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MARKETING FOR BRAND BUILDING**

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# THE EFFECTIVE USE OF DIGITAL MARKETING FOR BRAND BUILDING

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**Abstract**— As consumer behavior is changing and shifting to digital trends, marketers have been using digital marketing strategies for brand development. In this paper, we aim to present how to use digital marketing effectively in developing a brand. Moreover, we will discuss how to expand businesses and increase revenue by strengthening customer relationships and promoting a brand with the use of digital marketing types, channels and technology. We also aim to show how digital marketing types, namely social media marketing, blog marketing, content marketing, and Search Engine Optimization affect brand development. As consumer behavior is making a shift to digital trends, the results of the research can be used as a secondary source of information for managers and marketing managers and entrepreneurs at all levels of small businesses facing difficulties during the pandemic. In addition to this, it will be used as a guideline on the effective use of digital marketing for brand building.

**Keywords**— Digital Marketing, Brand and Brand Management, Brand Equity Model

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## **1. INTRODUCTION**

In today's fast-paced world of digital technology, consumers make their purchasing decisions relying on brand reputation, not on sales promotions, or sales agent skills. As consumer behavior makes a shifts to digital, market leaders are using digital marketing strategies to build their brands. Thanks to the effective use of digital marketing, marketers can better understand customer needs and promote goods and services offered by the company by using digital channels, such as emails, social media, and Search Engine Optimization. Using different types of digital channels helps to develop brand awareness and to increase the number of potential customers through brand recognition.

Research objective: The objective of this study is to identify the impact of digital marketing on brand building. Research methods: In conducting this research, we have widely employed scientific cognitive methods such as data synthesis and analysis, the method of scientific abstraction, deductive and inductive methods of economics, and comparative analysis. We have also conducted market research by deploying surveys and analyzing the documents and data gathered. In addition to these, we have used economic-statistical quantitative methods such as variance, correlation, and factor analysis.

The novelty of the research: We are seeing a big change in consumer behavior in the digital age. The consumer shift to digital channels has been rising rapidly. Thus, the novelty of our research is that we have investigated the effects of digital marketing used by small businesses on their brand-building; in particular, we have assessed how the digital marketing of Oim LLC affects its branding and developed digital marketing strategies tailored to suit the Oim LLC's needs.

## **2. THEORETICAL FRAMEWORK**

### **2.1. DIGITAL MARKETING**

Digital marketing is a marketing strategy that is delivered through digital channels, such as computers, smartphones, mobile phones, tablets, TVs, and game controllers. An integral part of digital marketing is digital brand promotion. In addition to the devices mentioned above, digital marketing uses technologies and platforms such as websites, email, mobile applications, and social networking websites. Digital marketing also uses non-Internet channels, such as television, radio, and short and multimedia message services. There are different types of digital marketing, such as influencer marketing, inbound marketing, content marketing, and social media marketing. Influencer marketing involves influencers who promote products and services to the target audience using social media [1] platforms while inbound marketing uses blogs, videos, digital books, podcasts, emails, SEO, social media marketing, and other methods of content marketing. Social media marketing promotes products and services deploying the Internet and social media platforms.

Email marketing is also one of them, and email marketing is a common technique used by marketers to communicate with potential and current customers via email. The purpose of communication is to educate, promote, and ultimately persuade readers to turn into loyal customers. As email usage increases, email marketing is a direct, personal, inexpensive, and often very powerful advertising channel.

**SEO /search engine optimization/:** SEO is a vital digital marketing strategy that is used by a company to increase the visibility of its websites at the top of the search engines like Google and Bing when people look for products and services related to their business. While SEM /search engine marketing/ is another important digital marketing method designed to increase the visibility of a company’s products or services in search engine results by using pay-per-click advertising or by attracting organic traffic through search engine optimization and content marketing.

[Table 1] Difference between SEM and SEO

SEO	SEM
Long-term results	Immediate results
The results are stable over the long term	The results will be deleted at the end of the project
Organic	Paid
The results are always displayed in the center of the screen	The result usually appears at the top or side of the screen

## 2.2. BRAND AND BRAND MANAGEMENT

Brand management is the process of designing and implementing marketing activities aimed at creating, measuring, and managing a brand. It is crucial to brand building. Hence, every digital marketer must have in-depth knowledge of brand management to create a strong and successful brand. The strategic brand management process involves four steps.

- Identification and establishment of brand positioning
- Plan and implementation of brand marketing
- Measurement and interpretation of brand performance
- Increasing and maintaining brand value deals with brand positioning

As defined by the American Marketing Association, a brand is a name, term, sign, symbol, design, or a combination of them, which are intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors. It is a way of distinguishing a company from its competitors engaged in a similar business. A brand helps a company create trust with its target audience and brand loyalty. By building a successful brand, a company shapes its reputation and attracts many consumers.

1. **Scope of Branding:** A brand is intangible. It means that it is impossible to touch and see it. It is shaped by people’s perceptions of a brand offered by a company. A company can create a brand with the help of marketing strategies and other marketing

programs. A brand is considered to be one of the most valuable and important assets for a company. The act of building a brand aims to raise awareness about a brand of a company by using strategies and campaigns to create a unique and lasting image in an increasingly competitive marketplace.

2. **Brand equity:** Brand equity represents the value of a brand. The brand value is determined by the perception of a consumer and experiences with a brand. If people think highly of a brand, it has positive brand equity. On the other hand, if the brand has a bad reputation, it creates negative equity. Thus, building strong brand equity is crucial to the long-term success of a company. Marketers and researchers use different perspectives to study brand equity. One of them is a customer-based approach that views it from the perspective of the consumer and recognizes that the power of a brand lies in what customers have seen, read, heard, learned, thought, and felt about the brand over time.
3. **Brand knowledge** refers to a consumer's understanding and recall of a brand and its products. The brand promise is a vision of a company made to its customers stating what customers can expect from their products and services.

### 2.3. BRAND EQUITY MODELS

**Brand Asset Evaluator**, developed by the advertising agency Young and Rubicam, is a model of brand equity that measures brand value by applying four factors.

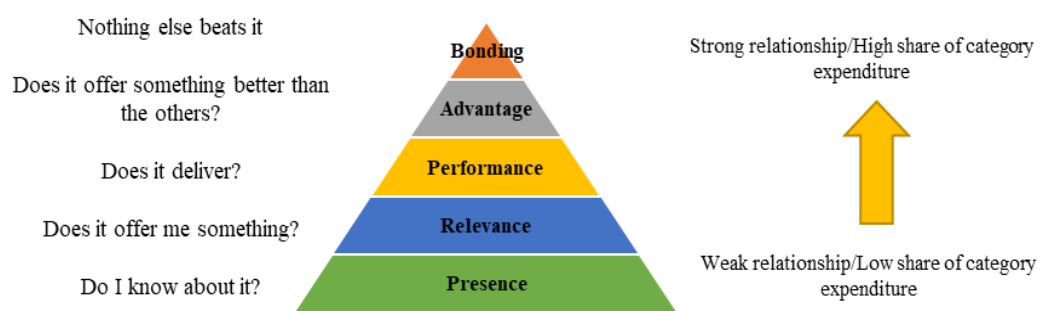
1. Differentiation is the ability of a brand can differ from its competitors.
2. Relevance refers to how closely can the consumers relate to the brand's offering and is a significant driver of a brand's penetration.
3. Esteem measures perceptions of quality and loyalty, or how well the brand is regarded and respected.
4. Knowledge measures how aware and familiar consumers are with the brand.

Differentiation and Relevance combine to determine brand strength which is an important indicator of future potential and performance. Esteem and knowledge together create brand stature which reports on past performance and a current indicator of current value. This model plots brands on a Power Grid by reflecting each brand's strength and stature. The Power Grid sets the strategic process by categorizing the strength or weaknesses of a brand. Strong new brands show higher levels of differentiation and energy than relevance, whereas both esteem and knowledge are lower still. While good brands show high levels on all pillars, declining brands with a high knowledge, which is evidence of past performance, have a lower level of esteem, and even lower relevance, energy, and differentiation.

Millward Brown and WPP, the top marketing research consultants, have developed **the BrandZ model** of brand strength. The heart of this model is the Brand Dynamics Model, which reveals current equity and opportunities for further growth of a brand. This model recommends that brand building consist of a sequential series of stages

that are dependent upon successfully achieving the previous stage. These five stages are as follows.

- 1) Presence: Customers are aware of your brand but little else. In this stage, a customer may have tried a product or service, but they have little emotional attachment to the brand.
- 2) Relevance: At this stage, consumers start to think about whether the brand meets their wants and needs.
- 3) Performance: Consumers compare the products and services to that of the competition. The performance gives an idea of where the brand stands in a consumer's mind after using the products of such brand as compared to the competitors.
- 4) Advantage: It implies what benefits a brand can provide to its consumers compared to the other competitive brands.
- 5) Bonding: At this stage, customers have established a strong emotional bond with a brand.



[Figure 1] Brand dynamic pyramid

**Brand resonance model:** By this model, brand building is based on an escalating sequence of steps from bottom to top. The four phases of this model serve four basic questions that consumers ask about a brand. These four steps consist of six building blocks placed in an orderly manner from bottom to top to attain the top level and build a successful brand.

**Brand salience:** It deals with how knowledgeable a customer is about a brand.

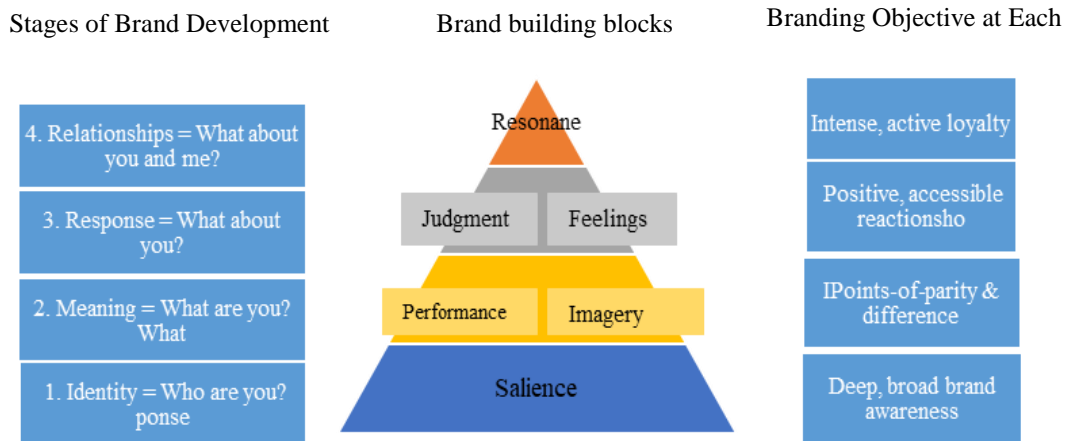
**Brand performance:** It specifies how well a brand meets customer needs.

**Brand imagery:** It refers to how the customer perceives a brand.

**Brand judgments:** These refer to opinions and evaluations that a customer makes about a brand.

**Brand feelings:** It means emotional reactions and attachment a consumer has towards a brand.

**Brand resonance:** It enables marketers to create intense and active loyalty relationships with customers.



[Figure 2] Brand resonance pyramid

## 2.4. BRAND RECOGNITION

Brand recognition is one of two components of brand awareness. The other component is brand recall. Brand recognition is exactly what it sounds like: the ability of a consumer to recognize one brand over other brands. In other words, consumers can identify your product by its attributes and design elements. Design elements include such things as shape, color, illustrations, and graphics.

**Effectiveness of Brand Recognition:** If brand recognition is done correctly, your product should be recognized even without using its name. The goal is to get potential customers to recognize the product instantly without requiring much effort. Once the audience understands what the company offers and the company has gained enough traction and popularity, people begin to recognize it. People can recognize the company regardless of being customers or not. The more people recognize a brand, the more valuable it becomes. Brand equity is the value of the brand as a separate asset.

Five levels of brand recognition are given below.

- 1) **Brand Rejection:** If a customer associates the brand with something negative, they tend to avoid that brand.
- 2) **Brand Non-Recognition:** This occurs when the consumer is unable to distinguish the company's product from its competitors due to an unrecognized logo or name and poor marketing strategies.
- 3) **Brand Recognition:** Consumer recognizes the brand upon viewing its logo, tagline, or with an audio cue.
- 4) **Brand Loyalty:** Customer chooses the same brand repeatedly owing to the trust developed over time.

- 5) **Brand Preference:** Preference means the customer will lean towards the recognized brand when offered other choices. (www.study.com, 2021) (www.feedough.com, 2021) (www.ceopedia.org, 2021) (www.medium.com, 2021) (www.brand-trust.de, 2021) (thebusinessprofessor.com, 2021) (www.techopedia.com, 2021)

## **2.5. BRAND INNOVATIVENESS**

Brand innovation can take many forms ranging from rebranding, repackaging, product innovation, and promotional merchandise. Brand innovation often happens after an analysis of the brand's external and internal environments, looking at the company's internal processes and analyzing the position of the brand relative to its competition.

Brand innovation management has become the top priority for firms over the last few decades. Firms rely on strong brands and product innovations to gain competitive advantage and fuel growth. Brand and innovation management needs and benefits from each other, suggesting a need for deeper integration between the two [2].

## **2.6. BRAND ATTRACTIVENESS**

Brand attractiveness manifests in a brand's ability to attract customers and in the customer's willingness to buy. Its level correlates to the brand's success potential. It is, however, independent of the brand's degree of awareness.

The brand attractiveness perceived by the customer is expressed in positive associations or the quality of the brand relationship. It creates conation effects that are beneficial to a company's profitability:

- 1) The price premium increases: Customers are willing to pay more for an attractive brand than for a technically and functionally equivalent product.
- 2) Cross-selling readiness increases: In addition to the primary product, the purchase process extends to include other products of the same brand. This cross-selling increases sales efficiency and turnover per capita.
- 3) The recommendation rate increases: The customer is motivated to recommend the brand to others (word-of-mouth). This way, the company benefits from the credibility of others, which is rated higher than the brand communication of the company.
- 4) Customer loyalty is strengthened: Customers feel an inner connection with the brand, their values overlap with those of the brand. Even after a negative experience, the customer does not abandon the brand and the company can continue to benefit from the "Customer Lifetime Value".

## **2.7. BRAND LOYALTY**

Brand loyalty refers to the consumer's special attachment to a certain product. This is exhibited by the customer's repeated purchase of a given product, despite there being other alternatives in the market. Brand loyalty occurs when a customer repeatedly



purchases a product from only one manufacturer, leaving out other suppliers' brands. Brand loyalty is of value to businesses because repeated purchases generate higher revenues as well as customer referrals.

Note that apart from the repetitive purchase of a product from one supplier, loyalty can be demonstrated through other behaviors like word-of-mouth advocacy. This is where you tell others how good a product is and why they should continue using it instead of going for a substitute brand. Brand loyalty also exists when customers are willing to purchase a particular commodity at a higher price, despite other alternatives being going at a lower price. Those who are loyal to a certain brand don't buy a substitute brand even though the preferred brand is not available. Instead, they would rather search for their preferred brand from several stores. In case they don't find it, they would opt to forego the purchase until the stores are restocked with that particular brand. Note that the consumers' decision to purchase is either conscious or unconscious. Nonetheless, it is highly dependent on the trust that the brand accomplishes to the consumers. It is the belief and attitudes of the consumers that make up a brand. Consumers always expect the brand to fulfill their emotional or physical needs uniquely.

**Maintaining brand loyalty:** A business can maintain brand loyalty in various ways. Some of these ways are explained below:

- 1) **Stay on top of trends:** To maintain brand loyalty, ensure that you do not let your customers down. You need to continue delivering high-quality services and products. This ensures that customers stick with your brand because they have confidence in your products or services.
- 2) **Always ensure quality:** To ensure that customers remain loyal to your brand, you have to continue meeting your customers' quality expectations. Exceeding the value level of your product or services is what will make them keep coming back for more purchases.
- 3) **Listen to your customers:** In business, there are bound to be some hitches here and there. Things cannot be perfect all the time. For this reason, you must be there for your customers if things go wrong with your brand. You can do this by answering back their phone calls, respond to any queries customers left on your social media platforms. Assure them of the measures you are going to take to rectify the problem.
- 4) **Meet your Customer Anticipation:** To continue earning customer loyalty, you need to go beyond your customers' expectations. You have to anticipate the needs of your customers and ensure that they are adequately met so that you can earn their loyalty. For instance, you can ensure that your customers are fully covered by providing a lifetime warranty on your product. This will ensure that they remain loyal to your brand and at the same time, be able to attract new customers.
- 5) **Be there for your customers:** Another way of ensuring customer loyalty is to ensure that you listen to your customers. Regardless of whether the feedback is negative or positive, you need to treat each piece of information with the utmost importance. Note that when you open up a dialogue between you and your customers, it will

solidify the connection they have with your product. They may even turn out to be your biggest advocates because of the concern you always show them.

- 6) **Be True and Consistent:** Being consistent is also paramount in ensuring that you maintain brand loyalty. Your customers rely on you to continue delivering the same quality services as well as products. By meeting this expectation, you will be able to ensure that their loyalty is retained.
- 7) **Check up on your customers:** Another way to ensure that your customers remain loyal to your service or product is to establish long-term relationships. Make a regular follow-up to check on your customers' experience with your product or service. This will ensure that customers are always satisfied leading to brand loyalty.

## **2.8. DIGITAL COMMERCE**

Digital commerce includes the marketing activities that support these transactions, including people, processes, and technologies to execute the offering of development content, analytics, promotion, pricing, customer acquisition, retention, and customer experience at all touchpoints throughout the customer buying journey.

Digital commerce (D-commerce) is a type of e-commerce used by an organization that delivers and sells products online. D-commerce is used by companies that sell news, subscriptions, documents, or any form of electronic content, and the digital commerce company collects payments, handles customer refunds and billing, and manages other accounting functions for online publisher clients. D-commerce is considered a form of e-commerce because it deals with the exchange of electronic goods.

## **2.9. LITERATURE REVIEW**

The scholarly articles reviewed as part of this research are as follows. Articles by foreign researchers: E.Smolkova [3] "Influence of digital marketing on brand image perception of the company", Cristian Moroza [4] "Digital marketing influence on the formation of brand communities", Doaa Farouk Badawy Eldesouky [5] "Digital Advertising and Its Role in Building Brand Image", Diana Isabel Leite de Almeida [6] "Digital Marketing Strategies From Brand Awareness to Engagement", Rakesh Kumar, Mirza Zeeshan Baig, Muhammad Komail Khan Faculty of Management Sciences, SZABIST, Karachi [7] "Impact of Digital Media on Brand Loyalty and Brand Positioning". Articles by Mongolian researchers: Z. Undrakh [8] "Brand update strategy", P. Nomin-Erdene [9] "Marketing strategy for brand development", M.Enkhmoron [10] "Creating a brand equity", C. Delgersaruul [11] "Opportunities to Improve Brand Management Marketing Strategies".

Yet, in Mongolia, no proper studies have been conducted on the effective use of digital marketing strategies in brand building during the pandemic. The objective of this research is to identify the impact of digital marketing on brand building. The survey undertaken during the research involved 115 customers of the Oim brand made by Oim Nogoon Uurlan LLC. The findings of the study can be used as a secondary source of information for managers and marketing managers and entrepreneurs at all levels of small

businesses facing difficulties during the COVID-19 pandemic. In addition to this, it will be used as a guideline on the effective use of digital marketing for brand building as consumers opt for digital commerce.

### 3. RESEARCH RESULTS

#### 3.1 PRIMARY DATA ANALYSIS

This survey involved 115 customers of the Oim brand made by Oim Nagoon Uurlan LLC. Founded in 2006, the company sells flowers, bouquets, and offers gardening services through its six branches located in Ulaanbaatar. This online survey was conducted from 1 March to 8 April among Oim’s customers.

Table 2. Analysis of demographic determinants: The survey involved 115 participants, of whom 80% are female and 20% are male. 43.5% of the survey participants are aged 26-35 whereas 21.7% of the respondents are aged 18-25. 17.4% of the people surveyed are between the ages of 36 and 45. 12.2% are people aged 46-55 and 5.2% are aged 56-65. In terms of educational background, 87.8% or the highest percentage of the respondents have higher education. 6.1% obtained a complete secondary education and 0.9% had special education. 0.9% of the people surveyed had secondary education. In terms of employment, 58.3% of the respondents work for the private sector and 16.4% are self-employed. 10.4% of the respondents are public servants. The people who responded as unemployed account for 7.8 % whereas students account for 6.1%.

In terms of income, the highest percentage, or 32.2% are the customers with an income of 420,000-1,000,000 whereas 27% are customers with an income of 1000001-1500000. 13.0% are customers with an income of 1500001-2000000 and 10.4% are customers with an income of 3000001. 5.2% of the customers surveyed have an income of 2000001-2500000 and 4.3% have an income of 2500001-3000000.

[Table 2] Demographic determinants

№	Variables	Classification	Frequency	Percentage
1	Gender	Male	23	20%
		Female	92	80%
2	Age	18-25	25	21.7%
		26-35	50	43.5%
		36-45	20	17.4%
		46-55	14	12.2%
		56-65	6	5.2%
3	Education	Secondary education	1	0.9%
		Complete secondary education	7	6.1%
		Higher education	101	87.8%
		Special education	6	5.2%
4	Employment	Government organization	12	10.4%
		Private organization	67	58.3%
		Self-employed	19	16.5%
		Student	7	6.1%

		Unemployed	9	7.8%
5	Income	420000-1000000	37	32.2%
		1000001-1500000	31	27.0%
		1500001-2000000	15	13.0%
		2000001-2500000	6	5.2%
		2500001-3000000	5	4.3%
		Over 3000001	12	10.4%

### 3.2 RESEARCH ANALYSIS AND HYPOTHESIS

The survey questionnaire included 28 variables of scale data to determine whether digital marketing affects the Oim brand building. The survey responses were divided into five-factor variables for correlation analysis, and regression analysis for other variables. The reliability of the factor variables was determined by reliability analysis, and the KMO values representing the sample population were analyzed.

**Hypothesis:** A list of proposed null hypotheses is given below.

H1: There is no correlation between factors such as brand loyalty, recognition, innovativeness, attractiveness, and digital commerce.

H2: Brand loyalty cannot be explained by brand recognition

H3: Brand loyalty cannot be explained by brand innovativeness

H4: Brand loyalty cannot be explained by brand attractiveness

H5: Brand loyalty cannot be explained by digital commerce

H6: Brand recognition cannot be explained by brand loyalty

H7: Brand recognition cannot be explained by brand innovativeness

H8: Brand recognition cannot be explained by brand attractiveness

H9: Brand recognition cannot be explained by digital commerce

H10: Digital commerce cannot be explained by brand loyalty

H11: Digital commerce cannot be explained by brand innovativeness

H12: Digital commerce cannot be explained by brand attractiveness

H13: Digital commerce cannot be explained by brand recognition

### 3.3. FACTOR ANALYSIS

[Table 3] Factor1: Based on the factor analysis of the research variables obtained from the Oim brand customers, the following questions, which indicate the consumer loyalty to the brand, are grouped.

The table shows that KMO = 86.3. This indicates that the sample can represent the original population. Checking at 99% confidence level, Sig 0.05 > 0.00 confirms the above calculation. Cronbach's alpha coefficient shows the questionnaire is reliable which is  $\alpha=0.813$ .

In addition, the unrotated factor-loading table below shows that most of the loadings for factor 1 are close together in value. How reliable is the Oim brand? (.778), how long have you been using the products of the Oim brand? (.630), do the brand features differ

from the competing brands? (.766), what is the quality of the Oim brand? (.829), how would you evaluate the value of the brand in response to the amount of money paid for a product? (.446), would you recommend the Oim brand to others? (.736) have large positive loadings on factor 1, so this factor describes the brand loyalty of Oim.

[Table 3] Brand loyalty Factor analysis

Brand loyalty	Factor loading	KMO	Sig.
How reliable is the Oim brand?	.778	.863	.000
How long have you been using the products of the Oim brand?	.630		
Do the brand features differ from the competing brands?	.766		
What is the quality of the Oim brand?	.829		
How would you rate your satisfaction with the products offered by the Oim brand?	.816		
How would you evaluate the value of the brand in response to the amount of money paid for a product?	.446		
Would you recommend the Oim brand to others?	.736		
Reference: Dr.S. Yuvaraj, r. Indumathi (2018) [12]			

[Table 4] Factor 2: The factors in the table above show the brand recognition with the KMO value of 75.1. This indicates that the sample can represent the original population. Checking at 99% confidence level, Sig 0.05 > 0.00 confirms the above calculation. Cronbach’s alpha coefficient shows the questionnaire is acceptable which is  $\alpha=0.714$ .

In addition, the factors loading table below shows most of the loadings for factor 2 close together in value. How easy is it to book and purchase the Oim brand online? (.707), would you still prefer to choose the Oim brand even if the similar products are better than it is? (.707), when you see the ads for flowers and green plants, does the Oim brand come to your mind? (.763), are you interested in receiving additional information about the Oim brand? (.787) have large positive loadings on factor 2, so this factor describes the brand recognition of Oim.

[Table 4] Brand recognition Factor analysis

Brand recognition	Factor loading	KMO	Sig.
How easy is it to order and purchase the Oim brand online?	.707	.751	.000
Would you still prefer the Oim brand over similar products with much better quality?	.707		
When you see the ads for flowers and green plants, does the Oim brand come to your mind?	.763		
Are you interested in receiving additional information about the Oim brand?	.787		
Reference: Dr.S. Yuvaraj, r. Indumathi (2018) [12]			

[Table 5] Factor 3: The factors in the table above show the brand innovativeness with the KMO value of 78.7. This indicates that the sample can represent the original population. Checking at 99% confidence level, Sig 0.05 > 0.00 confirms the above calculation. Cronbach’s alpha coefficient shows the questionnaire is reliable which is  $\alpha=0.852$ .

In addition, the following unrotated factor loading table given below shows that most of the loadings for factor 3 are close together in value. Does Oim’s digital advertisement help you easily compare this brand with other brands? (.892), does Oim’s digital advertisement affect your purchase? (.873), does Oim’s digital advertisement provide clear information about its products or services? (.900), does Oim’s digital advertisement enhance its brand awareness? (.787) have large positive loadings on factor 3, so this factor describes the brand innovativeness of Oim.

[Table 5] Brand innovativeness Factor analysis

Brand innovativeness	Factor loading	KMO	Sig.
Does Oim’s digital advertisement help you easily compare this brand with other brands?	.892	.787	.000
Does Oim’s digital advertisement affect your purchase?	.873		
Does Oim’s digital advertisement provide clear information about its products or services?	.900		
Does Oim’s digital advertisement enhance its brand awareness?	.663		
Reference: Dr.S. Yuvaraj, r. Indumathi (2018) [12]			

[Table 6] Factor 4: The factors in the table above show the brand attractiveness with the KMO value of 75.6. This indicates that the sample can represent the original population. Checking at 99% confidence level, Sig 0.05 > 0.00 confirms the above calculation

In addition, in the following unrotated factors loading table, most of the loadings for factor 4 are close together in value. Does online advertisement increase the emotional attachment to the products of the Oim brand? (.880), does online advertisement help customers become more familiar with the brand? (.839), are you interested in getting more information about its products? (.622), when you see the ads for flowers and green plants, does the Oim brand come to your mind? (.807) have large positive loadings on factor 4, so this factor describes the brand attachment of Oim.

[Table 6] Brand attractiveness Factor analysis

Brand attractiveness	Factor loading	KMO	Sig.
Does the online advertisement increase the emotional attachment to the products of the Oim brand?	.880	.756	.000
Do you think the online advertisement help customers become more familiar with the brand?	.839		
Are you interested in getting additional information about its products?	.622		
When you see the ads for flowers and green plants, does the Oim brand come to your mind?	.807		
Reference: Dr.S. Yuvaraj, r. Indumathi (2018) [12]			

[Table 7] Factor 5: The factors in the table above show the brand attractiveness with the KMO value of 74.5. This indicates that the sample can represent the original

population. Checking at 99% confidence level, Sig 0.05 > 0.00 confirms the above calculation.

In the following unrotated factors loading table, most of the loadings for factor 5 are close together in value. Do you have confidence when you do online shopping? (.862), do you think online shopping is easier than in-store shopping? (.793), do you think online shopping offers greater discounts and rewards? (.695), do you think online shopping saves your time? (.743) have large positive loadings on factor 5, so this factor describes the digital shopping of Oim.

[Table 7] Digital commerce Factor analysis

Digital commerce	Factor loading	KMO	Sig.
Do you have confidence when you do online shopping?	.862	.745	.000
Do you think online shopping is easier than in-store shopping?	.793		
Do you think online shopping offers greater discounts and rewards?	.695		
Do you think online shopping saves your time?	.743		

Reference: Dr.S. Yuvaraj, r. Indumathi (2018) [12]

### 3.4. RELIABILITY ANALYSIS

The degree of reliability of the above five factors, Cronbach's Alpha, is above 0.7 or acceptable, indicating that these factors are reliable for further analysis. Otherwise, this table is showing brand loyalty  $\alpha=.813$ , brand innovativeness  $\alpha=.852$ , brand attractiveness  $\alpha=.847$  which means that questionnaires are reliable and digital commerce  $\alpha=.774$ , brand recognition  $\alpha=.714$  which means that questionnaires are acceptable [Table 8].

[Table 8] Reliability assessment of each factor

No	Variable	Cronbach's Alpha
1	Brand loyalty	.813
2	Brand recognition	.714
3	Brand innovativeness	.852
4	Brand attractiveness	.847
5	Digital commerce	.774

### 3.5. CORRELATION ANALYSIS

The correlation between the six factors, such as brand loyalty, recognition, innovativeness, attractiveness, and digital commerce was tested at a correlation of 99% confidence and the p-value was 0.05 > 0.00, showing that the six factors are highly correlated. In other words, an increase in one of these factors will lead to an increase in the other factors.

[Table 9] Correlation Analysis

Correlations					
	Brand loyalty	Brand recognition	Brand Innovation	Brand Attractiveness	Digital shopping
Brand loyalty	1				
Brand recognition	.718**	1			
Brand innovativeness	.513**	.643**	1		
Brand attractiveness	.682**	.859**	.826**	1	
Digital shopping	.556**	.695**	.628**	.703**	1

\*\* . Correlation is significant at the 0.01 level (2-tailed).

### 3.6. REGRESSION ANALYSIS

According to the above-mentioned results, the regression equation is expressed as a mathematical formula of  $Y = 1,337 + 0.453 (\text{recognition}) + 0.212 (\text{attractiveness})$ .

Among the factors in the table above, a 1% increase in brand awareness increases brand loyalty by 0.453% and a 1% increase in brand attractiveness increases brand loyalty by 0.212%. Significance  $p=0.000$  is confirmed. The related variables in the table also explain the brand loyalty variable by 53.1%, which refutes the assumption that H02: Brand loyalty cannot be explained by brand recognition and H04: Brand loyalty cannot be explained by brand attractiveness. The hypothesis that H03: Brand loyalty cannot be explained by brand innovation and H05: Brand loyalty cannot be explained by digital commerce.

[Table 10] Regression analysis between Brand loyalty, Attractiveness, and Recognition

Model	Independent variables	B	SE	b	t	Sig	R <sup>2</sup>
Brand loyalty	(Constant)	1.337	.241		5.554	.000	.531
	Brand Attractiveness	.453	.114	.504	3.985	.000	
	Brand recognition	.212	.108	.249	1.972	.000	

According to the above-mentioned results, the regression equation is expressed as a mathematical formula of  $Y = 0.712 + 0.814 (\text{attractiveness})$ . A significance level of  $p=0.000$  confirms that a 1% increase in brand attractiveness increases 0.814% brand awareness. The related variable explains the brand interest variable by 73.8%. H08 which assumes brand recognition cannot be interpreted by brand interest, is rejected, while other hypotheses H06, H07, H09 are all confirmed.

Brand attractiveness and brand recognition have a positive impact on brand loyalty, meaning that marketing efforts can make a brand more appealing, and create a brand image acknowledged in customers' minds. Thus, a customer remains loyal to the brand, maximizing the profits and enabling to expand of the market. Different types of the branding process are used depending on the product features and segments. Unlike the products in the market, the Oim brand offers its customers fresh flowers and plants.



[Table 11] Regression analysis between brand recognition and brand attractiveness

Model	Independent variables	B	SE	b	t	Sig	R <sup>2</sup>
Brand recognition	(Constant)	.712	.188		3.794	.000	.738
	Brand Attractiveness	.814	.046	.859	17.834	.000	

According to the above-mentioned results, the regression equation is expressed as a mathematical formula of  $Y = 0.714 + 0.491 (\text{brand recognition}) + 0.266 (\text{brand innovation})$ . Digital sales have increased by 0.491 % after a 1-percent brand awareness increase. On the contrary, when brand innovation has increased by 1 % digital sales have risen by 0.266%. It can be proven by the  $p=0.000$ . In addition, the relevant variables in the table explain the digital trade variable by 53.9%. The above results revealed that the proposed H011: Digital sales cannot be explained by brand innovation, and H013: Digital sales cannot be explained by brand recognition while the proposed H010: Digital sales cannot be explained by brand loyalty and H012: Digital sales cannot be explained by brand attractiveness is proven.

The table above shows that brand recognition has a positive effect on brand awareness, meaning that the more brand recognition increases, the more brand attracts customers.

[Table 12] Regression analysis between Digital shopping, Recognition and Innovation

Model	Independent variables	B	SE	b	t	Sig	R <sup>2</sup>
Digital shopping	(Constant)	.714	.266		2.684	.008	.539
	Brand recognition	.491	.083	.497	5.931	.000	
	Brand Innovation	.266	.072	.308	3.681	.000	

#### 4. CONCLUSION

In this study, we aim to show how the digital marketing employed by the Mongolian companies /in the example of the Oim LLC/ affects their brand building. Based on the findings, we have made recommendations to the companies on how to promote a brand through the effective use of digital marketing methods. Any brand can create a competitive advantage if it succeeds in using different methods of brand building in the rise of the digital shift. Brand equity is a brand's value determined by consumer perception and experiences with the brand. There are several types of brand equity such as Brandz, Brand Resonance Model, and Brand Asset Valuator. In this study, we have employed the Brandz model to value a brand. It should be noted that researchers may use the other two models depending on the product features.

Thanks to technological advancements, consumers have been getting smarter, especially when it comes to shopping and making choices online. The way of life of people has changed drastically in the new normal as they spend more time online than ever before. As consumer behavior is changing and shifting to digital trends, marketing methods have changed as well. To keep the costs incurred by customers low, the Brandz model helps make customers remain loyal to a brand by improving brand equity by using five sequential steps. In the course of implementing these five steps, we aim to use digital marketing elements effectively at the right moment to create a successful brand. Our findings show that companies need to focus on brand attractiveness and brand recognition to make customers remain loyal to the brand. To achieve this goal, it is vital to use those methods that will be a crucial part of future marketing strategies.

The world countries are trying to adapt to a new normal such as social distancing in public places and hybrid events such as hybrid meetings where some attendees are present in the room with others dialing in via video chat. Thus, it is important to use technology-based digital devices and interesting initiatives in any business to attract customers. This can be illustrated with the example of a fair organized in Mongolia by the developers of a loan application. The fair was held to promote products and services of the companies and organizations offering their products to customers via this application and boosting their profits. It also aimed to introduce a new service added to the application, attract new customers, and promote loyalty sales promotions. Many people attended the fair as the organizers advertised it through influencer marketing. To increase their involvement in the event, they held a quiz competition using a big screen connected to a loan application installed on their mobile phones.

In the future, such technological advances make it possible to automate much of the work currently carried out by humans and to make a brand more appealing to customers. Technological advancements in marketing will create opportunities for the companies to be recognized in the market and to increase loyal customers by improving their competitive advantage. It should be noted that digital trade should be one of the focuses of any business's marketing strategy. Considering the current state of the world and marketing trends, the effects of digital marketing channels tend to increase further. In this regard, using content promotion and influencers is seen as an effective method nowadays.

Digital marketing is not limited to influencers and content. It is a broad field, including attracting customers via email, content marketing, search platforms, social media, and more. Marketers need to have the ability to plan their business productivity by keeping pace with the rapidly changing lifestyle of consumers and society. Over the next 10 and 20 years, the use of artificial intelligence will likely be on the rise, indicating humans and intelligent systems will be inseparable. It is projected that at that time 50 percent of the consumer decision-making process may rely on brands that use technology-based digital marketing while the remaining 50 percent of consumers may make a decision focusing more on a product value and goal. They may consider the facts such as whether the product is eco-friendly or how other people benefit from her purchase.


Apart from focusing on brand upgrading, marketers should attach significance to positioning brand essence in the minds of customers. It helps to build strong brand equity. A consumer choice of a brand should be directed at improving the lives of other people. Creating a strong brand depends on the product's purpose, its equity, and the reason for its existence. Branding starts with branding philosophy and ends with marketing methods. In this study, we have studied digital marketing tools.

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