

CORPORATE IMAGE AND BRAND MANAGEMENT

CHAPTER 2

CHAPTER OBJECTIVES

1. Why is a corporation's image vitally important?
2. What kind of tactics and plans can be used to build an effective corporate image?
3. What are family brands, brand extensions, flanker brands, co-brands, private brands, brand equity, and brand recognition?
4. How are logos, packages, and labels related to image and brand management?
5. Which brand and product characteristics can be used to establish a positive position in the market?

What is a Brand?



A person's perception of a product, service, experience, or organization.



A brand is not a logo. A brand is not an identity. A brand is not a product.



A brand is a person's gut feeling about a product, service, or organization.



Brands mean different things to different people at different times.

Do you know
these famous
brands?





Elements of a Brand

GOLDEN RULE

One of the most critical ingredients in the successful development of a company's brand is effective management of an organization's image.

Effective marketing communication begins with the establishment of a clearly defined corporate image.

This image summarizes what the company stands for as well as how it is positioned in the market place.

Corporate image, or reputation, describes the manner in which a company, its activities, and its products or services are perceived by outsiders. In a competitive business climate, many businesses actively work to create and communicate a positive image to their customers, shareholders, the financial community, and the general public.

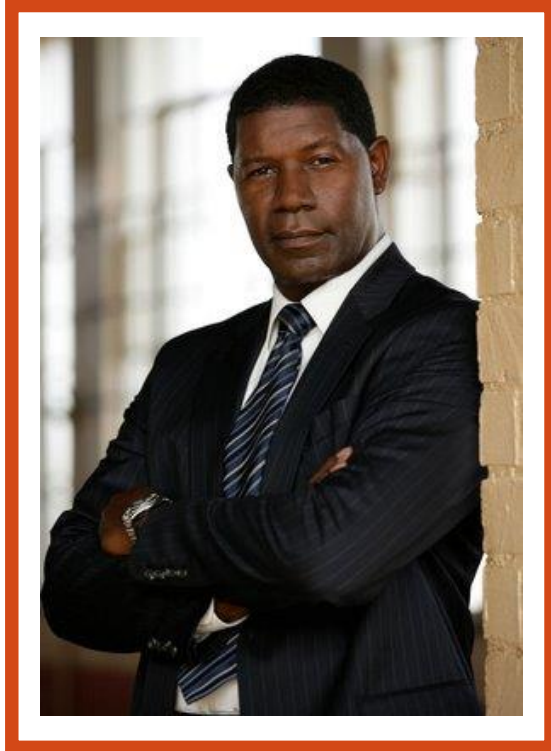
A company that mismanages or ignores its image is likely to encounter a variety of problems.

CORPORATE IMAGE



Corporations trying to shape their image are analogous to individuals who will dress appropriately, cultivate courteous manners, and choose their words carefully in order to come across competent, likeable, and reliable.

In the personal as in the corporate case, the **image** should match **reality**. When it does not, the consequence will be the opposite of the one intended.



Corporate Image

- Summarizes what the company stands for
- How it is known in marketplace
- Specific impression in minds of customers
- Consumer beliefs most important

Components of a Corporate Image

TANGIBLE

1. Good & services sold
2. Retail outlets where product is sold
3. Factories where the product is produced
4. Advertising, promotions, and other forms of communications
5. Corporate name and logo
6. Packages and labels
7. Employees

INTANGIBLE

1. Corporate, personnel, and environmental policies
2. Ideals and beliefs of corporate personnel
3. Culture of country and location of company
4. Media reports



Consumer Perspective

- ☐ Provides confidence
- ☐ Provide positive assurance
 - ☐ Unfamiliar Settings
 - ☐ Little or no previous experience
- ☐ Reduce search time in purchase decision
- ☐ Provide psychological reinforcement and social acceptance



Company Perspective

- Extension of feelings to new products
- Ability to charge a higher price or fee
- Consumer loyalty = more frequent purchases
- Positive word-of-mouth endorsements
- Attract better employees
- More favorable ratings by financial observers and analysts

Some of the warning signs that a business might have an image problem

High employee turnover, the disappearance of major customers,

A drop-in stock value, and poor relationships with vendors or government officials.

If an image problem is left unaddressed, a company might find many of its costs of doing business rising dramatically, including the costs of product development, sales support, employee wages, and shareholder dividends.

In addition, since the majority of consumers base their purchase decisions at least partly on trust, current and future sales levels are likely to suffer as well.

CORPORATE IMAGE

<https://incitrio.com/ubers-ad-campaign-is-the-beginning-of-a-new-brand-image/>



Identifying the desired Image

Corporate image can be a major part of company success

Evaluate the nature of company image

- Customers
- Employees
- Suppliers
- Distributors

The Top 50 Brands

Following are the top 50 most relevant brands ranked by U.S. consumers. The brands were selected for inclusion in the survey based on contribution to U.S. households.

1 	2 amazon	3 	4 NETFLIX	5 Google	6 SAMSUNG	7 	8 	9 PIXAR	10 SEPHORA
11 pandora®	12  PlayStation	13 Disney	14 SONY	15 KitchenAid	16  Microsoft	17 	18 	19 Dove	20 YouTube
21 	22 	23 Etsy	24 L'ORÉAL	25 MAC	26 	27 	28 Fisher-Price	29 fitbit	30 COSTCO WHOLESALE
31 HONDA The Power of Dreams	32 BAND-AID®	33 KEURIG	34  LG Life's Good	35 adidas	36 food network	37 hp	38  TOYOTA	39 Betty Crocker	40 intuit TurboTax ✓
41 Crest	42 HERSHEY'S	43  VICTORIA'S SECRET	44 npr	45  Adobe	46 	47 Ziploc	48  XBOX	49 VISA	50 BEN & JERRY'S ICE CREAM

CORPORATE IMAGE DEVELOPMENT

In making decisions about the image to be projected, marketers should remember three things:



1

1. The image being projected must be an accurate portrayal of the firm and coincide with the products and services being sold



2

2. Reinforcing or rejuvenating a current image that is consistent with the view of consumers is **easier** to accomplish than changing an image that is well established.



3

3. It is **difficult to change** the images people hold regarding a given company.

- Negative or bad press can destroy an image that took years to build.



CREATING THE RIGHT IMAGE

- Reaches the target and conveys a clear message regarding the unique nature of the organization and its products
- Accurately portrays what the firm sells
- When an image is well established, other promotions can be built around the reputations
 - Results = long term customer loyalty and future sales

Warby Parker

Warby Parker has trained its sights on the stylish, “post-wealth” millennial set—as customers and employees.

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LET'S FIND YOU SOME AMAZING GLASSES.

WARBY PARKER

MEN WOMEN | BUY A PAIR, GIVE A PAIR OUR STORY MONOCLE HELP/FAQ

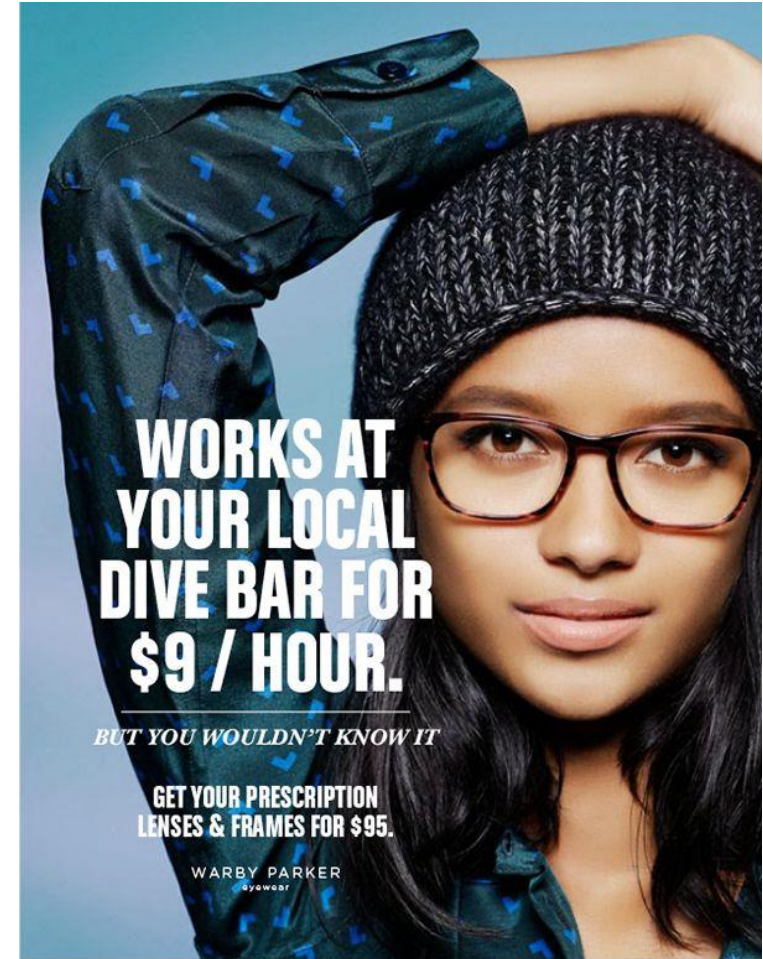


01

02

03

04



How to build a Great Brand: Warby Parker



MAKE ME CARE: PUT TOGETHER A GREAT STORY. WARBY PARKER GOT TREMENDOUS WORD-OF-MOUTH FROM THE GET-GO BECAUSE THEIR STORY RESONATED WITH THE PRESS, WHO WERE EAGER TO TELL THEIR READERS ABOUT IT.



UNDERSTAND YOUR BRAND HIERARCHY—WHAT'S MOST CRITICAL? WARBY PARKER LAYS OUT ITS BRAND IN A LINEAR FASHION: LIFESTYLE BRAND -> VALUE AND SERVICE -> SOCIAL MISSION.



STEAL THE SHOW! GET YOUR EARLY BUZZ + INFLUENCER BUY-IN BY BEING TASTEFULLY REBELLIOUS. WARBY PARKER WANTED TO BE A PART OF NY FASHION WEEK IN FALL 2011, BUT COULDN'T AFFORD TO GET INVOLVED THE TRADITIONAL WAY- SO THEY INVITED 40+ EDITORS TO A 'SECRET EVENT' AT THE NY PUBLIC LIBRARY. THEY EARNED BUZZ (WITHOUT PAYING FOR IT!) BY CREATING A REMARKABLE EXPERIENCE.



IF IT AIN'T FUN, WHY DO IT? CREATE CONTENT THAT'S LEGITIMATELY FUN. WARBY PARKER'S ANNUAL REPORTS INCLUDE THINGS LIKE WHAT BAGELS THEY ATE, OR WHAT WERE THE MOST POPULAR MISSPELLINGS OF THE BRAND.



FIGURE OUT WAYS TO TURN MUNDANE INTERACTIONS WITH YOUR BRAND INTO REMARKABLE, SOCIAL ONES. WARBY PARKER'S TEAM RESPONDED TO QUESTIONS ON TWITTER WITH QUICKLY-SHOT YOUTUBE VIDEOS, WHICH AVERAGE 120 VIEWS PER VIDEO.



BETTER TOGETHER: PARTNERSHIPS MAKE TONS OF SENSE FOR LIFESTYLE BRANDS. WARBY PARKER DOES PARTNERSHIPS WITH ALL SORTS OF OTHER BRANDS AND ENTITIES.



CREATE UNIQUE, MEMORABLE PHYSICAL EXPERIENCES. WARBY PARKER MAKES VERY INTERESTING DECISIONS: THE FLAGSHIP STORE LOOKS LIKE A LIBRARY, AND THE EYE EXAMS ARE DONE WITH OLD-SCHOOL RAILROAD FLIPPING THINGS. WHEN THEY WANTED TO DO MOBILE SHOWCASES, THEY USED BICYCLES, AND THEN A REPURPOSED SCHOOLBUS.

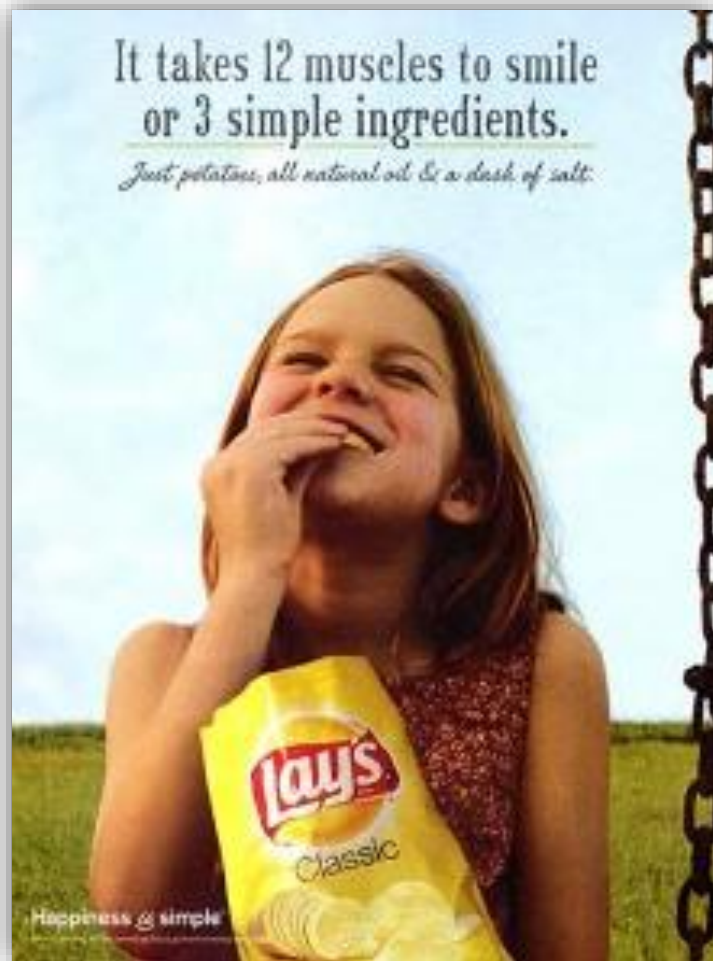




2. Rejuvenating an Image

- Allows for:
 - Help former customers rediscover the brand
 - Builds community
 - Sells new products
 - Attracts new customers
 - Retains current customers
 - Stays consistent with old and new elements
 - Takes time and effort

REJUVENATING AN IMAGE



- Frito Lay's reformulated both Lay's and Ruffles potato chips—the first time the Lay's formula had ever been changed.
- To enhance the flavor of both chips, the company developed a new frying process and switched from soybean oil to cottonseed oil.
- With consumers preferring less salty snacks, the sodium content of the chips was also reduced.

SCHOLL



Before



After

- Scholl are foot care specialists. The products was originally called "gel inserts" and were for putting in women's high heeled shoes.
- One of the designers got hold of this product and was given the freedom to re-design it. Being a user herself, she thought the pack could be much more feminine and better explain the benefit: allowing you to go out dancing or clubbing in your fanciest (but not always comfortable) shoes and not get sore feet. And here is the key: "immersive insight" gained not from understanding the consumer, but by being the consumer.
- The product was re-launched as Scholl Party Feet. This was not just a nicer pack, it suddenly shouted out loud the product's positioning.





3. Changing an Image

Extremely difficult to do

- Leaders must carefully consider:
 - What they wish to change
 - Why they wish to make a change
 - How they intend to accomplish the task

Necessary when target markets have begun to shrink or disappear

- Firms image no longer matches trends

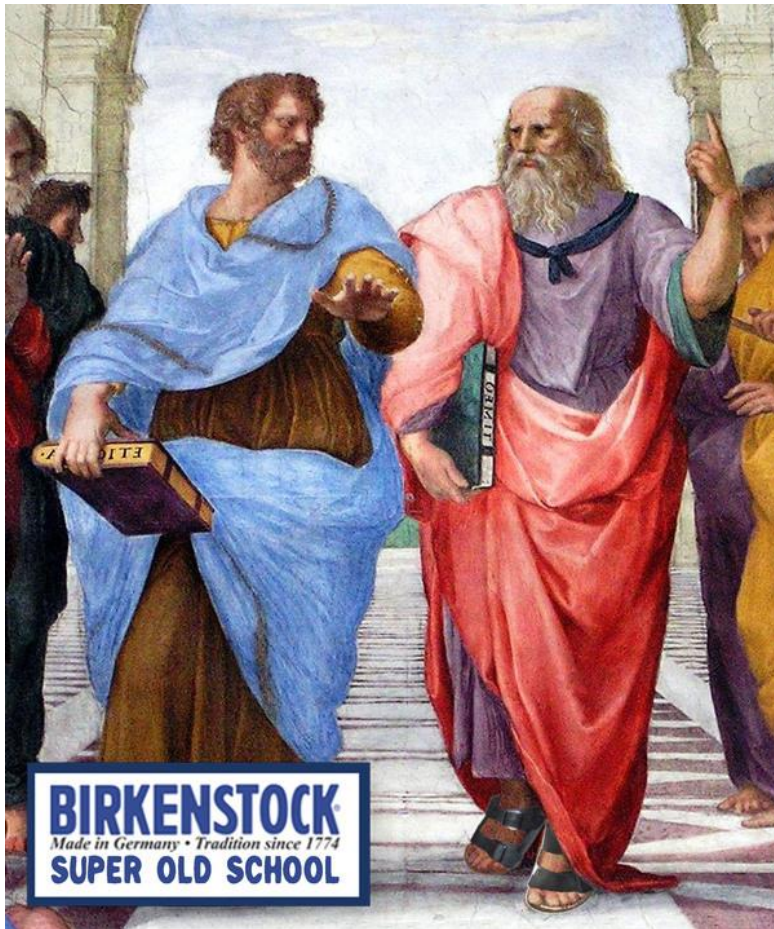
Changing Corporate Image



Wal-Mart



Birkenstock



Changing an image

- Ø Requires more than a revamped logo.
- Ø Demands a vision that inspires customers, investors, and others to see the company in a new light.
- Ø Responds to changes in the external environment and consumers needs

Healthy
Lunch
Choices
Under 500 Calories



A Brand is a Combination of Words and Visuals to Create the Customer Experience

<https://www.youtube.com/watch?v=EpUGpUI0c1k>



Corporate Names

... AS PART OF YOUR IMAGE



Corporate Names

- Cornerstone of company's relationship with its brand
- Sets the attitude and tone
- First step toward "personality"
- Four categories of names

Corporate Names

Overt names

- Says what a company does



Implied names

- Recognizable words or word parts that convey what a company is about



Conceptual names

- Captures essence of what a company does



Iconoclastic names

- Represents something unique, different and memorable – does not reflect the company products



Origins of Some Unique Corporate Names

Google – name started as a joke about the way search engines search for information. Word googol is one digit followed by 100 zeros.

Lego – combination of Danish phrase “leg godt” which means “play well” and Latin word lego which means “I put together.”

Reebok – alternative spelling of “rhebok” which is an African antelope

Skype – original name was “sky-peer-to-peer,” which was changed to “skyper” then to “skype.”

Verizon - combination of Latin word “veritas” which means “truth” and horizon.

Yahoo – word from Jonathan Swift’s book *Gulliver’s Travels*, which represented a repulsive, filthy creature that resembled Neanderthal man. Yahoo founders, Jerry Yang and David Filo considered themselves yahoos.

Golden Rules of Naming

1. Do not copy others.
2. Do not get too creative.
3. Only accept global names.
4. Make sure the name can be pronounced and spelled correctly



How much does it cost to name a company

Basic company naming – \$7,500 to \$15,000

- When you simply need a good company name and nothing else

Mid level company naming – \$50,000 - \$100,000

- When you need a company name, tagline, logo design and domain

Comprehensive company naming \$1,000,000

- When you need a full suite of company naming, brand positioning, logo design & trademark services

Corporate Logos



- Symbol used to identify a company and brands
- Compatibility with company name
- Millions of dollars to develop a logo
- Important for in-store shopping
 - Visually process faster than words
 - Nike swoosh - \$35
- Stimulus code-ability – when a logo elicits a consensual meaning among customers

Landor

Our Work

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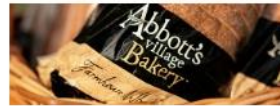
search

A brand is an experience.

It's what makes Evian pure even before you read the label. It's why a FedEx envelope gets opened before anything with a postage stamp.

Brand experience is what your customers remember about you. It's what leads to lasting impressions, preferences, and performance. This is what sets Landor's work apart: customer experiences that are not mysterious, but real, tangible, measurable – unforgettable.

Here are hundreds of examples –



Abbott's Village Bakery
Capturing consumers' imaginations



Café Coffee Day
Inspiring coffee-fueled fun and conversation in India



Dreyer's Slow Churned



Earthpark

Landor and Associates

CORPORATE LOGO TEST



They
should be
easily
recogni-
zable.



They
should be
familiar.



They should
elicit a
consensual
meaning
among those
in the firm's
target market.



They
should
evoke
positive
feelings.

Aids in recall

- Specific brands
- Advertisements

Reduces shopping effort

Reduces search time

BENEFITS OF
LOGO
RECOGNIZABILITY



(1976)



(1976 - 1998)



(1998)



Current Logo



(1923)



(1936)



(70's & 80's)



(1954)



Current Logo



(1971)



(1978)



(1985)



Current Logo



THIS THE **NO. 6** WORST IDENTITY OF 2009

BRAND NEW



BEFORE:.....AFTER:.....



old logo



new logo



Old



New

verizon^v

^v
verizon

NEW

OLD

Google

NEW

Google

OLD

facebook

facebook

NEW

OLD

face

face



NEW

OLD





NEW

OLD





Barbie



Barbie 

freepatternsarea.com



Designing a Quick Logo



What colors should you use in your logo?

Pink – femininity, innocence, softness, health, and youth

Purple – sophistication, spirituality, wealth, royalty, youth, and mystery

Red – aggressiveness, passion, strength, vitality, fear, speed, and appetite

White/silver – purity, truthfulness, faith, contemporary, refined, and wealth

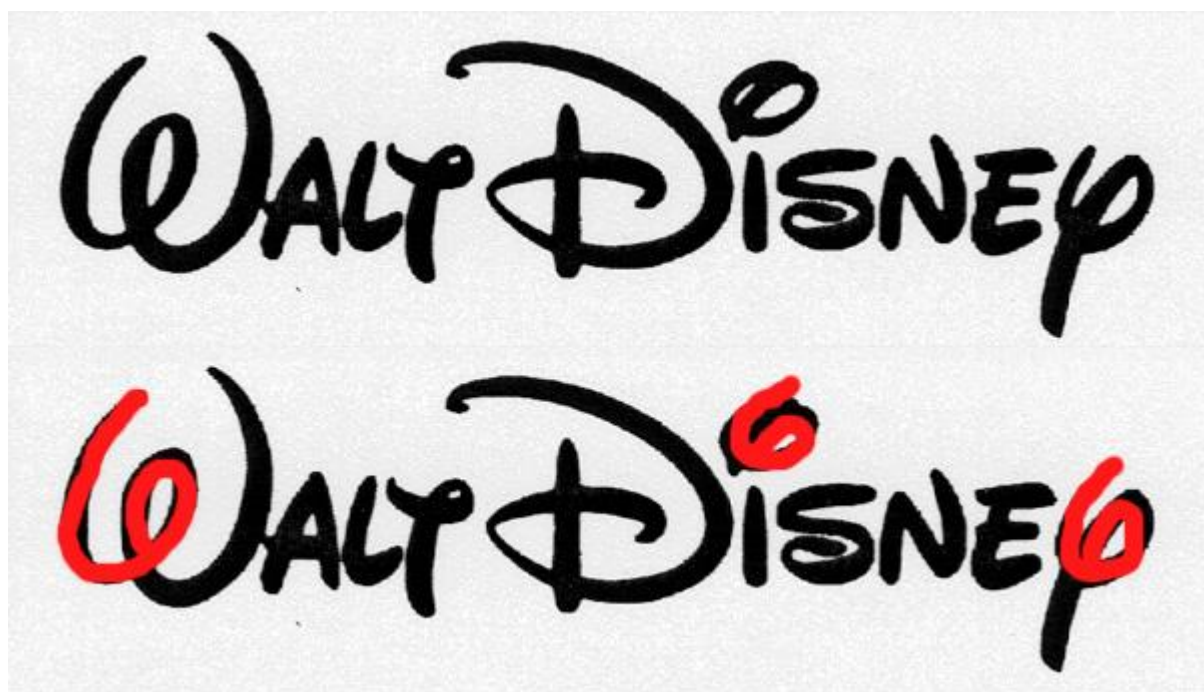
Yellow – youth, positive feelings, sunshine, cowardice, refinement, caution, and appetite



Symbolism in Logos











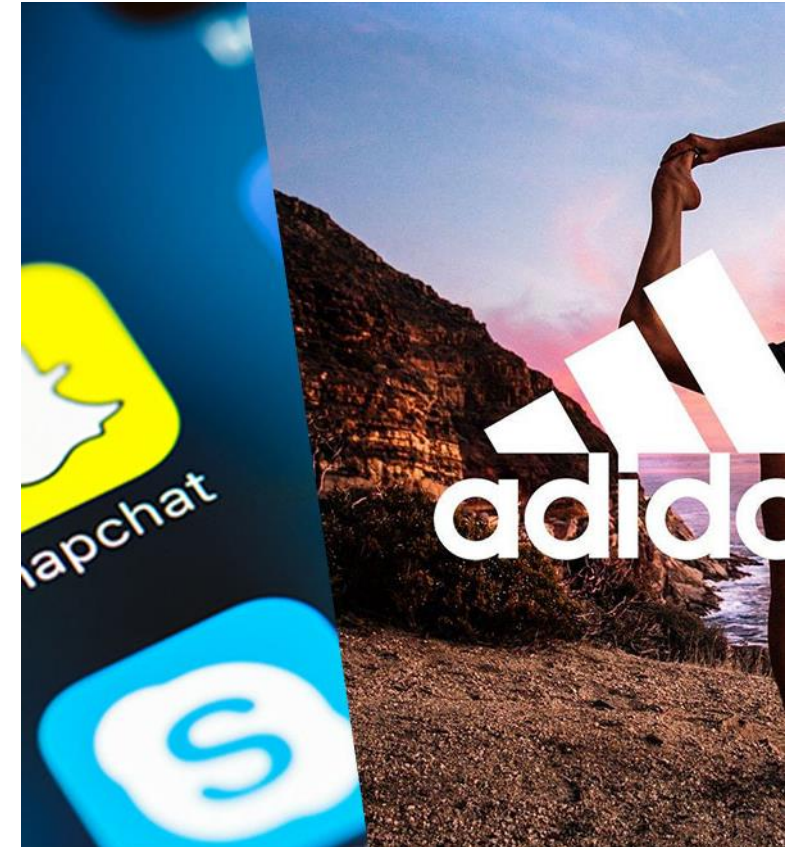
Branding

The process involved in creating a unique name and image for a product in the consumers' mind, mainly through advertising campaigns with a consistent theme.

- *Aims to establish a significant and differentiated presence in the market that attracts and retains loyal customers.*

Building powerful brands

1. Featuring the brand name prominently in repeated advertisements.
2. Authentic or unique in some manner.
3. Consumers trust, believe, become loyal to.
4. Providing an experience that involves the opportunity to be to customized and personalized.
5. Building powerful brands requires the effective use of social media and mobile advertising.



Benefits of BRANDING



Provides quality assurance



Reduces search time



Allows company to charge more



Reduces brand parity



Consumers choose brands that are:

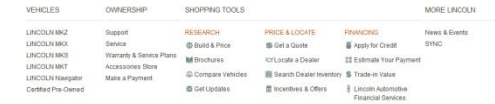
- Brand benefits consumer view as important and of higher quality than competition
- Memorable

Most improved brands among millennials

Rank	Brand Name	Score	Previous Score	Change in Score
1	Uber	25.5	17.3	8.2
2	Instagram	44.7	38.7	6.0
3	Lyft	12.3	6.2	6.0
4	Snapchat	32.3	26.7	5.6
5	TLC	11.3	6.6	4.7
6	Twitter	35.1	30.9	4.3
7	WhatsApp	16.9	13.0	3.9
8	Delta	14.9	11.1	3.8
9	Spotify	22.3	18.6	3.7
10	Adidas	13.8	10.6	3.4
11	Visa	39.6	36.4	3.2
12	Airbnb	8.2	5.4	2.9
13	Chase	18.6	15.7	2.8
14	J.P. Morgan	7.9	5.2	2.7
15	Wikipedia	40.0	37.4	2.6
16	Ace Hardware	7.7	5.1	2.6
17	Calvin Klein	7.5	5.1	2.4
18	Puma	7.4	5.1	2.3
19	Indeed	12.2	10.1	2.2
20	Bellagio	3.4	1.3	2.1

TYPES OF BRANDS

- **Family brands**
 - Multiple products under one brand
 - Transfer associations
- **Brand extension**
 - New good or service
- **Flanker brand**
 - New brand within current category



POPUP.COM

Co-Branding

Co-branding is the combination of two brands.

- **Ingredient** branding—is the placement of one brand within another brand.
- **Cooperative** branding—a joint venture of two or more brands into a new product or service.
- **Complementary** branding—is the marketing of two brands together to encourage co-consumption or co-purchases.

Succeeds when it builds the brand equity of both brands.





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Welcome to PetSmart! | [Sign in](#) | [Help](#) | [Pet Care Solutions](#)



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Find Martha's creations, made exclusively for PetSmart®, in stores and on [petsmart.com](#).



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SHOP CAT

VIDEO & HOW-TO ARTICLES



> Shop Clothes



> Shop Grooming



> Shop Toys



COLOR EMOTION GUIDE



Developing Strong Brands

- Brand's most compelling benefits?
- What emotions are elicited by the brand either during or after the purchase?
- What is the one word that best describes the brand?
- What is important to consumers in the purchase of the product?
- Begins with understanding why consumers buy a brand.

Ad Agencies: DEVELOPING STRONG BRANDS

If your brand
were a



Car?



Animal?



Three colors?



Music group?



Instrument?



What emotions are
elicited by brand?



What one word best
describes brand?



What is important to
consumers in the
purchase of the brand?



Ultimate objective = Brand Loyalty

Only brand customers purchase

Drivers of brand loyalty

- Emotion
- Value

Consumer experience

BRAND EQUITY

Perception that a good or service with a given brand name is different and better.



BRAND PARITY

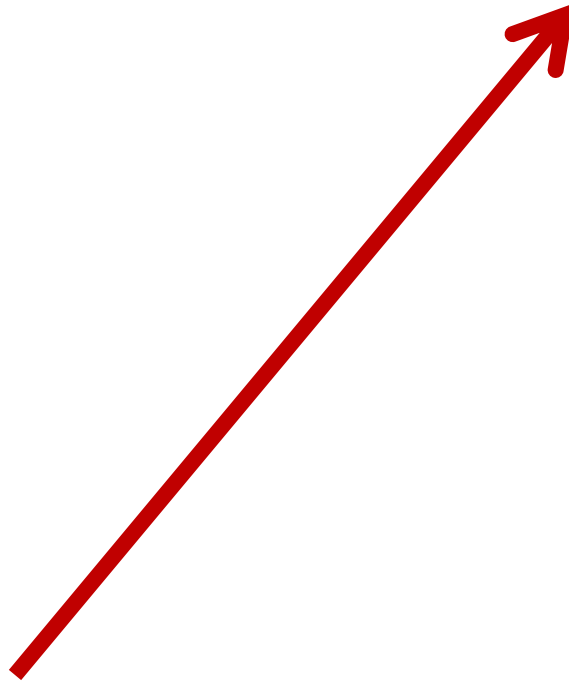
- Major problem
 - Is little distinction between competing brands.
 - Customers only see minor differences in a brand.



Brand parity



Brand Equity



Brand parity

Final Steps in Building a Brand

1. Research and analyze what it would take to make the brand distinctive.
2. Engage in continuous innovation.
3. Move fast.
4. Integrate new and old media.
5. Focus on domination.





Packaging

Packaging

- Final opportunity to make impression
- 69% of purchase decisions made in-store
- Have 3 seconds to catch attention
- Needs to stand out
- Tells customers what is inside



PACKAGING

- ? Protect the product inside
- ? Easy shipping, moving, and handling
- ? Easy placement on store shelves
- ? Prevent or reduce the possibility of theft
- ? Prevent tampering



New Trends in Packaging

Meet consumer needs for speed, convenience, and portability

Must be contemporary and striking

Must be designed for ease of use







PACKAGING



Unique packaging

sexy yet simple
package design.



bold, loud, human.
different, strong
position.





Sake







Kleenex



Kraftstoff Vodka

Beer





Handy Wipes



Sumurai Vodka



Festina Watches



Tylenol



New packaging ideas



Green Packaging







Banana Leaf Packaging





Labels

LABELS



Must meet legal requirements.



Provide another marketing opportunity to sell the product.



Carry terms designed to build customer interest and confidence in the product

“Over 1 billion served”

Gourmet

Natural

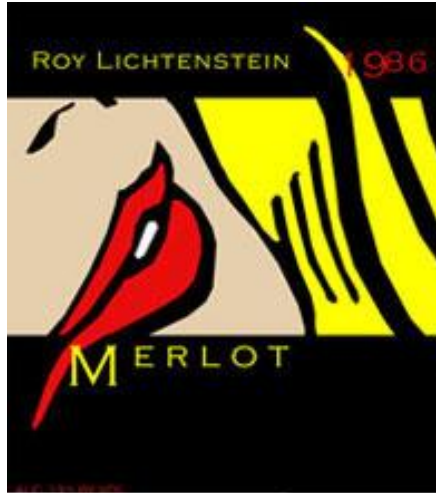
Children’s formula



Wal-Mart Private Label



Target – Clear Rx



Wine Labels



Blackberry gin



ETHICAL ISSUES



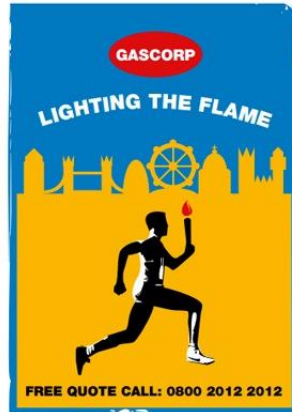
Occurs when a company creates a brand name the closely resembles a popular or successful brand (Korrs, Victor's Secret).

- Brand name becomes a generic term
- Domain or cyber squatting – buying a domain name with the purpose of making a profit by re-selling it to the firm.

✓ **Example:** An advert which uses the words 'sponsor' and '2012' in a context which in no way suggests an association with London 2012



✗ **Example:** An advert which creates an association with London 2012 through use of images and text



End