

**The role of live streaming digital platforms to sustain brand strategies:  
An exploratory study.**

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# **The role of live streaming digital platforms to sustain brand strategies: An exploratory study.**

## **Abstract**

The use of digital media is becoming a defining element for businesses in their marketing strategies. The saturation of normal communication channels requires the implementation of new tools in order to engage consumers profitably. Hence the interest of businesses in digital live streaming platforms, which can engage more with millennials and Generation Z.

The aim of the work is to analyse the role of digital live streaming platforms in supporting brand management strategies. This study has a comparative multiple case study methodology in which the brand management strategies of Lavazza and Mulino Bianco on the digital platform Twitch.tv are analysed. From the case analysis, it was possible to propose an empirical model describing the inputs and outcomes for the actors involved on these platforms (i.e. Streamer, Brand, Community).

**Keywords:** *Digital platforms, Live streaming, Brand Strategies, Multiple Case Studies.*

## **1. Introduction**

Digital media has revolutionised how businesses do and manage their marketing strategies in recent years. In fact, we are increasingly used to see businesses campaigning through digital platforms by engaging prominent people known as influencers (Haenlein et al., 2020). These actors are able to engage a large mass of potential consumers who, wanting to identify with the famous person, buy products and services sponsored by the influencers. A new phenomenon, however, is evolving even more of these strategies that we are now becoming familiar with, namely, live streaming (Wongkitrungrueng et al., 2020).

Live streaming is the practice of streaming real-time, concurrently recorded, and broadcast video over the internet. There are digital platforms that deal mainly with live streaming, such as Twitch.tv, Youtube and Facebook. This phenomenon differs from influencer marketing in that consumers can interact directly with streamers (i.e., the one who does live streaming activities) through real-time communications (Wongkitrungrueng et al., 2020). This activity has opened up possibilities for brands that, if they identify a streamer with similar values to their own, can insert themselves between the community and the streamer. In fact, the co-creation of value for brands can be achieved by going through a process in which the consumer is active and participates in real-time in the community created by the streamer with the creation of content. In this way, the consumer or follower is connected, engaged, participating and interactive (Al-Emadi and Yahia, 2020); this results in a willingness to emulate the streamer in gestures, practices, behaviour and purchases.

From a brand management perspective, the positioning of companies in digital media, while very interesting, is always very difficult. In fact, businesses must ensure that they create compelling content that engages consumers without confusing them or disappointing their expectations. Therefore, creating long-lived and functioning online brand communities remains one of the biggest challenges for businesses in terms of research, time and costs incurred (Martínez-López et al., 2017).

Although the live streaming phenomenon is becoming more and more widespread, there are few studies in the literature. Specifically, there are a few studies analysing live streaming sporting events (Kim and Kim, 2020), the use of these platforms to influence purchase intentions on e-commerce (Sun et al., 2019), and the use of live streaming as co-creation of value in travel (Yang et al., 2022).

Therefore, this work aims to explore the role of digital live streaming platforms in supporting branding strategies. Coherently, our work aims to respond to the following research question:

RQ 1.1: Do digital live streaming platforms play a role in brand management strategies?

RQ 1.2: Moreover, what are the inputs and outcomes for the actors involved?

The structure of the article is organised as follows. After the introduction, paragraph two profiles the theoretical background according to the most recent studies on digital media through digital live stream platforms. It also investigates the role of digital live streams in engaging the community from a brand management perspective. The third paragraph describes the methodology used to explore our multiple cases. The third section briefly summarises our findings. Finally, the conclusions underscore limits and discuss future research opportunities.

## **2. Theoretical Background**

### **2.1. Digital media strategies on digital platforms**

In recent years, traditional marketing strategies are evolving and revolutionising through innovative systems to reach consumers who are increasingly used to and sceptical of outdated marketing practices (Hollebeek and Macky, 2019; Kumar and Gupta, 2016). From this, helped by the evolution of technologies and communication systems, has resulted in the spread of digital marketing strategies (Tiago and Veríssimo, 2014; Busca and Bertrandias, 2020). Specifically, this new marketing approach uses technologies such as social media, e-mail, apps, search engines, websites, social networks and digital platforms (Bala and Verma, 2018). The American Marketing Association (2021) defines digital marketing as the use of any digital tool for marketing on electronic platforms (Krishen et al., 2021). These tools turn out to be very effective as they have low costs compared to traditional tools, and also, they can reach many people while being more transparent and genuine in communication (Krishen et al., 2021). Furthermore, it is of particular note that these tools enable businesses in being able to disseminate brand-related content (e.g. photos, images, videos, audio, etc.) (Muntinga et al., 2011). It can be said that digital content dissemination through digital online platforms aimed at consumer engagement and gaining their trust and loyalty (i.e., creating consumer brand relationships) can be called digital content marketing (Hollebeek and Macky, 2019). Wang et al. (2019) affirm that digital content marketing can be considered as the creation, distribution and sharing to engage the consumer in the right moment of their purchase process and push them to make the final decision. The activities included in digital content marketing are different (Hollebeek and Macky, 2019); on these platforms, we find podcasts, live streaming, virtual conferences, quizzes, video streaming, newsletters etc. Among these, in particular, in this study, the focus will be on live streaming through digital platforms. So first, some considerations about this phenomenon: in live streaming processes (i.e. activities), there is the streamer (i.e. actor/person) who produces content in real-time to entertain the viewers (i.e. content consumers) (Johnson and Woodcock, 2019). This entertainment can take place through the dissemination of videos, images, or real-time chat on digital platforms in which viewers can respond and feel that they are participating (Jodén and Strandell, 2021).

If a streamer manages to get a large number of viewers/followers, this can become of interest to businesses that can take the opportunity to promote their brands to a large community (Carlson et al., 2019).

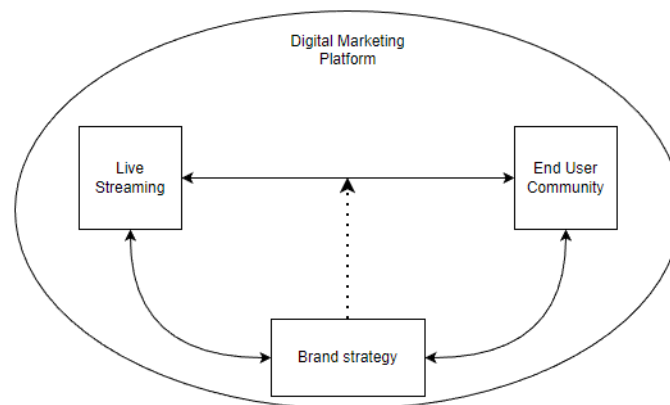
### **2.2. Live streaming to engage the end-user community**

The concept of the community sees in the scientific literature in many studies that analyse the phenomenon from different aspects such as sociological, cultural and communication research (Davis et al., 2014; Clark et al., 2017). The term community is often applied to groups of people offline or online who are interconnected by similar interests, values,

attitudes and approaches (Cova, 1997; Davis et al., 2014; Fariva and Wang, 2022). The spread of digital platforms and innovative tools have enabled the creation of online communities, which are collaborative systems based on Internet technology that, in most cases, makes available content that users produce for other users who can interact with it without having to be concerned about geographical distances (Clark et al., 2017; Steinhoff et al., 2019). This sense of community is thus fostered by technology, which enables sharing similar visions of the world generated by implementing similar practices and social interaction (Hawkins, 2017). When communities become large and long-lasting, they can interest companies. In fact, for marketers, the idea of having communities that can be engaged and grow independently on digital platforms are of particular interest as they can be fertile ground for companies marketing strategies (Dessart et al., 2015; Clark et al., 2017). In online brand communities, it is vitally important that there be consumer engagement, and this requires a lot of effort on the part of managers to try to engage communities and increase their interest in their brand (Gummerus et al., 2012; Dessart et al., 2015). This difficulty is mitigated on digital streaming platforms since it is not companies' efforts to engage consumers but streamers (Liao et al., 2022). Streamers, in this regard, can engage communities/viewers through the three main dimensions: cognitive, affective and behavioural (Dessart, 2017). The greatest effort for brands will be to look for a streamer with a consistent community with similar values and interests to their own.

Consistent with what is stated above in Figure 1, the research design of this work. Specifically, the figure illustrates the process in which the streamer in the live streaming activity on a digital platform can create a community that, by participating in real-time, can co-create value with the same. Between the two actors, we can find brand strategies that bring value to the streamer and the community by promoting their products and/or services.

Figure 1 – Research design



Source: Our elaboration.

### 3. Methodology

The research methodology adopted in the development of the study is based on an exploratory analysis of a qualitative nature, based on the comparative multiple case study of two Italian companies (Yin, 2009) that have applied their branding strategies using a digital platform. The brands that we have selected are Lavazza and Mulino Bianco. These companies were selected because they are the first to have done these brand strategies on digital platforms, specifically on the Twitch.tv platform.

Lavazza is an Italian company that is among the major players in the global scenario of coffee sellers leading the domestic market with a turnover in 2021 of 2.308 billion euros.

Mulino Bianco is an Italian baked products brand owned by Barilla that produces snacks and cookies and, in 2021, had a turnover of 3.936 billion euros. Both companies carried out a branding strategy on the digital platform twitch.tv respectively Lavazza Arena Roblox and Mulino Bianco Scacchieri.

In particular, we have selected Twitch.tv as a platform that is an Amazon-owned interactive digital platform that enables real-time content broadcasting. The platform has 15 million daily active users and in 2021, Twitch earned about \$2.6 billion.

Multiple sources of data collection were adopted to gain an in-depth understanding of the selected cases. The documentation involved consisted of 1) semi-structured interviews, 2) company documents taken from the official company website, 3) the official page of the social network and 4) the live streaming content proposed. Based on this qualitative research approach conducted using primary and secondary data, we used multiple sources of evidence to triangulate data (Yin, 2003). The validity of the data coding sources was increased by comparing the data collected from the interview with data collected from other secondary sources (Patton, 1999).

The steps we followed in collecting and analysing the data were as follows: we carried out a textual analysis of the case study documents; we compared them with other information gathered from social networks and the brands' official websites. The authors, adopting the participative observation, viewed the livestreamed content in which brands were involved to observe the reactions of consumers/viewers and how the streamers were entertaining them (Lee and Broderick, 2007). This allowed us to ask more specific questions during the interviews to obtain more details and information.

Interviews of approximately one hour were conducted with managers responsible for the digital marketing strategy. The interviews were transcribed and analysed in depth in order to identify the branding strategies used by the managers of the companies analysed.

Finally, we triangulated the data to strengthen the contextuality of our analysis model. Moreover, we analysed the branding strategies adopted by companies on the digital platform to understand the effects on the different actors following our research design proposed above.

#### **4. Findings**

The evolution of traditional marketing strategies has shifted brands' interest toward digital platforms. From our analysis of selected brands, similar approaches could be seen but with differences in the brands' approach to the twitch platform.

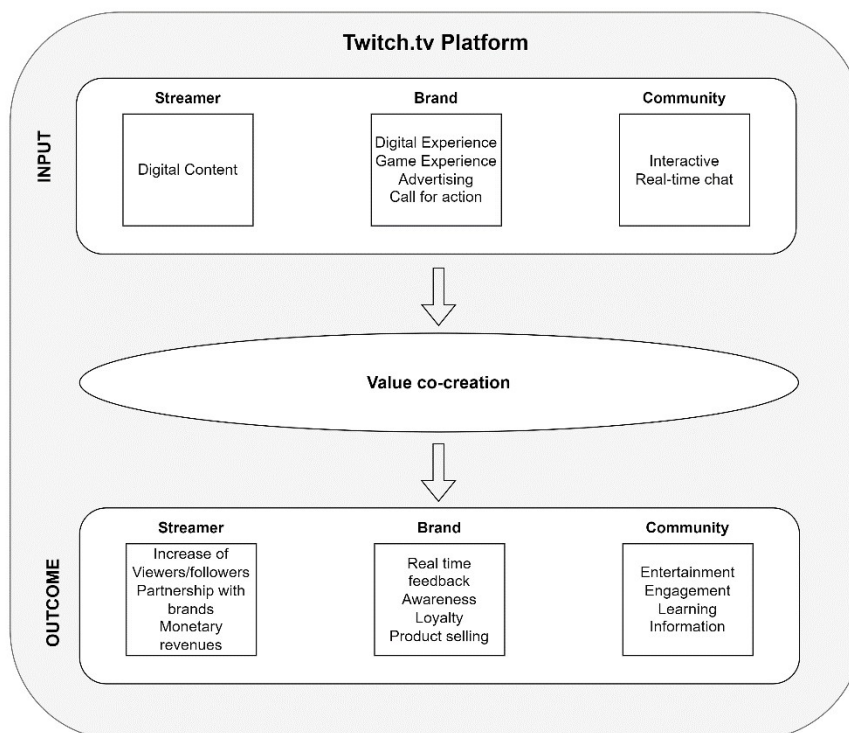
The analysis of the Lavazza case showed that the brand proposed on the twitch platform created an ad hoc digital strategy to raise consumer awareness of environmental sustainability. It does so by pairing its brand with the creation of a game experience that was proposed in a live streaming activity with streamers that engaged a community that had already been sensitive to the issue of environmental sustainability. The game was created in the metaverse, and being basically a soccer game, professional streamers and world-class soccer players were involved in the community engagement strategy on Twitch. In order to get the community more involved, tournaments were organised with streamers and prominent personalities. In conclusion, it can be said that Lavazza positioned itself as a brand capable of educating through a game experience the community reached through Twitch's digital platform while pitching its brand to increase its visibility and exposure.

As for Mulino Bianco in its strategy, we could see how it approached streamers with an established community that reflected similar values to those of its brand. Hence the proposal of live-streaming to tell about the features and release of their new product (i.e. Scacchieri).

Mulino Bianco’s strategy was to completely carry out an advertising activity on the twitch platform through product storytelling by selected streamers. This activity showed how, during the live stream, the brand could monitor the engagement and interest of potential consumers through live chat and aimed questions from the streamers. Finally, by proposing an ad-hoc created game experience, proposed and narrated in live streams by streamers who have a relationship and trust with the community, it was able to engage many consumers.

With these strategies, therefore, Lavazza and Mulino Bianco were able to engage consumers in a cognitive, affective and behavioural way. The results show that the three actors involved in the digital platform all have a role in creating value, and this was found to be key to achieving outcomes. Specifically, the streamer must create content that is able to engage the community, and entertain and stimulate them in a way that achieves mutual exchange through real-time chat. This phenomenon is fostered if a novelty, such as a brand-created game experience, is introduced. During the live stream, one is able to collect data, opinions and feedback in real-time that is useful for co-creating value for the three stakeholders. The result of the whole strategy has outcomes that target the different actors. Streamers in addition to having a return in terms of followers/viewers benefit by creating partnerships with brands and a monetary return. The brands gain real-time feedback in addition to the positioning of their brands in a digital channel that has a growing community, thus fostering their awareness loyalty and the possibility of new sales. Consumers/viewers seeing brands positioned in a live streaming channel close to their interests makes them feel related and with similar values. The community has the opportunity to be entertained through new digital content, can learn new things regarding the game world addressed and/or social issues (e.g. Lavazza and sustainability), and finally, can be informed about the release of new products. The results described here are shown in Figure 2.

Figure 2 – Empirical model



Source: Our elaboration.

## 5. Conclusions and implications for research and management

From the analysis of the selected cases, it was possible to observe the brands' strategies in approaching the Twitch digital platform. In fact, by approaching streamers with similar values and behaviours to those sought by the brands, it is possible to use such activity as a touch point with an established community. The advantage of such an action is that the community will follow a streamer who has similar interests, behaviours, and values to theirs thus facilitating the entry of brands with their own strategies. Hence, for brands, efforts are reduced in the search for digital content that can create engagement as they will leverage the streamer's ability to engage the community. Streamers involved in such processes, in addition to having the opportunity for greater visibility and networking, also have the advantage of having partnerships with brands. On the other hand, the community is entertained through digital content, which can sometimes be educational as in the case of Lavazza and environmental issues. In addition, they can participate through real-time chat, answering questions by streamers addressed perhaps by brand managers to give useful real-time feedback. All of this then brings attention to the co-creation of value that takes place during the live streaming process for the three actors in which there are outcomes for each. Although at a preliminary stage, this work has implications for academics and managers. In fact, to the best of our knowledge, it is among the first studies to look at the brand management of the digital live streaming platform. So this study could be a starting work to be able to understand this phenomenon better. Among the managerial implications, on the other hand, there are some interesting insights in order to understand the potential of these platforms for applying brand management strategies using innovative channels that can involve more millennials and Gen Z. Finally, this work is in the early stages and has limitations. Firstly, it only considered two Italian companies; in the future, it could increase the sample of selected companies and enlarge to the global context. Secondly, it took into consideration Twitch's digital platform and could expand the study by exploring other live streaming platforms as well. Finally, it is an exploratory study of a qualitative nature; therefore, it could be designed with a quantitative study by identifying drivers and variables in the future.

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