

Management of Innovation in Digital Brands: An Integrative Review

Nárima Alemsan and Francisco Antonio Pereira Fialho

UFSC, Florianópolis, Brazil

narimalemsan@gmail.com

fapfialho@gmail.com

Abstract: The present paper explores how innovation management is manifested in digital brands. The objective of this study is to analyze the approaches to innovation management within digital brands. The methodology adopted is an integrative review with a qualitative approach. Innovation management in digital brands has become increasingly crucial in today's dynamic business landscape. Digitalization has revolutionized the way brands interact with consumers, requiring constant innovation to remain competitive. This study aims to shed light on the strategies and practices adopted by digital brands to manage innovation effectively. The methodology has a qualitative approach through integrative review, which allows for the synthesis of existing literature on innovation management in digital brands. Through research and analysis of academic articles, this article identifies key themes and trends in innovation management in the digital context. Themes such as open innovation, co-creation with consumers, agile development methodologies, and digital transformation strategies emerge as central components of innovation management in digital brands. A conceptual framework is developed to provide a structured understanding of the various dimensions of innovation management in digital brands. This framework serves as a guide for professionals and researchers seeking to navigate the complex landscape of innovation in the digital age. The results of this study reveal a multifaceted approach to innovation management in digital brands. Also it includes the development of a descriptive figure conceptual of innovation management in digital brands. In conclusion, this integrative review highlights the importance of effective innovation management in digital brands. By adopting innovative strategies and embracing digital technologies, brands can drive growth, improve customer experiences, and maintain competitiveness in today's digital economy. Furthermore, this study contributes to the academic discourse by offering insights into the evolving nature of innovation management in the digital sphere. By understanding these dynamics, organizations can adapt their strategies to thrive in an increasingly digital-centric marketplace.

Keywords: Management, Innovation, Digital brands, Integrative review

1. Introduction

In today's ever-evolving business environment, the management of innovation has become a cornerstone for the success and sustainability of digital brands. The advent of digitalization has not only reshaped consumer behaviors but has also significantly altered the dynamics of brand-consumer interactions. As a result, digital brands are faced with the imperative need to continually innovate to stay relevant and competitive in an increasingly crowded marketplace.

As digital technologies continue to advance and consumer preferences evolve, traditional paradigms of brand management are being challenged. Consequently, digital brands are compelled to adopt innovative strategies to not only meet but exceed consumer expectations. By prioritizing the needs, preferences, and behaviors of consumers, brands can create more relevant and impactful innovations. User feedback and participation can drive the development of new products and services that are closely aligned with consumer expectations. Additionally, fostering a culture of continuous improvement and agility within the organization enables brands to quickly adapt to changing market conditions and consumer trends. By embedding user-centric principles into their innovation strategies, digital brands can enhance customer satisfaction, loyalty, and ultimately, their market position.

Exploring the nuances of innovation management in digital brands, this study seeks to unearth the underlying principles and practices that drive successful innovation initiatives. The methodology employed in this research entails an integrative review, which allows for the synthesis of existing literature on innovation management within digital brands. By systematically analyzing and synthesizing a diverse range of scholarly articles, this study endeavors to offer valuable concepts into the multifaceted nature of innovation management in the digital realm.

Furthermore, the rapid pace of technological advancement and the proliferation of digital channels have democratized access to information and empowered consumers like never before. This shift in power dynamics necessitates that digital brands not only innovate in terms of product and service offerings but also in how they engage with and empower their audience. From personalized marketing campaigns to interactive brand experiences, the landscape of brand-consumer interactions is undergoing a profound transformation. Understanding and effectively managing this transformation is essential for digital brands seeking to maintain relevance and forge meaningful connections with their target audience.

In this context, the main objective of this study is to delve into the intricacies of innovation management within digital brands, examining the various approaches and strategies employed to foster innovation in this dynamic landscape. Overall, this research aims to contribute to the existing body of knowledge on innovation management by shedding light on the strategies and practices employed by digital brands to drive innovation and maintain competitiveness in today's digital era. Through a qualitative analysis of the literature, this study seeks to provide actionable ideas for practitioners and scholars alike, fostering a deeper understanding of the complexities of innovation management in the digital landscape.

2. Theoretical Development

According to the literature, an innovation management (Keupp, Palmié and Gassmann, 2012) is a set of interconnected and interactive elements aimed at creating value (Den Ouden, 2012). It provides a common framework for developing and deploying innovation resources, evaluating performance, and achieving intended outcomes. The following principles form the foundation of the innovation management system:

- Value creation (Sjödin et al, 2020);
- Future-focused leadership (Zipp et al, 2024);
- Strategic direction (Hunsaker and Knowles, 2021);
- Culture; (Lounsbury et al, 2021);
- Exploration of insights; (Storey and Salaman, 2009);
- Uncertainty management; (Grote, 2004);
- Adaptability; (Tuominen, Rajala and Möller, 2004);
- Systemic approach. (Fischer, 2002).

So, it emphasizes the importance of integrating innovation into the overall strategy of an organization, fostering a culture that encourages creativity and risk-taking, and effectively managing the uncertainties inherent in the innovation process.

Moreover, innovation refers to the process of translating an idea into a product or service that creates value for customers, it is essential to entrepreneurship (Bessant and Tidd, 2007).

Thus, by adhering to these principles, organizations can establish a robust innovation management system that drives continuous improvement and sustainable growth.

3. Methodology

Through an integrative review (Souza, Silva and Carvalho, 2010) with a qualitative approach, this research aims to provide a comprehensive understanding of how digital brands navigate the complexities of innovation management. A qualitative approach with integrative review was adopted, encompassing a broad range of studies, from empirical research to theoretical analyses and literature reviews, to capture the richness and complexity of this intersection between archetypes, brand communication, knowledge dissemination, and innovation. Two databases were selected for the search: Scopus (4.601 results) and Web of Science (445 results). Search string: "Management" AND "Innovation" AND "Digital". Timeframe: 2021 to 2023. Only open-access articles in English were considered. Moreover, the exclusion criteria was: articles that addressed the topics only in a general manner or focused solely on physical brands. So, after these selected criteria, out of a total of 237 articles, a final selection of 7 articles was chosen for the analysis and discussion in the paper. After the final selection of articles and a thorough analysis of the literature, the results found are presented.

4. Results

As results, presented below is a synthesis matrix table:

Table 1: Thematic Synthesis - Management, Innovation and Digital

Authors	Title	Objective	Methods	Results
Mancuso, I., Petruzzelli, A. M. and Panniello, U. (2023).	Digital business model innovation in metaverse: How to approach virtual economy opportunities	This paper aims to understand the mechanisms of value creation and capture in the metaverse resulting from	The paper analyzes the cases of four cross-industry incumbents—Gucci, Samsung, Hyundai, and Nike—pivoting their business	The paper provides a framework for innovating business models, supporting companies in leveraging the metaverse for value

Authors	Title	Objective	Methods	Results
		continuous evolutions in digital technologies, and how organizations can develop them.	models in the metaverse to identify value mechanisms. It provides a framework for BM innovation in the metaverse, considering both "phygital" transformations and virtual immersions.	creation while contributing to academic knowledge on metaverse impact on BM innovation.
Mariani, M. and Dwivedi, Y. K. (2024).	Generative artificial intelligence in innovation management: A preview of future research developments. <i>Journal of Business Research</i> , 175, 114542.	This study aims to outline future research opportunities in Generative Artificial Intelligence (GenAI) within innovation management by combining a review of academic literature with the findings of a Delphi study involving leading scholars in the field.	The study utilizes a combination of a literature review and the results from a Delphi study involving prominent scholars in innovation management to identify major research themes at the intersection of GenAI and innovation management. Ten significant research themes emerged from this analysis.	including the relationship between GenAI and different types of innovation, its impact on intellectual property and new product development, as well as considerations regarding creativity, ethics, regulation, and organizational design.
Liao, J., Pang, J. and Dong, X. (2023)	More gain, more give? The impact of brand community value on users' value co-creation.	This article aims to investigate whether users who derive more value from brand communities are more inclined to engage in value co-creation activities,	Drawing from reciprocity theory, this study employs structural equation modeling to analyze survey data and archival data, combining quantitative methods to explore the relationship between brand community value, value co-creation, and users' self-presentation within the community.	Furthermore, the influence of information value on value co-creation is contingent upon the level of self-presentation, with higher levels of self-presentation enhancing the effect.
Lu, H. T., Li, X., and Yuen, K. F. (2023).	Digital transformation as an enabler of sustainability innovation and performance—Information processing and innovation ambidexterity perspectives.	This study aims to assess the impact of digital transformation factors on sustainability innovation ambidexterity and sustainability performance in firms operating in the maritime industry.	A survey questionnaire was distributed to 187 maritime professionals holding relevant roles in innovation, performance management, sustainability, or digitalization. Structural equation modeling was employed to analyze the collected data.	The analysis revealed that digital capabilities, alignment between digital technology and business strategy, sustainability exploration innovation, sustainability exploitation innovation, and digital flexibility were the primary factors influencing sustainability performance, ranked in decreasing order of importance.
Di Vaio, A., Palladino, R., Pezzi, A. and Kalisz, D. E. (2021)	The role of digital innovation in knowledge management systems: A systematic literature review.	This article aims to explore the role of digital innovation in knowledge management systems (KMS) and its impact on business governance.	A comprehensive survey of the scientific literature on digital innovation in KMS was conducted to understand its implications for new business models and knowledge optimization. A bibliometric analysis was performed on a database comprising 46 English-language articles published between 1990 and 2020.	Digital transformation tools are shown to contribute to the long-term value creation process. This research adds to the existing literature on KMS by examining it through the lens of digital innovation processes, emphasizing the importance of fostering new knowledge creation and sharing initiatives to support

Authors	Title	Objective	Methods	Results
				global and inclusive growth.
Pynnönen, S., Haltia, E. and Hujala, T. (2021)	Digital forest information platform as service innovation: Finnish Metsaan. fi service use, users and utilisation.	This study aims to explore the engagement of forest owners with the Finnish state-funded Metsaan.fi e-service portal as a service innovation, considering factors influencing their activity and perceptions of the service.	Both quantitative and qualitative analyses are conducted to understand forest owners' views on the Metsaan.fi e-service. The quantitative analysis identifies factors explaining forest owners' activity in using the service, while the qualitative analysis employs theories of innovation diffusion and e-service quality to analyze open-ended survey questions.	The findings emphasize the importance of considering attitudinal patterns of intended users when designing governmental e-services and suggest integrating innovation adoption theory and service-research theory for deeper insights into the value creation and service needs of different user groups.
Bril et al (2021)	Improving personnel management by organizational projects: Implications for open innovation.	The aim of this study is to analyze and develop clear criteria for assessing the effectiveness of projects aimed at improving personnel management systems at Russian enterprises across various industries and types of activities.	The study presents the methodology and basic elements of a one-stage economic assessment process for organizational projects related to personnel management.	The "maximum costs of the HRM" model offer a systematic approach for decision-making in HR management and facilitate future digitalization efforts within organizations

Source: (Own authorship, 2024)

Therefore, this table provided a comprehensive overview of the themes found in literature. In this sense, below is a discussion of these results.

5. Discussion

Despite focusing on different topics, several patterns emerge from these findings:

- **User-Centric Design and Service Innovation:** designing e-services with a deep understanding of user attitudes and needs is crucial for enhancing user engagement and satisfaction. Integrating theories of innovation adoption and service research can provide deeper insights into user behavior and preferences, thereby facilitating the creation of more effective and user-friendly digital services.
- **Knowledge Management and HR Management:** digital innovation processes, such as knowledge management systems and human resource management, are essential for facilitating organizational growth and fostering innovation. The studies advocate for the integration of innovative technologies and methodologies to optimize knowledge creation, sharing, and decision-making processes.
- **Sustainability and Digital Transformation:** digital transformation tools play a significant role in enhancing sustainability performance by enabling organizations to innovate and adapt to changing environmental and market conditions. The studies emphasize the need for alignment between digital technology, business strategy, and sustainability objectives to drive long-term value creation.
- **Co-Creation and Community Engagement:** understanding user behavior and engagement within brand communities is crucial for fostering value co-creation. Factors such as information value, social value, and self-presentation influence users' willingness to engage in value co-creation activities, highlighting the importance of nurturing positive community dynamics.
- **Value Creation and Innovation:** the studies highlight the importance of leveraging emerging technologies and digital platforms, such as the metaverse and Generative Artificial Intelligence (GenAI), to innovate business models and drive value creation. They underscore the role of

information value, social value, and digital capabilities in fostering innovation and supporting organizational performance.

Consequently, the integration of user-centric design, advanced knowledge management, digital transformation, community engagement, and technological innovation collectively drive the success of digital brands. These patterns demonstrate that a holistic approach to innovation, balancing technology with human-centric strategies, is essential for thriving in the digital age. By leveraging these key components, organizations can navigate market complexities, create significant value, and maintain a competitive edge.

With this, there are some relationships between the studies:

All studies highlight the central role of digital technology in facilitating innovation. Whether through the creation of new experiences in the metaverse, the implementation of GenAI in innovation management, or the digitization of knowledge management systems, technology is seen as a fundamental catalyst.

Also Highlights the Importance of Co-creation and Engagement: active user involvement and value co-creation are recurring themes. Brand communities and digital platforms are examples of how companies can foster user participation, increasing perceived value and encouraging collaborative innovation.

Ambidexterity in Innovation: the need to balance the exploration of new opportunities with the exploitation of existing capabilities is a common theme. Companies must continuously innovate while optimizing current processes to maintain sustainability and competitiveness.

Strategic Adaptation and Flexibility: the ability to quickly adapt to technological and market changes is emphasized. Companies that can align their strategies with digital innovations and adjust rapidly to new realities tend to be more successful.

Continuous Evaluation and Improvement: systematic evaluation and continuous improvement of organizational processes are essential for success.

Therefore, the results of studies also highlight that effective digital innovation and management depend on deep technology integration, a balance between exploring new innovations and exploiting existing ones, active user engagement, strategic adaptability, and a systematic approach to continuous evaluation and improvement. These patterns provide valuable guidance for companies and researchers seeking to understand and implement innovative practices in a rapidly evolving digital environment.

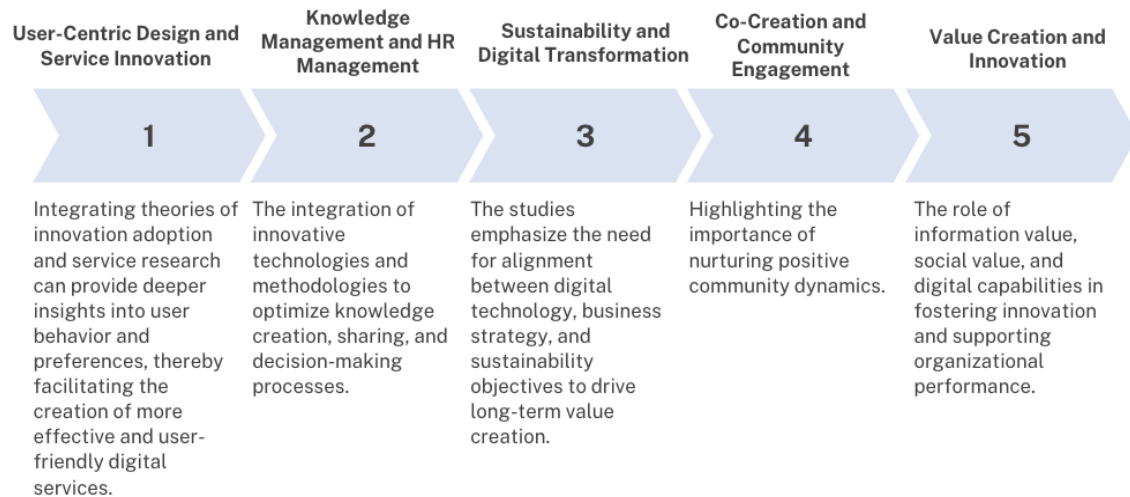
In summary, these findings underscore the transformative potential of digital technologies and innovative management practices in driving value creation, fostering community engagement, promoting sustainability, and optimizing organizational performance. Thus, organizations can develop more effective strategies for navigating the complexities of the digital age and achieving sustainable growth.

Additionally, the adoption of digital technologies and forward-thinking management strategies can bolster organizational flexibility and adaptability to swiftly changing market dynamics. This flexibility is paramount for maintaining a competitive edge in industries characterized by rapid shifts in consumer preferences. Through nurturing a culture of experimentation and continual enhancement, enterprises can effectively harness digital innovation to promptly refine their product and service offerings, catering precisely to evolving customer demands and seizing emerging market opportunities.

Furthermore, the integration of digital tools empowers organizations to collect and analyze extensive datasets, facilitating well-informed decision-making and predictive analytics. By capitalizing on insights derived from data-driven analysis, businesses can uncover invaluable patterns, forecast market trends, and tailor personalized experiences for their clientele.

In addition to enhancing organizational flexibility, the integration of digital technologies fosters a culture of innovation and adaptability within organizations. By embracing digital tools and fostering an environment that encourages experimentation and continuous improvement, companies can stay agile and responsive to evolving market trends.

This proactive approach enables enterprises to swiftly iterate on their offerings, adapt to changing consumer preferences, and capitalize on emerging opportunities, thus maintaining a competitive advantage in dynamic market environments. This data-centric approach not only amplifies operational efficiency but also empowers organizations to craft finely tuned marketing initiatives, optimize resource allocation, and foster innovation across diverse operational domains. As result, an Infographic was created as shown in figure 1:



Source: Author's own work (2024)

Figure 1: Effectively manage innovation in digital brands

So, the Figure 1 illustrates the key components necessary to effectively manage innovation in digital brands. The transition from points 1 to 5 follows a logical and interconnected progression that covers the essential aspects of innovation and success for digital brands. Here's an explanation of how these points are connected and why the sequence makes sense:

User-Centric Design and Service Innovation is the starting point because it emphasizes understanding user attitudes and needs, which is crucial for enhancing engagement and satisfaction. Without a deep understanding of users, any innovation or service is likely to fall short. This focus on the user naturally leads to the need for robust systems to manage this knowledge, connecting seamlessly to Knowledge Management and HR Management. Effective digital innovation processes, such as knowledge management systems, are essential for capturing, sharing about users, thus facilitating organizational growth and fostering innovation.

Building on effective knowledge management, Sustainability and Digital Transformation become the next logical step. Digital transformation tools play a significant role in enhancing sustainability performance by enabling organizations to innovate and adapt to changing environmental and market conditions. This alignment between digital technology, business strategy, and sustainability objectives is crucial for driving long-term value creation. As digital transformation improves internal processes and technology infrastructure, it also enhances the ability to engage and co-create with the community, which is addressed in Co-Creation and Community Engagement. Understanding user behavior and engagement within brand communities fosters value co-creation, which is essential for maintaining dynamic community interactions and innovation.

Finally, Value Creation and Innovation highlight the importance of leveraging emerging technologies and digital platforms to drive business model innovation and value creation. By utilizing advanced technologies like the metaverse and Generative Artificial Intelligence (GenAI), companies can create significant value and support organizational performance. This final point underscores the cumulative impact of the previous steps: user-centric design informs knowledge management, which drives digital transformation, fostering community engagement, and ultimately leading to innovative value creation. This sequence shows how each element builds a foundation for the next, creating a cohesive and continuous cycle of innovation and growth for digital brands.

By integrating these components into a cohesive framework, organizations can navigate the complexities of the digital landscape and drive sustainable growth and competitiveness in today's dynamic market environment. So, these concepts demonstrate how various concepts intersect and complement each other to drive innovation, value creation, and organizational success in the digital age.

6. Final Considerations

This study provided an in-depth analysis of innovation management in digital brands, revealing the growing importance of this practice in a dynamic and highly competitive business landscape. By examining the approaches adopted by digital brands to manage innovation, we identified key themes such as open innovation, co-creation with consumers, agile development methodologies, and digital transformation strategies. So, value

creation and innovation; co-creation and community involvement; sustainability and digital transformation; HR knowledge and management; and User-Centered design and service innovation have relationships between these concepts and are promising for future research.

Thus, they can be worked on and built with the bases for the development of a conceptual model that encompasses such constructs. The development of a conceptual framework provides a structure to understand the different dimensions of innovation management in digital brands, guiding professionals and researchers in navigating this complex environment.

To conclude, our findings underscore the multifaceted approach required to effectively manage innovation in digital brands, highlighting the importance of adopting innovative strategies and embracing digital technologies to drive growth and maintain competitiveness in today's digital economy. Thus, by fostering a culture of innovation and leveraging digital tools to their fullest potential, organizations can position themselves as leaders in their respective industries, driving sustainable growth and delivering value to both customers and stakeholders alike.

Acknowledgements

This study was financed in part by the Coordenação de Aperfeiçoamento de Pessoal de Nível Superior – Brasil (CAPES) – Finance Code 001.

References

- Bessant, J. and Tidd, J. (2007). *Innovation and entrepreneurship*. John Wiley & Sons.
- Bril, A. et al. (2021). Improving personnel management by organizational projects: Implications for open innovation. *Journal of Open Innovation: Technology, Market, and Complexity*, 7(2), 105.
- Den Ouden, E. (2012). *Innovation design: Creating value for people, organizations and society* (p. 196). London: Springer.
- Di Vaio, A., et al. (2021). The role of digital innovation in knowledge management systems: A systematic literature review. *Journal of business research*, 123, 220-231.
- Fischer, M. M. (2002). A systemic approach to innovation. In *Regional Development Reconsidered* (pp. 15-31). Berlin, Heidelberg: Springer Berlin Heidelberg.
- Grote, G. (2004). Uncertainty management at the core of system design. *Annual reviews in control*, 28(2), 267-274.
- Hunsaker, B. and Knowles, J. (2021). Effective innovation begins with strategic direction. *MIT Sloan Management Review*.
- Keupp, M. M., Palmié, M. and Gassmann, O. (2012). The strategic management of innovation: A systematic review and paths for future research. *International journal of management reviews*, 14(4), 367-390.
- Liao, J., Pang, J. and Dong, X. (2023). More gain, more give? The impact of brand community value on users' value co-creation. *Journal of Retailing and Consumer Services*, 74, 103389.
- Lounsbury, M., Cornelissen, J., Granqvist, N. and Grodal, S. (2021). Culture, innovation and entrepreneurship. In *Culture, Innovation and Entrepreneurship* (pp. 1-12). Routledge.
- Lu, H. T., Li, X. and Yuen, K. F. (2023). Digital transformation as an enabler of sustainability innovation and performance—Information processing and innovation ambidexterity perspectives. *Technological Forecasting and Social Change*, 196, 122860.
- Mancuso, I., Petruzzelli, A. M. and Panniello, U. (2023). Digital business model innovation in metaverse: How to approach virtual economy opportunities. *Information Processing & Management*, 60(5), 103457.
- Mariani, M. and Dwivedi, Y. K. (2024). Generative artificial intelligence in innovation management: A preview of future research developments. *Journal of Business Research*, 175, 114542.
- Pynnönen, S., Haltia, E. and Hujala, T. (2021). Digital forest information platform as service innovation: Finnish Metsaan. fi service use, users and utilisation. *Forest Policy and Economics*, 125, 102404.
- Sjödin et al (2020). Value creation and value capture alignment in business model innovation: A process view on outcome-based business models. *Journal of Product Innovation Management*, 37(2), 158-183.
- Souza, M. T. D., Silva, M. D. D. and Carvalho, R. D. (2010). Integrative review: what is it? How to do it?. *Einstein (São Paulo)*, 8, 102-106.
- Storey, J. and Salaman, G. (2009). *Managers of innovation: insights into making innovation happen*. John Wiley & Sons.
- Tuominen, M., Rajala, A. and Möller, K. (2004). How does adaptability drive firm innovativeness?. *Journal of Business research*, 57(5), 495-506.