

BRAND, ETHICS AND COMPETITIVE ADVANTAGE

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EXTENDED ABSTRACT

Media refer that customers buy brands because of ethical or moral concerns and that the majority of the population confirms this by saying that they take moral and ethical concerns in account while making a purchasing decision. Devinney (2012) proves this statement wrong with his research. He sustains that customers indeed care about ethical concerns of products, brands and companies but that these are not the most important ones in customers' purchasing decisions. On the contrary of what the media call "ethical consumers", the majority of the consumers chose price, taste, positioning, the context in which they buy, and convenience over a company's ethical concerns. To summarise, there is an attitude gap, which means that consumers say they make their purchasing decisions based on ethical reasons, while in reality, the company's social and ethical responsibility isn't the most vital criterion.

On the other hand, marketing strategies should be aware of online social networking trends in the digital domain, where consumers are able to communicate more proactively (Tiago & Veríssimo, 2014). Knowledge and relationship are boosted by the digital dimension, allowing individuals to share different cultures (Budden, Anthony, Budden, & Jones, 2011; Kumar, Novak, & Tomkins, 2010).

The brand is one of the most fundamental intangible resources (Kayo, 2002). Fakhrutdinova, Kolesnikova and Yurieva (2014) state that this should be the cornerstone of a sustained and differentiated international strategy that can ensure the organization's competitive advantage and clearly communicate its positioning to its audiences (Morgan and Pritchard, 2004). Holt, Quelch and Taylor (2004) argue that brand value is even more relevant in an international context, where competitiveness levels are also higher. Thus, it should convey a unified and coherent idea, but it must also be adapted to local specificities, ie, it should be oriented to the markets in which it operates (Kirca Jayachandran and Bearden et al., 2005), ensuring an effective response to consumers' needs and demands (Kohli & Jaworski, 1990).

Market orientation is the concern of an organization to understand and respond to the characteristics of the market in which it operates (Kohli et al., 1990), shifting its focus from an internal perspective to an external perspective (Kirca, Jayachandran & Bearden, 2005). Popoli (2015) argues that the organization's direct link to the needs of its markets is central to the effective and full realization of a strategy through differentiation, so the present study aimed to test the following hypothesis:

There is a progression where internationalization is defined by the "specific priorities of a country, institution or a specific group of stakeholders" (Knight, 2015, p. 2), and where the success of its implementation depends not only on the costs of but of the ability of organizations to understand differences in the home and international markets, as well as to develop competitive advantage and respond to the difficulties that arise from this heterogeneity (Brouthers, Brouthers & Werner, 2008; Hitt, Ireland & Hoskisson, 2007; He, 2012), through a recognized and differentiated brand (Popoli, 2015).

We intend to conduct an online survey to marketing managers from Portuguese footwear firms analysing their (1) Facebook, (2) Twitter, (3) Orkut and (4) blogs. Based on the preceding discussion the following hypotheses were developed for this study:

H1: Brand has a positive effect on market orientation on digital consumers.

H2: Brand has a positive effect on competitive advantage through differentiation on digital consumers.

H3: Market orientation has a positive effect on competitive advantage through differentiation on digital consumers.

H4: Market orientation mediates the relationship between brand and competitive advantage through differentiation on digital consumers.

KEYWORDS: Brand, Ethics, Market orientation, Competitive advantage, Digital consumers.

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