rather other two models. Electronic Branding (E-branding) can be viewed as a new philosophy and a modern business practice involved with the branding of goods, services, information and ideas via the Internet and other electronic means. By reviewing the relevant literature it is noticed that definitions of electronic branding (E-branding) vary according to each author's point of view, background and specialization. For that, while Smith and Chaffey defines it as: "Achieving branding objectives through applying digital technologies" (Smith and Chaffey, 2005), Strauss and Frost define it as: "The use of electronic data and applications for planning and executing the conception, distribution and pricing of ideas, goods and services to create exchanges that satisfy individual and organizational goals" (Strauss and Frost, 2001).

In the literature the majority of existing EC adoption studies have been investigated in the LSEs and/or SMEs, and there is an evident gap in related studies in family SMEs' context, especially in the developing countries. The number of articles, journals and general studies in family SMEs' context, compared to the overall studies, is considerably low (Astrachan & Torsten, 2010), which it seems to be even worse in case of developing countries (Gomez, 2012). Shanker and Astrachan (1996) underlined two main reasons in this respect: a) family SMEs have not been considered as a distinct entity for a long time by government agencies and even academics, b) There is almost no specific definition for family SMEs; thus,

conducting research in such businesses is difficult. Relatively, there is almost not a quite understanding of the ways that family SMEs venture new technologies, operate, and source their needs in the market.

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