BRANDING IN ARTS ORGANIZATIONS

A Thesis

Presented to

The Graduate Faculty of The University of Akron

In Partial Fulfillment

of the Requirements for the Degree

Master of Arts

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May, 2011
BRANDING IN ARTS ORGANIZATIONS

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Thesis

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CHAPTER I

INTRODUCTION

As the economic climate has weakened and the technology available for accessing arts and entertainment at home has improved, the number of people attending arts events has declined. Arts organizations are facing increasing challenges both from competitors and from the current economic situation. If arts organizations are to survive, they must evolve with the times by expanding their current strategies and creating new tactics to ensure the continuation of attendance of the events that they organize. According to the 2008 Survey of Public Participation in the Arts conducted by the National Endowment for the Arts, opera and jazz participation significantly decreased for the first time, with attendance rates falling below what they were in 1982. Classical music attendance continued to decline—at a 29 percent rate since 1982—with the steepest drop occurring from 2002 to 2008. After topping 26 percent in 1992 and
2002, the art museum attendance rate slipped to 23 percent in 2008 (Iyengar, Bradshaw, and Nichols 2009).

These findings are disappointing and have worrying implications for the number of people interested in the arts. The survey also made it clear that bad economic conditions in 2007–2008 [were not] the only factor at work. From 1982 to 2008, audience for performances in classical music, ballet, non-musical theater, and—most conspicuously, jazz—have aged faster than the general adult population. Even among the most educated, adults are participating less than in previous years (Iyengar, Bradshaw, and Nichols 2009).

As Colbert and Fournier also found in their studies on attendance in the arts, “theatre, museum, symphonic orchestras, and other arts organizations face important marketing challenges as they are in competition with many other forms of leisure and entertainment activities, such as cinema, sporting events, and the like.”(Colbert 2003; Fournier and Colbert 2005) In today’s rapidly changing economic context, consumers have a huge array of choice. If arts organizations are to survive, they must find new ways to clarify the identity of their products or services to win a competitive advantage for arts organizations.
According to *Fortune Magazine* (1997), “In the twenty-first century, branding ultimately will be the only unique differentiator between companies. Brand equity is now a key asset” (Clifton, Simmons, and Ahmad 2004). Brands offer distinct value to a company’s assets and can offer corporations many advantages. As Voeth and Herbst made clear in their 2008 study, brands develop a positive stereotype in the minds of the customers, therefore creating a higher scope in price policy and protecting an enterprise from short-term crisis and heightened competition. Furthermore, strong brands also function as a basis to create new products and help to open up new markets containing new target groups (Andreason and Kotler 2003; Voeth and Herbst 2008).

Many studies have found that brands can strengthen the power of organizations by increasing customer loyalty and developing a differentiated or clear identity. The purpose of this thesis is to examine branding, which is a useful and well-known strategy in the commercial sector, and investigate ways that it might be applied in the area of nonprofit—specifically arts—organizations. An examination of existing research can help establish how arts organizations use branding. The intention of this thesis is to suggest ways to enhance the use of branding strategies in arts organizations. As the scholar Alan
Kay has stated, “the best way to predict the future is to create it” (Wheeler 2009), and it is this notion that lies at the heart of this thesis; the use of branding is clearly beneficial to arts organizations, regardless of whether they are profit or nonprofit, big or small.
CHAPTER II

THE PRINCIPLE OF THE BRAND

2.1 WHAT IS A BRAND?

Brands, for the most part, are associated with the commercial world.

Nevertheless, brand usage began many centuries ago before this term became popular in the present context. Since its earliest usage, the “brand” concept was based on ownership.

Previous research has clarified that the word “brand” was originally used in Norway to refer to the branding of cattle, and it came from Old Norse brandr, meaning to burn, and from these origins made its way into Anglo-Saxon. It was of course by burning that early man stamped ownership on his livestock, and with the development of trade buyers would use brand as a means of distinguishing between the cattle of one farmer and another” (Clifton, Simmons, and Ahmad 2004).

The first “brand” literally referred, therefore, to the branding of ownership onto the owner’s products. According to other sources, in ancient Greece and Rome, some of
the earliest manufacturers mass-produced clay pots, which today can be found in abundance among archaeological remains in the Mediterranean region. According to this theory, this early use of branding involved marking the wet clay on the underside of a clay pot with a thumbprint, in order to distinguish one potter’s goods from another’s. This is the first example that we have where brands were used in the form of a visual symbol; the thumbprints later developed into other symbols, including fish, stars, or crosses (Clifton, Simmons, and Ahmad 2004).

After centuries of creation and evolution, most present wide-scale branding is used in business applications. Tom Blackett (Clifton, Simmons, and Ahmad 2004) has also described how brands and branding have evolved over the centuries:

*The Oxford American Dictionary (1980)* contains the following definition:
Brand (noun): a trade mark, goods of a particular make: a mark of identification made with a hot iron, the iron used for this: a piece of burning or charred wood, (verb): to mark with a hot iron, or to label with a trademark.

Similarly, *The Pocket Oxford Dictionary of Current English (1934)* says:
Brand 1. n. Piece of burning or smoldering wood, torch, (literary); sword (poet.); iron stamp used red-hot to leave an indelible mark, mark left by it, stigma,
trademark, particular kind of goods (all of the best bb.). 2. v.t. Stamp (mark, object, skin), with b., impress indelibly (is branded on my memory).

These traditional dictionary definitions illustrate clearly the evolutionary process of the concept of branding, from its original reference to literal burning to its current use as a trademark in the commercial world. “Brands” themselves are increasingly being used as products themselves. According to the American Marketing Association, the definition of a brand is “a name, term, design, symbol, or any other feature that identifies one seller’s good.” The name and logo are the point of entry to the brand. However, this traditional definition of brand is slightly problematic, in that it is concerned only with a physical, tangible product. An additional extended explanation is provided in *The Financial Times A-Z of Management and Finance* by Richard Koch, who says that the concept of “brand” has become much more complex now than its original definition. Koch defines a brand as “a visual design and/or name that is given to a product or service by an organization in order to differentiate it from competing products and which assures consumers that the product will be of high and consistent quality.” (Koch 1994) This
definition extends the notion of branding so that it functions as a way of making a product or service distinct. Koch also highlights the fact that branding helps to communicate the commitment of consistent quality to the consumer (Koch 1994; Crainer 1995). “Brands” have become not only ways to clarify a unique identity for the producer but also for the consumer.

However, from time-to-time, innovative products or services fail to win battles in competitive environments. Often, companies find it easier to copy others’ new ideas than to create their own products. In the earliest and most basic branding model, branding guru Aaker A. David (1996) constructed a branding model with three different attributes—functional benefit, emotional benefit, and self-expressive benefit. Functional benefit is the most basic and comes first, but in today’s more complex marketplace, its durability, uniqueness, and power of influence over function is reducing; brands that offer functional benefit alone may not be enough to meet customers’ expectations. People are increasingly able to distinguish the psychological aspect of the brand from the experiential aspect. As the rapidly changing world becomes increasingly
hyper-competitive, the intangible elements of emotional branding are becoming ever more significant. The focus of branding has shifted from tangible aspects, such as name and logo, to intangible elements, such as brand personality and emotional benefits. In the past, the tangible product was the sole feature of the brand, but today, the product itself is just one component of the brand and one part of how the consumer experiences the entire brand. “Customers used to buy things, now they experience them” (Crainer 1995). A product can easily be copied by competitors, but experience is unique.

Stephen Dunphy (qtd. in Knapp 2000), business editor of The Seattle Times, explains the brand concept thus: “brand does not mean the same thing to everybody” Knapp (2000). He continues: “Distinctive is the key word to understanding the real meaning of a brand. It is not an organization that gets to decide whether or not its brand is distinctive. A brand is only distinctive if the consumer perceives and believes that it truly is.” Likewise, Paul Feldwick describes a brand as “simply a collection of perceptions in the mind of the customer” (Miller and Muir 2004). It is clear that, today, a brand is driven by consumers, whose perceptions are formed physically as well as psychologically. In
this way, brands may initially place more emphasis on functionally oriented values, which are then transferred to values that are more emotionally oriented. It is for this reason that we need to further examine the psychological elements of customers in branding.

2.2 BRAND IDENTITY

The word “brand” has largely entered people’s lexicons as a catchphrase, the meaning of which can change according to the context. The term “brand” was originally used as a noun; it may have been used in sentences similar to the following: “This brand of tea is my favorite.” Its usage gradually shifted, so that it later began to be used as a verb, as in “Let’s brand this campaign.” Examples of brands themselves have also permeated our daily lives, as can be seen in the popular phrase from Nike, “Just do it!” (Wheeler 2009). The brand has gradually become a synonym for the name and reputation of the organization. It is worth examining why brands have become so popular and important.
“To brand something is to make it more valuable. Branding adds value. That has
always been the point of branding, and it is more true than ever whether you are branding
a product, service, company, yourself, an event, or your art” (Gad 2000). Endless
competition creates boundless choices, and this means that it is increasingly difficult for
consumers to differentiate between many products and services. In his 2008 study, the
researcher Kapferer proposed, “We have entered the era of ‘similarity marketing’. When
a brand is innovative it creates a new standard. Other brands must fall into line if they do
not wish to fall behind in the field—hence the increasing number of similar, me-too
products” (Kapferer 2008). It is becoming increasingly difficult for organizations to be
memorable, a quality that is essential in the marketplace. Scott M. Davis claimed that,
“on an average day consumers are exposed to six thousand advertisements and, each year,
to more than twenty-five thousand new products…. Brands help consumers cut through
the proliferation of choices available in every product and service category” (qtd. in
Wheeler 2009). Only strong brands can successfully create an identity in customers’
minds. “An identity can help manage the perception of a company and differentiates it
from its competitors” (Wheeler 2009).

Generally speaking, most people usually consider brand identity to consist of the name, the logo, and maybe the tagline. But the identity consists of so much more than that: It includes typestyles, color, symbols, attitude and personality, brand voice and visual style, sounds and other mnemonic devices, characters and other spokespeople, product design, package design, and the list could go on and on (Upshaw 1995).

Alina Wheeler expanded on this issue:

while brands speak to the mind and heart, brand identity is tangible and appeals to the sense. Brand identity is the visual and verbal expression of a brand. It is the shortest, fastest, most ubiquitous form of communication available. You can see it, touch it, hold it, hear it, watch it move. It begins with a brand name and a brand mark and builds exponentially into a matrix of tools and communications. On applications from business cards to websites, from advertising campaigns to fleets of planes and signage, brand identity increases awareness and builds businesses (Wheeler 2009).

Wheeler’s descriptions highlight the visual and verbal aspects of branding, which are the first points of entry to the brand identity. However, these aspects are not the only important facets of a brand, as they focus only on a brand’s outward appearance.

Kapferer claimed: “understanding what the brand truly represents is not just a graphic exercise. It is an investigation of the brand’s innermost substance and of the different
facets of its identity” (Kapferer 2008). In a similar vein, Lynn B. Upshaw pointed out a further concept inherent in a successful brand, one that extends beyond outward appearance. She proposed that brand identity is, in fact, a perception of the customer. “In the broadest sense, brand identity is the configuration of words, images, ideas, and associations that form a consumer’s aggregate perception of the brand” (Upshaw 1995). She also suggested that:

The most important thing to keep in mind about a brand identity is that it lives entirely in the mind of the beholder. An identity is not what a marketer creates, but what consumers perceive has been created. That, in turn, hinges on who consumers are as individuals, the environment in which they live, and the signals sent from the brand itself. A brand’s messages are received through a series of filters that exist within each consumer’s life. What settles into his or her brain is the only true identity the brand has created. The rest are only intentions and wasted messages (Upshaw 1995).

Indeed, consumers themselves own the perception of a brand, a concept that Kapferer termed “meaning.” He summarized brand identity in this way:

…though all things are possible when a brand is first created, after a time it acquires an autonomy and its own meaning. Starting as a nonsense word attached to a new product, year after year, it acquires a meaning, composed of
the memories of past emergent communication and products. It defines an area of legitimate possibilities, yet appreciates its own limitations (Kapferer 1994).

Kapferer also developed what he called a Prism of Identity, which defines six categories of brand identity; the prism encompasses two opposite positions. The first contrast is the internalization of the brand versus the externalization of the brand; this contrasts the inner composition of the brand with the visible characteristics that give the brand its outward expression. This juxtaposition can also be viewed in terms of the sender of the brand versus the recipient of the brand. The six elements of identity that Kapferer defined are as follows:

**Physics:** No brand can act without its physics, the basics of each brand. Each brand that is being built has to start with this phase. These attributes can be explicit (for example, an iMac from Apple) or implicit (for example, the safety of Volvo cars).

**Personality:** Each brand has a personality of its own. It helps the consumer to form a better perception of the brand. The easiest way to create a brand personality is to use a spokesperson or a figurehead like 7-Up did for a long period with Fido Dido.
**Culture:** The culture of the brand is the link between the brand and the company behind the brand. The product forms the concrete representation of this culture and actually communicates this culture. The culture is at the core of the brand. It can originate, for example, from the country of the brand’s origin or from the founders of the organization.

**Relationship:** Consumers can have a relationship with a brand. The relationship that a brand has with its customers is essential for brands in the service sector. Brands in other categories also strive to achieve durable relationships. It is the ideal way to develop high brand fidelity and to differentiate from competitors. For example, Harley Davidson has a strong (emotional) relationship with everyone who rides a Harley.

**Reflection:** Each consumer of a brand has a certain perception of the people that will buy the brand. As much as possible, the sender will tend to build an ideal reflection of the buyer or user of the brand.

**Self-image:** Contrary to the reflection, each consumer also has an image of himself or herself. This image can be confirmed by buying or using a certain brand. This brand is a confirmation of one’s self-image. Thereby, it can act as a marker of one’s identity to others. Young children, for example, want to buy Nike to become part of their peer group (Kapferer 1994).

The identity prism divides brands into six elements, each of which focuses on the perception of the brand from the viewpoint of the organization. It clarifies how the brand strategist might most effectively take advantage of the brand identity to control the meaning and goal of the brand. This prism focuses on the viewpoint of the sender or
organization. However, less research has been conducted on perceptions from the consumer’s point of view.

Figure 1: Brand identity prism (Kapferer 1994)
David Aaker, another leading authority on branding, has also proposed ways in which companies can build a strong brand using brand identity, as an important element in brand management in an organization. According to Aaker (1996), brand identity is at the heart and soul of the brand:

Brand identity is a unique set of brand associations that the brand strategist aspires to create or maintain. These associations represent what the brand stands for and imply a promise to customers from the organization members. (Aaker, 1996)

Aaker also created a brand identity system, which focused on the relationship between the brand and its consumers. Aaker defined two types of identity in the structure of the brand identity system—the core identity and the extended identity. According to Aaker, the core identity represents the timeless essence of the brand… which is central to both the meaning and success of the brand, contains the associations that are most likely to remain constant as the brand travels to new markets and products. The core identity should include elements that make the brand both unique and valuable. Thus, the core identity should usually contribute to the value proposition and to the brand’s basis for credibility (Aaker 1996).
Csaba and Bengtsson have expanded on this issue; they have suggested that “the core identity represents the central timeless essence of the brand, which should address issues such as the soul of the brand, the brand’s fundamental beliefs and the competencies as well as the values of the organization behind the brand.” (Schroeder, Mörling, and Askegaard 2006) This is clearly also relevant to other aspects such as the central values of the brand (Volvo: safety), the core competences of the organization (Nokia: connecting people) or the most important attributes of the products or services (Coca-Cola: the real taste). The core of the brand must be immutable over the longer term (compare the characteristics of identity: be durable). This core identity is an element every brand should have (Schroeder, Mörling, and Askegaard 2006).

Aaker’s system also speaks of another aspect of identity structures. Aaker stated:

the extended identity includes elements that provide texture and completeness. It fills in the picture, adding details that help portray what the brand stands for…. The core identity usually does not possess enough detail to perform all of the functions of a brand identity. In particular, a brand identity should help a company decide which program or communication is effective and which might be damaging or off target. Even a well-thought-out and on-target core identity may ultimately be too ambiguous or incomplete for this task” (Aaker 1996).
In this model, the extended identity of a brand embraces the core identity but also has more depth, and it is this depth that provides the brand’s identity with texture and completeness and is always changeable.
Figure 2: Brand identity system (Aaker 1996)

Aaker’s concept of brand identity consists of four perspectives: brand as product, brand as organization, brand as person, and brand as symbol. Csaba and Bengtsson suggest that “each of these contains subcomponents that should be considered in articulating what the brand should stand for in customers’ minds” (Schroeder, Mörling,
and Askegaard 2006). By understanding and applying these perspectives, an organization can construct a more successful brand identity.

The Chairman and CEO of Starbucks, Howard Schultz, has stated that “the customer must recognize that you stand for something” (qtd. in Aaker 1996). Brand identity is a unique feature that presents all the components of the products or services offered by an organization in a distinguishable, recognizable, and professional image that clarifies the position of the organization and clearly differentiates it from its competitors. Brand identity provides direction, vision, and meaning to a brand.
3.1 CORPORATION BRANDING

The anthropologist John Sherry claimed that “the corporate landscape has become a brandscape” (Sherry 1998). The researcher John M.T. Balmer agreed that “it [the corporate landscape] has increasingly become a corporate brandscape” (Balmer, qtd. in Schroeder, Mörling, and Askegaard 2006). Balmer maintained that when we consider our favorite brands, we are likely to discover that most of them are, in fact, corporate brands like Coca-Cola, Microsoft, and IBM, rather than merely product names:

“Increasingly, many of the world’s biggest companies—Coca-Cola, Microsoft, and IBM—are seen as corporate brands rather than corporate entities (Davies 2004).

Corporate brands are increasingly being viewed as vital components for organizational
success and survival” (Schroeder, Mörling, and Askegaard 2006). Indeed, as Xie and Boggs’ 2006 study has indicated, “corporate branding has received more and more attention from both practitioners and academics.” As early as 1990, Murphy found that branding not only applied to products but also to corporations.

The use of branding to help create a brand personality which is differentiated, appropriate, and appealing need not be applied to just soft drinks, unit trusts, hamburgers or toiletry products. An entire company can in fact be treated as a brand in the sense that a corporate brand can offer to consumers reassurance as to the consistency, quality, and value of the products or services provided by the company (Murphy 1990).

Ten years after Murphy’s study, Ward and Lee (2000) explained the core change in branding: “there was a shift by firms away from reliance on product brands to reliance on corporate and service brands” (qtd. in Xie and Boggs 2006). Further research has discovered increasing usage of corporate branding in organizations. When companies face competition for resources, corporate branding can separate them from their competitors, strengthen their corporate worth, and extend value to customers. Balmer claimed that “corporate identity, as an important corporate asset, represents the firm’s
ethic, goals, and values, to differentiate the firm from its competitors” (Balmer 1998, qtd. in Xie and Boggs 2006).

As the above research makes clear, the most important strategy that should be adopted to ensure a company’s success is its ability to differentiate itself from its competitors. Corporate branding explicitly communicates this distinguishing feature. Xie and Boggs also explain why it is so important for a company to distinguish itself from its rivals:

Because markets are becoming more complex and products and services are quickly imitated and homogenized, maintaining credible product differentiation is increasingly difficult, requiring the positioning of the whole corporation rather than simply its product…. Corporate brands can increase the firm’s visibility, recognition, and reputation to a greater extent than can product brands (Xie and Boggs 2006).

As well as clarifying how a brand is distinct from its competitors, Xie and Boggs also clarify how corporate branding is essential for a corporation to define and communicate its reputation. In turn, a corporation with a strong reputation is more easily able to persuade consumers of its distinctiveness in terms of the brands of its competitors.
Martin Sorrell, a researcher on company reputations, claims that “in future, the real competition in international markets will be between companies—between company reputations” (Hart 1998). The researcher Simon Mottram has also predicted that, in the future, companies will increasingly compete on the basis of intangible factors, including reputations:

> the key challenge for companies at the end of the twentieth century will be realizing the potential of their corporate brands. In today’s markets, companies increasingly compete on the basis of intangible factors and the reputation of the corporation itself is often the most valuable…. The bulk of consumer spending is on corporate brands rather than on product brands. (qtd. in Hart 1998)

It is clear that the promise of quality is the most important criteria in establishing a clear and reliable brand reputation. Balmer is clear that

> established corporate brands are a guarantee of quality, and an insurance against poor performance or financial risk. They provide a conduit by which the organizations’ values and culture/s may be communicated, identified and comprehended and the brand cultures that often emerge as a consequence can be of immense value (Balmer, qtd. in Schroeder, Mörling, and Askegaard 2006).

Simon Mottram has also made the claim that “brand[s] tended to be associated with everyday grocires, standalone products that secured demand and often a price premium for a manufacturer by guaranteeing consistent quality to the consumer” (qtd. in
Hart 1998). This guaranteed benefit creates a huge emotional connection with all stakeholders. Indeed, as Balmer has pointed out, “the notion of the corporate brand as representing an explicit covenant between an organization and its key stakeholder groups and vice versa has been used to describe this relationship” (qtd. in Schroeder, Mörling, and Askegaard 2006). Balmer also made the claim “a corporate brand can be viewed as an informal contract between an organization and its stakeholders: contracts that are underpinned by emotion rather than by law” (qtd. in Schroeder, Mörling, and Askegaard 2006).

Thus, it is clear that corporate branding creates strong emotion. Schultz and Hatch have identified three emotional elements that support corporate branding. They have suggested that

to enhance or maintain corporate brand alignment… companies must pay attention to all three elements of corporate branding simultaneously. It is important to remember that corporate branding is not only about differentiation in the marketplace; it is also about belonging” (qtd. in Schroeder, Mörling, and Askegaard 2006).

They define the successful elements of corporate branding as follows:
1. Strategic vision—the central idea behind the company, which embodies and expresses top management’s aspiration for what the company will achieve in the future.

2. Organizational culture—the internal values, beliefs, and basic assumptions that embody the heritage of the company and that manifest themselves in the way that employees feel about the company they are working for.

3. Stakeholder images—views of the organization developed by its external stakeholders; the outside world’s overall impression of the company, including the views of customers, shareholders, the media, the general public, and so on (Schroeder, Mörling, and Askegaard 2006).

Each company today has its own mission statement. Most mission statements, however, are dull or undifferentiated in building the value of the company brand. As Mottram makes clear, “the corporate is at best superficial and at worst meaningless unless it reflects a corporate vision and purpose that creates value and differentiates it from other organizations” (qtd. in Hart 1998). As James Collins and Jerry Porras have made clear in this quote from the Harvard Business Review (October 1996), a company must be fully aware of its reason for existence if their branding is to be successful:
It is more important to know who you are than where you are going, for where you are going will change as the world around you changes. Leaders die, products become obsolete, markets change, new technologies emerge, and management fads come and go. But core ideology in a great company endures as a source of guidance and inspiration (Hart 1998).

Therefore, it is clear that, for companies to more easily solve brand management problems, they must have a clear vision and mission, as well as a specific brand strategy and brand personality.

As Schultz and Hatch have made clear, organizational culture has been the most underestimated element in corporate branding, and yet represents the most important difference from product branding. This is because culture manifests itself the ways employees interpret and emotionally engage with the brand and its stakeholders (Schroeder, Mörling, and Askegaard 2006).

Although the name and visual logo of a corporation are important, it is essential that the consumer understand what these superficial brand indicators represent. Indeed, as the 1997 book The Corporate Brand, makes clear, the logo of a brand is just one part of the picture: “Apple Computer is more than its name and its Garden of Eden apple. It is a company with a history, a set of values, a reputation and a strategy for the future,
managed and worked for by people” (Ind 1997). A company with a successful brand communicates effectively through its organizational culture to ensure that all stakeholders know what it does and what it stands for.

The extent of a company’s complexity is defined by its diversity and versatility; every company has a number of stakeholders that it should interact with. As Balmer clarifies,

... corporate brands serve as a powerful navigational tool to a variety of stakeholders (and not just customers) for a miscellany of purposes including employment, investment and for the creation of individual identities. This helps to explain why corporate brands are adored, venerated, and covered by customers and organizations alike (Balmer and Gray 2003, qtd. in Xie and Boggs 2006).

In his exploration of the complexity of a corporation’s structure, John M. Murphy has identified three levels of audience in a company. The first level is the investor, who plays a critical role in the corporation: “the company needs to communicate its corporate brand and identity, together with its objectives and aspirations, to investors and potential investors” (Murphy 1990). He has explained this thus:
[T]he message that the company wishes to communicate here is normally that it is a good investment with good prospects. In order to do this, it uses corporate advertising together with financial public relations and other investor relations techniques. The overall strength and coherence of the corporate personality and identity is of critical importance if the company is to receive the continuing support of investors, particularly when the going gets tough” (Murphy 1990).

Most companies only consider building employee motivation or delivering benefits to customers when planning strategies that ensure their success. However, as the research has made clear, it is fundamentally important that a company communicate with its investors in a long-term relationship. As Ind has noted, “investors are perceived as placing a relatively low priority on the business fundamentals—such as customer loyalty, investment in people and supplier relationships—which will determine long-term success” (Ind 1997). It is clear that companies must demonstrate greater levels of concern when it comes to ensuring their long-term advantage over their competitors.

The next level is the employee.

At a divisional or operating company level, the corporation also has a series of important audiences. Employees within the operating companies often identify primarily with the division for which they work rather than with the overall company, and trade relations too are often most powerfully established at this level” (Murphy 1990).
Murphy has made the following finding:

the organization needs a strong identity at a divisional level which can act as a focus for employee and trade loyalty and which implies that the business is good both to be part of and to work with. At this level, PR activities, trade advertising, and employee relations all play an important role in establishing and maintaining divisional brands (Murphy 1990).

Schultz and Hatch have also found that increasing numbers of corporations stress the importance of building internal relationships:

[this] is why we see more and more companies engaged in making the brand understandable, relevant, and engaging to their employees through a host of different internal activities, such as internal marketing, employee communication campaigns, brand programs, company intranet websites, corporate merchandise, staged events—often conceived in terms of ‘Living the Brand’ or ‘Being the Brand’. (qtd. in Schroeder, Mörling, and Askegaard 2006).

In this context, employees are not simply components of the company but are also a valuable strategy tool that can be used to provide the corporation with a better understanding of its brand. Schultz and Hatch have claimed that “as opposed to product branding, corporate branding highlights the important role employees play in brand practice, making how employees engage with and enact the values and vision of the brand more profound and strategically important to corporate brands” (Schroeder,
Mörling, and Askegaard 2006). Moreover, it seems clear that this is not the only reason why investing in employees is crucial in establishing a powerful and well-defined brand.

For instance, research from Ban and Company has found that employees stay longer, as do customers, when the power of the employee is recognized by the corporation:

[T]he longer employees stay with the company, the more familiar they become with the business, the more they learn and the more valuable they can be. It is with employees that the customer builds a bond of trust and expectations, and when those people leave the bond is broken (qtd. in Ind 1997).

The power of employees lies in their ability to build unity in the corporation. As Ind has summarized:

people are the corporate brand. They interact with audiences and each other, make the product that organizations sell and define and create marketing communication strategies. Perceptions of an organization are determined, directly and indirectly, by managers and staff. It is their values and their idea of what the organization stands for that give it cohesion and meaning (1997).

Indeed, Ind has proposed that employees can even be regarded as smart customers who are able to recognize what they need and make their choices accordingly:

[T]raditionally, top level managers have tried to engage employees intellectually through the persuasive logic of strategic analyses. But clinically framed and contractually-based relationships do not inspire the extraordinary effort and sustained commitment required to deliver consistently superior performance. For
that, companies need employees who care, who have a strong emotional link with the organization (1997).

As Ind’s research makes clear, companies cannot ignore or fool their customers, and the same is true for their employees. Companies that establish trust relationships with their employees will ensure that their employees treat customers positively and feel pride in the organization and their work; this is clearly the best way to ensure customer loyalty.

The third level is the consumer. As Murphy has explained, consumers are generally ill-informed and uninterested in corporate structures and aspirations. They are faced each day with hundreds, even thousands, of individual brand purchasing decisions, and it is the function of the brand to reassure the consumer at point-of-sale that the product or service in question is the best choice for his or her needs (Murphy 1990).

Mottram’s research is consistent with Murphy’s findings:

[C]onsumers may see upwards of a thousand commercial propositions every day, but they are learning to filter out those brand messages that they do not want to hear. They might still be attracted to a simple product or service if it is particularly innovative or well advertised but, by and large, they will look to develop relationships with corporate brands (qtd. in Hart and Murphy 1998).

Company brands increasingly earn the trust of their customers when they offer them excellent services and products. As the research makes clear, customers cannot be
fooled by empty promises regarding the future of corporate brands. If consumers believe in the honesty and sincerity of a corporation, they will remain loyal.

As this analysis of the previous research into branding has made clear, there are several elements that can offer considerable benefits to corporations wishing to create a durable, well-defined, and effective brand. Mottram has outlined the benefits of corporate branding as follows:

- A strong corporate brand attracts and inspires employees, stakeholders and business partners. Thus, stronger and deeper relationships with suppliers can be developed and longer-term investment secured.
- Corporate brands connect all the goodwill generated by business’ operations. They build public support.
- New product launches and brand extensions become cheaper and can be implemented more speedily. Brand support can become more efficient when it is focused on a single brand.
- Corporate branding provides a long-term, strategic rather than short-term, tactical focus for brand development.
- Most importantly, financial performance and value creation can be enhanced (Hart and Murphy 1998).

Corporate branding can function as the “face” of a company. As Schroeder, Mörling, and Askegaard have noted, the concept of branding resonates with the Latin
phrase, which can be translated thus: “The expression on one’s face is a sign of the soul” (2006). Corporate branding is the face of the company, and this face represents its culture, vision, and future. Schultz and Hatch have claimed that, corporate branding implies that the whole organization serves as the foundation for brand positioning and entails that the organization is able to make specific choices, design organizational processes and execute activities in ways that are distinct to the organization compared with competitors and mainstream trends (Schroeder, Mörling, and Askegaard 2006).

Clearly, corporate branding is becoming increasingly important to corporations today, and thus, organizations must cultivate a better and deeper understanding of corporate branding than before if they are to ensure their success in the future.

3.2 GLOBAL BRANDING

The global extension of a brand is the necessary destination of a brand’s growth. Researcher Stuart Crainer has claimed that “the rise of globalization has been one of the most striking trends in the business world of the 1990s. Brands have, to a large extent, led the way” (Crainer 1995). Unilever Chairman, Michael Perry, has also asserted the importance of the global brand in the past,
the first question to be asked of any successful brand today anywhere is, will it travel? And how fast will it travel? Because you have no time to take this process slowly but surely. If you don’t move that successful brand around the world rapidly you can be sure your competitor will take the idea, lift it, and move it ahead of you. Speed to market is of the essence (Crainer 1995).

The importance of the concept of going global will keep growing. In today’s globalized world, it is almost inevitable for a company to grow globally if companies are to be successful. Gregory explains this new context in the following way: “the world has become, in effect, a single marketplace, and that fact changes how and where many companies do business” (Gregory and Wiechmann 1997). This new era ensures that marketers function on a truly international scale. As William G. Tragos indicates, “brand marketers face a vast frontier of international branding opportunities. Any company that considers itself a major player is shooting itself in the foot if it is not thinking globally” (Hart and Murphy 1998). Tragos also notes that brand marketers for global expansion have no alternative to entering this global market; they must conduct themselves on a global stage if they are to succeed. He has made the claim that,

the realities of mature, oversaturated domestic markets, of share battles, for fractions of points, have forced US brand markers to begin to try to catch up in the international game. Western European branded-goods companies, having
enjoyed established Common Market traditions, have for years, looked beyond the limits of their own borders for the necessary mass to maximize return from economies of scale. Japanese marketers, facing similar pressures, share the ‘Export or Die’ attitude (Hart and Murphy 1998).

It is clear that the inevitability of this new, global marketplace applies to all sectors; even the art and entertainment industries should not ignore this fact. Indeed, they must embrace the challenge.

Today, many US-based multinational businesses—Hollywood film studios, most conspicuously—rely on overseas markets for their overall corporate profitability. If anything, the blinding speed of change on the economic landscape, coupled with the insatiable appetite worldwide for western pop-culture, has helped level the global playing field. The need for new markets, for massive pools of fresh new consumers, is a hard fact of life for major branded goods businesses everywhere. Thus, a modern gold rush mentality is turning international branding into a new strategic imperative—plant your flag or risk being shut out (Hart and Murphy 1998).

Clearly, there is incredibly stiff competition to implement global branding.

The prevalence of global branding is growing rapidly partly because it offers significant advantages to the brand owners. However, there are two quite separate arguments that researchers and branding experts in international branding have advocated as to why this might be: convergence and local adaptation.
The first and most obvious argument for why global branding might be growing so quickly is that the development of international media has greatly extended people’s perspectives. The development of expansive and influential communications channels has ensured that most powerful brands are now mostly developed on a world stage. Gregory and Wiechmann have made the claim that “the development of unified corporate branding campaigns is facilitated by the proliferation of international media, particularly satellite and cable TV networks.” For example, the Atlanta-based news network, CNN, reaches more than 184 million households in 210 countries, while MTV, the music network, estimates an audience of almost 300 million in 76 countries. Print media, too, reach out worldwide. Reader’s Digest, for example, publishes 48 different editions in 19 languages for more than 100 million readers around the world. Elle, the women’s magazine, now has 27 editions, each tailored to the country where it is published but with similar demographics—and thus a similar advertising audience (Gregory and Wiechmann 1997).

With the growth of satellite television and other communication, almost all companies can now reach consumers around the world. As Tragos has noted,
this media overlap exposes viewers to the diverse products of other countries, as well as to familiar brands advertised under different names in a different language. Properly leveraged, this overlap can beam a single brand positioning to a host of markets…. Media globalization is either a result of the worldwide economic liberalization that followed the fall of the Berlin wall, or was a major factor in that earth-shattering chain of events. Either way, it is a prime component driving global demographic convergence (qtd. Hart and Murphy 1998).

In 1983, Professor Theodore Levitt published the famous, influential article, “The globalization of markets,” in the Harvard Business Review. He stated in this article that “the global corporation operation operates as if the entire world (or major regions of it) were a single entity; it sells the same things in the same way everywhere” (Levitt 1983). Kapferer has clarified this position:

according to Professor Levitt, national differences and preference would no longer carry any weight in the face of the progress and reduced costs associated with international products and brands. With everyone in the world travelling either physically or, in most cases, via satellite television, the desire to buy products and brands sold in other countries would also greatly increase. In short, while recognizing that the world was indeed round, companies had a vested interest in regarding it as flat, and treating it like a single market (Kapferer 2008).

This convergence theory makes the reasonable argument that if a product can be successfully branded and made to appeal in one market, then it may well appeal in others.
Ind has expanded on this issue: “global brands can only be truly global if they are significantly the same in most of their markets. This requires recognition of the source of an organization’s global advantage and the management of global strategies and structures” (Ind 1997). This prompts the question, what are the advantages and global strategies in this convergence? Murphy has made the suggestion that such brands allow their owners to extend their brands from market to market relatively straightforwardly and inexpensively. The owner of a brand which has a brand name and general look which has been developed for international use can simply ship the brand into a new market, test its appeal there and, subsequently, develop that local market without massive investment in new brand development (1990).

Tragos stresses the efficacy of the “one product, one message” approach. He has made the claim that the prize for successful international branding is potentially enormous bottom-line profitability. From an operational perspective, consolidating manufacturing, packaging, and marketing functions represents tremendous saving. From a competitive viewpoint, the cost savings and efficiencies ideally enable a brand marketer to achieve low-cost producer status in its category—key to dominating the marketplace. From a marketing operations standpoint, ‘one product, one message’, reducing the tendency to ‘reinvent the wheel’ in each market. This structure demands the collection of an organization’s best strategic minds with their different cultural perspectives and the application of that brainpower to research, marketing, and advertising. In this way, companies
leverage the best talent their organization has to offer” (qtd in Hart and Murphy 1998).

As these studies make clear, the owners of international brands can benefit from convergence. They do not need to invent or develop a new brand to market anew or reduce their brand’s cost to enhance competitive strength. However, some experts contend that the opposite approach to global convergence is the most effective way of branding a product. This approach is known as “local adaptation,” and research has demonstrated that this too has been a successful strategy in global branding.

Political scientist Samuel Huntington has identified a trend wherein “cultures are becoming more distinct…. People in Teheran do think and act differently to people in Beijing and people in New York” (Ind 1997). While much research has proven the convergence of lifestyles across the developed world, there is also increasing evidence that many people and companies are ever keener to articulate their divergence and individuality. Against the background of this increasing need for distinctiveness, the convergence approach seems no longer to be suitable. As Murphy notes, “locally-based
brands can be more closely adapted to meet the particular needs and requirements of local consumers. Thus, local brands will always be more appealing, more responsive, and potentially more successful than global brands” (Murphy 1990). Tragos highlights two examples that illustrate how local adaptation is crucial to local marketing:

[C]ultural variations often require changes in the products themselves. Cigarettes manufactured for northern Asia, for instance, compete in a more low-tar environment than that of Indonesia, where a heavier-tar recipe is critical to provide the fuller flavor the market demands. Shampoos positioned as dandruff fighters have been huge successes in China, where the universal dark hair makes dandruff an especially visible problem, but anti-dandruff formulas mean less in countries where oily hair is a far greater concern (qtd. in Hart and Murphy 1998).

Tragos has also pointed out that,
corporations find regional branding makes the most sense when it plays to their organizational strengths—especially if those strengths include an established international network or even one foreign-based division that has proved its marketing acumen in a specific territory…. Companies that acknowledge that their best decisions for South America or northern Asia do not always come from New York or London often find regional branding strategies more comfortable (Hart and Murphy 1998).
It is necessary to take into account how brands emerge from cultural values and how cultural evolutions change brands, if we are to understand how branding and culture interact. Fioroni and Titterton identify that

the organizations successful in building global consistency for their brands are those which have really understood the differences not only between different modes of consumption, but also between ways of thinking and behaving. This ability has often led them to reappraise the very elements on which the brand was founded by adapting their products to local taste, environmental needs and cultural and religious sensitivity (Fioroni and Titterton 2009).

However, research has suggested that, in terms of localized branding, excess is as bad as deficiency. While the evidence is clear that the communication of a brand must be globally oriented, it also highlights the importance of embedding the product in the local market. This strategy is often referred to as “Think global—Act local.” As Gregory and Wiechmann explain, “like inside jokes or jargon, some advertising inevitably loses something in translation from one culture to another. A broad brand image, however, will sustain its appeal across cultures” (Gregory and Wiechmann 1997). For instance, as this example from Ind makes clear,
McDonald’s maintain their principles of quality, service, cleanliness, and value, everywhere in the world. There is a global vision about how things should be done and the training and marketing resources to support it, yet there is a significant degree of local adaptation to the food it serves. In its 2,700 restaurants outside of the United States, McDonald’s carefully customizes its menu and service to local tastes and customs. It serves corn soup and teriyaki burgers in Japan, pasta salads in Rome and wine and live piano music with its McNuggets in Paris (1997)

Nigel Hollis clarifies this further when he stresses that each “company must identify and maintain the delicate balance between the business advantages of scale and the branding advantages of a localized offer” (Hollis 2008). Fioroni and Titterton have found that

the brands which succeed in growing on an international scale are those able to understand better than others the needs of individual local markets, and harmonize those needs successfully in a single brand. In fact, they understand better than others the differences which exist between domestic and foreign markets (Fioroni and Titterton 2009).

As this review of the precious research makes clear, while the implementation of a globally orientated brand platform is essential for successful branding, it is also crucial that the diverse differences between each culture be also taken into account.
3.3 BRANDING IN NON-PROFIT ORGANIZATIONS

As we have explored earlier in the paper, the term “branding” has been adopted from the commercial world. Nevertheless, regardless of whether they are for-profit or non-profit organizations (NPOs), all companies are faced with a challenging branding environment. With this in mind, it seems sensible to try to ascertain what concepts, practices, and findings nonprofits can borrow from the commercial world to strengthen their capabilities in terms of branding strategy. As Voeth and Herbst clarify,

branding has long been an essential marketing tool for-profit firms, driven primarily by the need to remain distinct and successful in an increasingly competitive environment, non-profits only began to discuss the strategic use of brands in their sector in the mid 1900s (Hankinson 2001; Voeth and Herbst 2008).

In the profit sector, the key reason for branding is each company’s need to differentiate itself from competitors. Nonprofits have a unique set of requirements that distinguish their needs from those of traditional corporations. The important distinction is that nonprofit organizations have a mission other than generating profit. However, many non-profits have approached the issue with caution and reticence. Sargeant, Hudson, and
West have found that “non-profits have been relatively slow to adopt branding practices because of difficulties in committing internal stakeholders to the process (Grounds and Harkness 1998; Sargeant, Hudson, and West 2008) and a perception on the part of some non-profit managers that branding is too ‘commercial’ or even immoral” (Ritchie, Swami, and Weinberg 1998; Sargeant, Hudson, and West 2008). Many nonprofits are not familiar with or misunderstand the techniques of branding. As Voeth and Herbst identify, “non-profit marketers still devote few activities to the development and strategic use of brands” (Voeth and Herbst 2008). However, if nonprofits are to flourish in the new globalized world, they must not ignore the competitiveness of the environment by hesitating to improve their branding power and image. As Chiagouris has stated in his research on branding and non-profit organizations, “the pressures on non-profit brands have increased dramatically over the last decade. Many nonprofits are managed with small staffs and tight budgets. More than 1.5 million nonprofits now are competing for scarce resources and attention from public and private donors in the United States” (Chiagouris 2005).
Moreover, this is not the only difficulty. As Voeth and Herbst have made clear, “many non-profit practitioners think that their organizations are too complex for the differentiation function of a brand” (Hakinson 2003; Voeth and Herbst 2008). This is because most non-profit brands, particular in the arts, lack a direct link to a tangible product. Their products tend to be experiences with performances, exhibitions, or educational programs. However, this “intangibility” should not prevent the development of a branding strategy (Ind 1997; Voeth and Herbst 2008). Indeed, it is clear that many nonprofits have underdeveloped, latent capacity for branding. Voeth and Herbst have found that “the term ‘branding’ is still considered a commercial approach by many non-profits; they still regard its use as a betrayal of the ethical-social principles of the welfare sector” (Saxton 2002; Voeth and Herbst 2008).

In spite of the fact that non-profit organizations faced increasingly severe competitions. Voeth and Herbst’s research indicates that “most non-profits are still under-using their potentials for branding” (2008). They go on to say,
the number of competing organizations has substantially increased creating a challenge for charitable organizations to attract and retain donors (Bendapudi et al. 1996; Voeth and Herbst 2008). Furthermore, an expanding number of NPOs has noticed that a large part of the public no longer knows what interest it stands for or realizes neither the goals nor the values of the organization. The weak emotional bond between the donor and the brand results in a low degree of brand loyalty. This weak bond is problematic, because it is much more expensive to acquire new donors than to maintain loyal ones (Voeth and Herbst 2008).

With this shift in context in mind, Stride and Lee propose that, as the “non-profit environment becomes increasingly over-crowded, branding is needed to build trust and help facilitate donor choice” (Hankinson 2003; Stride and Lee 2007). Sargeant, Hudson, and West have also been keen to highlight the fact that “branding can convey the values and beliefs of a non-profit to potential donors and suggest very potent reasons why it might be worthy of support” (Dixon 1996; Harvey 1990; Sargeant, Hudson, and West 2008).

Indeed, the importance of branding to maintain and reinforce the bond between nonprofits and their supporters has been identified in many recent studies. For instance, Voeth and Herbst have made the suggestion that,
non-profits could create identification and differentiation characteristics in a competitive environment, intensify trust in their activities and thus secure their volume of donations by a strategic and targeted use of their brands. Brands in the non-profit sector are thus often attributed with traits such as trustworthiness, social competence, humanity, idealism, solidarity (Cermak et al. 1994; Voeth and Herbst 2008). [They also stated that] “the personality factor might also reflect emotions or feelings of the brand, thus encouraging the target group to perceive the brand as an active, contributing friend and to enter into a long-term relationship with the brand (Aaker and Fournier 1995; Voeth and Herbst 2008).

Stride and Lee have identified many forward-looking arts organizations and charitable nonprofits that have successfully created a highly successful brand value:

major arts and performance companies (La Scala Opera, the Royal Shakespeare Company, etc.) use strong brand awareness to attract and retain both world class performers and premium paying audience—maintaining market leadership in the process. Museums and universities (Smithsonian, Harvard, Oxford, Cambridge, etc.) achieve global reach and reputation in both research and teaching credibility (Stride and Lee 2007).

Greenpeace licensed its brand for products from different producers to increase income and popularity, and UNICEF recently undertook several activities related to branding in order to provide a well-defined image for their brand (Rusch 2001; Rusch 2002b; Voeth and Herbst 2008).

According to research conducted by Quelch, “non-profit brands are increasingly recognized as being among the strongest brands in the world” (Quelch et al. 2004; Voeth
and Herbst 2008). It is clear, therefore, that nonprofits have distinctive features, which endow them with unique potential and opportunities for success in creating brands for themselves.
CHAPTER IV

EMOTION IS POWER

It is useful to identify three areas of focus in the development of a successful corporate brand. The first area can be described as being internal branding—the development of a corporate history—the “story” of the organization. This story communicates the institutional culture and transmits to everyone working in the corporation the values that are most important. This internal cultivation of brand is essential because when it is transmitted effectively to employees, they become communicators of the brand to the larger world of clients or customers. In fact, they become an integral part of the brand.

The second area of focus is establishing a brand identity to the consumer. Consumers are constantly being asked to make decisions about preferences in terms of products or experiences. The “facts” of those products or experiences are frequently undistinguishable from each other, with the possible exception of price. Decisions often are made based on responses to well-developed brand identity. That is to say an
“irrational,” emotional response may be more important than a weighing of facts.

Finally, through brand selection and brand loyalty, consumers tend to identify themselves. They may use product “x” because their friends use it, or because people whose opinions they respect use it, or because, for whatever reason, they want to be the sort of person who uses product “x.” In fact consumers define their own brand by the brands they use. Baker and Boyle speak eloquently of this issue.

When companies and brands communicate...they help us to find our way in today’s world. They address our emotions and give us the means to express our values. In other words, the brand story gradually becomes synonymous with how we define ourselves as individuals, and products become the symbols that we use to tell the story of ourselves (Baker and Boyle 2009).

In every case, facts are central to creating a strong brand. A bad product is a bad product. But also in every case tapping into an emotional connection will enrich the brand. One of the best ways to achieve this emotional connection is to tell a great story.

4.1 BRANDING AS STORYTELLING

The appeal of stories is universal, regardless of whether one is the storyteller or the story recipient. Indeed, it is widely acknowledged that stories are a powerful and
enchanting medium. In Holt’s examination of how storytelling can be used in branding, he identifies four authors:

A brand emerges as various “authors” are involved: companies, the culture industries, intermediaries (such as critics and retail salespeople), and customers. The relative influence of these authors varies considerably across product categories. Brand stories have plots and characters, and they rely heavily on metaphor or communicate and to spur our imaginations (Holt 2004).

Ideally, when these stories collide, a richly complex, yet cohesive image is created, an image that will capture the imagination of a wide variety of stakeholders. Baker and Boyle point out that, “A strong brand builds on clearly defined values, while a good story communicates those values in a language easily understood by all of us” (Baker and Boyle 2009).

There is much research to support the idea that: “Companies must tell a story that beats a path to the heart of the consumer” (Fog, Budtz and Yakoboylu 2005). An organization’s ability to conduct a dialogue with consumers is crucial if it is to build a workable and durable brand for the corporation. As stated earlier, in today’s market, physical product no longer makes the difference. It is the added value—the story, the
visceral emotional connection—that often results in the sale. The value of effective, consistent communication of the story must never be underestimated.

4.2 EMOTIONAL BRANDING

Research makes it absolutely clear that emotion is crucial in the development of effective marketing and branding. O’Shaughnessy summarizes the importance of tapping into emotion when he says, “Thoughts about buying are not listless mental acts. They can be exciting and can involve strong likes and dislikes, anxieties, and aspirations…. Emotions intensify wants and desires and intensify motivation” (O’Shaughnessy 2003).

It seems worthwhile, then, to examine what precisely emotion is if we are to understand how it functions in the development and implementation of effective branding. An exploration of this subject leads to the concept of a “reaction triad of psychological arousal, motor expression, and subjective feeling” (Scherer 2000; Elliott and Percy 2007). Damasio approaches a definition of emotion as something that is “only realized when [it] is sensed, when [it] becomes feeling, and when those feelings are felt (Damasio 1999).
That is to say that emotion is inseparable from consciousness.

Presenting a different point of view is Zajonc, who focuses on the nonverbal foundation of emotion: “There simply aren’t very effective verbal means to communicate why we like people and objects or what it is about them that we like” (Zajonc 1980). That is to say that emotional response may be independent of cognition and impossible to articulate through words. Zajonc uses words such as “inescapable,” and “irrevocable” when he describes the characteristics of emotion.

According to this understanding, emotion must be regarded also as a product of the values of an individual’s socio-culture. Elliott and Percy state that, “Social constructivist models view emotions not as natural responses elicited by natural features in a situation, but as socio-cultural constructions which…[are] located within the socio-cultural system in which it is culturally appropriate.” In short, according to Elliott and Percy, “emotion is the result of shared expectation regarding appropriate behavior” (Elliott and Percy 2007).
They also have found that emotion is affected by and connected to the external environment, which implies that it may be possible to obtain desired results by changing conditions within that environment. It is the possibility of maintaining or changing an environment which makes effective branding possible.

O’Shaughnessy’s research finds that “we all have reasons for choosing one product rather than another, which implies that we have criteria against which we may compare options” (2003). He has grouped the criteria into the following six categories, all of which possess emotional potential:

- Technical criteria—the potential satisfaction delivered by the primary or core purpose for which the product is designed (an exceptionally accurate timepiece)
- Economic/sacrifice criteria—the positive balance between the pleasure gained by owning a product or having an experience and the price and effort expended to purchase it (a perceived bargain)
- Legalistic criteria—imposed purchases mandated by law or by social relationships (presents purchased for loved ones)
• Integrative criteria—purchases which satisfy the desire for social integration and integration with one’s own identity (status and social visibility reflected in possessions or choice of activities)

• Adaptive criteria—the desire to minimize risk and reduce uncertainty or fear of regret (purchases made upon the recommendation of respected sources)

• Intrinsic criteria—based on “liking” and a response to how the product pleases the senses (purchases made for which the only objective is pleasure and enjoyment)

These brief descriptions and examples of O’Shaughnessy’s six criteria point out the potential for emotional response playing a major part in decision-making. Only the intrinsic criterion is weighted more toward rational, factual decision making; and even in that case, once a mature market has been established for a product, differentiation among providers becomes increasingly affected by the emotional elements of decision making.

With this in mind, it is crucial that the investigation now move to an analysis of the linkages between emotion and branding. In a study published in 2000, Travis made the claim that “a name is not a brand and neither is a logo. It is what these symbols mean
and the feelings they engender that makes the value of brand” (Travis 2000). Travis goes on to suggest that branding itself is an experience, an idea which is developed in *The Experience Economy: Work is Theater and Every Business a Stage*. In this book, Pine and Gilmore suggest that the economy has moved to a phase that involves “the staging of experiences rather than the simple selling of products and services” (Pine and Gilmore, 1999). Ideally, these transactions provide satisfaction and pleasure in addition to a commercial exchange.

Travis discusses the Disney brand as a great example of combining experience and branding.

While all brands engender feelings, some are designed to give you more of an experience in the true sense of the word than others. The most powerful of them go beyond the conventional to steal your heart away. The most famous example is the Disney brand, which gives all ages engrossing entertainment that becomes a temporarily transforming experience in its theme parks. Adults might set out for Disneyland for the sake of their children, but they’re soon won over by Mickey and his fellow comic stars to become ardent Disneyphiles, just like the kids (Travis 2000).

He goes on to quote Walt Disney Attractions executive Tony Altobelli, who says,
“We sell happiness. It is the best product in the world” (Travis 2000). One might add, in this case happiness comes at quite a price—but a price that is worth paying.

Fioroni and Titterton suggest that our willingness to be attracted to this kind of brand influence has to do with the fact that, “in this increasingly technological context, where the password seems to have become ‘speed,’ individuals find fewer and fewer possibilities and more and more difficulties in developing personal interaction (Fioroni and Titterton 2009). They go on to say that in a world intrigued by virtual environments, psychological satisfaction may depend on experiences that engage the emotions and senses—the two critical elements of successful branding.

In a study published by Marc Gobe in 2009, he describes how the five senses—sound, sight, taste, touch, and scent—relate to emotion and branding. He began by analyzing sounds, acknowledging that sound, and particularly music, can affect an individual’s mood. Sound is particular effective because it circumvents the rational mind and “petitions directly to the emotional mind in which desire-driven shoppers revel” (Gobe 2009). In an earlier study, Gerald Gorn found that subjects responded
overwhelmingly favorably to products which were presented with music they “liked” (Gorn 1982). Gobe cites an example of a musical/optical promotion for Southern Comfort increased sales by 112 percent. He also lists a number of retailers, including GAP, Toys ‘R’ Us, Eddie Bauer, and the Discovery Channel stores as companies that provide a model for tailoring music played in their retail stores to their specific brands (Gobe 2009).

In the arts and culture sector, Gobe speaks of the Museum of Modern Art (MoMA) in New York City as an innovator in this field. Visitors are able to rent an Acoustiguide—a digital player and headset which provides a personal tour of the museum. But MoMA has taken this technology to another level, setting the spoken text against music selected for specific exhibitions, and “as the Acoustiguide informed listeners, the songs on the digital tour were sold as …a $14.98 CD compilation in the museum gift shop (Gobe 2009). The CD becomes an individualized service that commemorates an enjoyable event, and, at the same time, is a vehicle for advertising and brand distribution.
On the subject of sight, it is commonly known that it is through one’s eyes that one first perceives the world. What becomes apparent later, as human beings are socialized, is that color carries emotional content. Gobe gives the example of a gallery owner who always displayed old master paintings in a room that red—carpet, walls, curtains, even the ceiling. When asked why the paintings were shown to potential buyers in this room, the gallery owner’s answer was “that it was because red caused people to become emotional and that he needed to create this kind of intense emotion to make a sale!” (Gobe 2009). Of course, in a global market, it is important to remember that colors have different symbolic meaning in different cultures. For instance, in the West, black is commonly thought of as the color of mourning, but in Asia the color white is associated with death.

Gobe’s analysis continues by examining the notion of “taste” in marketing and branding. It is widely accepted that most people are keen to find a place where they can escape their working lives or responsibilities and relax. He reminds the reader that, in-store cafes and restaurants allow patrons to feel relaxed and enjoy tasty
pleasures while accomplishing a few small errands. However, even a cup of coffee, a glass of wine, or some candies can make a difference. For many shoppers, these services are far more valuable than the price tag that accompanies them, both for their tangible benefit and for the symbolic value of the gesture (Gobe 2009).

These kinds of “add-ons” become part of an associative memory, enhancing the enjoyment of the experience, and encouraging patrons to return.

According to Gobe, “touch” is the most important of the five sensory functions. However, it is also the sense that is most neglected in the research and development of branding. He suggests that,

…studies have found that as brand recognition declines, customers are more likely to touch a product in the process of evaluating it … Touch, whether it’s the product itself, the store fixture, the room temperature, or even the floors or the front door’s handle, is a dimension of brand experience. Particularly in this tactile-deprived world, which is becoming even further limited by the advent of the Internet, I think business that cater to touch will be rewarded by their customers (Gobe, 2009)

The advantage of adding a tactile component to a retail experience is also applicable to the arts. For example, over the past decade there has been a strong trend in museums to create interactive exhibitions. It is widely accepted that a passive
experience makes a much less lasting impression than an active one, and it is a lasting impression that cements the brand.

Finally, Gobe deals with the sense of smell, which is often thought to be the strongest of the senses, able to evoke emotion and memory almost without the aid of rational thought. In his investigation of scent as a branding tool, Gobe interviewed Gail Vance Civille from Sensory Spectrum in New Jersey. This firm manages and designs product stimuli. Ms Civille says, “people love scented products and will choose them over other products….You can give someone two identical paper towels, the only difference being one is scented, and he or she will tell you the scented one is softer” (Gobe 2009). Another interesting note is that the New York Museum of Natural History engaged the International Fragrance Foundation to replicate the smell of African grasslands to lend authenticity to one of its exhibits

Clearly, the development of an array of sensory experiences carefully designed to augment what might be a simple commercial transaction or passive experience can make the difference between an indifferent brand and an exceptionally successful brand.
Not making conscious decisions about the story that is told, or the message that is carried, or failing to manage the creation of a complex experience that will linger in a patron’s memory is to miss an important part of developing a vital brand. In this very competitive market, it is a bad decision. The organizations that manage their brand carefully will be the ones that emerge as successful.
CHAPTER V

CASE STUDY

THE WORLD OF COCA-COLA MUSEUM

Many organizations have tried to find ways to differentiate their brand image and identity through experience, an area that is growing into an important and tactical tool that can be used to establish and maintain consumer loyalty. This section will explore some of the practical applications of emotional branding in art organizations, with reference to the study, “Retail Spectacles and Brand Meaning: Insights from a Brand Museum Case Study,” which explores the emotional characteristics of The World of Coca-Cola Museum. This study begins by noting that, “for financial reasons, traditional museums are increasingly incorporating entertainment and commerce” (i.e., shops and cafes) into their venues (Falk and Dierking 2000; McLean 1995; McTavish 1998; Perry et al. 2000; Hollenbeck, Peters, and Zinkhan 2008). This finding is relevant to those in the
art sector, where many organizations are facing significant financial challenges, and many want to enhance their identities and grow stronger. As our investigation so far has made clear, art organizations may need to take the plunge between art and commerce if they are to ensure their survival in this brand-savvy and increasingly global marketplace. The article continues by exploring the practice of several “museums, such as New York City’s Museum of Modern Arts and many others, [of] openly adopt[ing] marketing organizational structures, terms and tactics (e.g., MoMA courses, MoMA e-cards collection). These tactics include branding the museum and its exhibits (e.g., the Van Gogh show, Dali Painting and Film exhibit, etc.) in an effort to increase visitation, and ultimately generate greater revenue” (McLesn 1995; McNichol 2005; Hollenbeck, Peters, and Zinkhan 2008).

Although many art organizations are non-profits, it is clear from these successful examples that many can still learn from the profit sector. Rules are dead, but people are alive. Hollenbeck, Peters, and Zinkhan’s 2008 case study investigates The World of Coca-Cola Museum (WOCC) in Atlanta, Georgia. The WOCC museum engages in
advertising, promotion, and brand positioning to strengthen the brand’s identity and the scholar’s findings demonstrate how brand museums enhance brand meaning and identity. They identify the following ways in which museums establish and maintain their brand:

(1) humanization of the brand, (2) socialization of the brand, (3) localization of the brand, (4) globalization of the brand, (5) theatricization of the brand. These are described in further detail in the following section:

Humanization of the brand

“A brand museum humanizes the brand by instilling tangible, human-like characteristics. When a brand’s personality is extended into everyone’s context, consumers participate in activities that foster consumer-brand relationships. In human relationships, partners spend time with one another to develop a deeper sense of knowledge and awareness of the other person. The act of ‘being together’ advances the relationship, creates feelings of closeness, and strengthens emotional bonds” (Hollenbeck, Peters, and Zinkhan 2008).

As this case study makes clear, a museum brand experience makes the brand seem more real, by establishing and clarifying the character and personality of the brand,
which is depicted in ways that relate closely to the human experience. In addition, “by positioning the brand within American history, the brand museum experience is perceived as meaningful, rather than commercialized” (Hollenbeck, Peters, and Zinkhan 2008). One visitor to the museum Sam, who was quoted in the case study, found that “he was able to connect Coke with past, present, and future events. These cultural linkages situate the brand within the context of consumers’ lives, making the brand feel more ‘personal’ and ‘real’” (Hollenbeck, Peters, and Zinkhan 2008).

Socialization of the brand

“A brand museum socializes the brand by connecting visitors to other brand enthusiasts” (Hollenbeck, Peters, and Zinkhan 2008). Indeed, this was made clear by one visitor, who was quoted in the case study as saying, “I was not that hip on visiting the museum itself, I just wanted to spend time with my family… and the trip to the museum ended up being a great way to spend a Saturday afternoon with my family and I learned a lot about Coke that I didn’t really know before” (Hollenbeck, Peters, and Zinkhan 2008).
The study also included twenty interviews with people who had participated in the future planning or present activities of brand-related clubs or communities. The study identified that “the museum space provides a bounded place where brand enthusiasts are able to compare brand experiences and collectively affirm their commitment to the brand. A brand museum visit cultivates a sense of brand community, connects like-minded brand enthusiasts, and strengthens brand attachments” (Muniz and O’Guinn 2001; Hollenbeck, Peters, and Zinkhan 2008). This was supported with testimony from the interviewees, including one who said that he met other people here with similar stories and that it was always fun to share stories. He said,

“My wife and I always compare our stories about the brand and how it played such a big role in our lives…. It is a great way to bond with other Coke fans. It makes you feel more loyal to the brand when you meet other people who also use the brand. We also like to take their grandkids to the museum and then they get to share their Coca-Cola stories with them” (Hollenbeck, Peters, and Zinkhan 2008).

As this testimony makes clear, storytelling plays an important role in socializing the brand. In the WOCC museum, employees always ask visitors to share their “Coke
story” during their visit to the museum. This process was described by one employee thus:

“spectators typically observe for a while and eventually they join in the brand storytelling process. One member tells a story and the next person joins it. It is evident that storytelling influences visitors.” This is consistent with the findings of Gottdiener, who proposes that “socially connecting with other like-minded consumers is an important aspect of the brand museum, as the experience is not based on “the commercial control of consumer fantasies” (Gottdiener 1997; Hollenbeck, Peters, and Zinkhan 2008).

Localization of the brand

“A brand museum localizes the brand by building connections between the brand and its geographical origin” (Gottdiener 1997; Hollenbeck, Peters, and Zinkhan 2008). They also claimed that,

“the WOCC is a place of pilgrimage where consumers travel to gain a better understanding of the history and cultural context of the brand. For instance, when consumers visit the WOCC museum they also learn about the history of Atlanta; when consumers visit MoMA they also learn about New York. Similar to how people journey
to religious places (Hetherington 1996; Mol 1976), consumers also travel from far places to admire the brand, to express their admiration” (Gottdiener 1997; Hollenbeck, Peters, and Zinkhan 2008).

The connection and influence between art and branding is more powerful and influential than may initially appear to be the case. These connections are not only intrinsic; they can initiate business opportunities, boost the city’s image, and invigorate the city’s economy. For instance, one visitor, John, was quoted in the case study as saying “I did not know that so many of the street names in downtown Atlanta came from the founders of Coke. In the World of Coke, I discovered that connection” (Gottdiener 1997; Hollenbeck, Peters, and Zinkhan 2008). Another visitor quoted in the case study, Jerry, said, “I feel a little bond with Coca-Cola now, especially since I am from Atlanta and an American and I want to support our local products…. It gives me a sense of satisfaction ’cause I am supporting local businesses” (Gottdiener 1997; Hollenbeck, Peters, and Zinkhan 2008). The authors of the study concluded that “Coke products provide a means for connecting to the locale by supporting local businesses. The museum
has helped consumers justify their consumption by highlighting the brand’s connections to local traditions, culture, and heritages” (Gottdiener 1997; Hollenbeck, Peters, and Zinkhan 2008). As this aspect of branding at the WOCC makes clear, collaboration between branding and art can help construct the formation of urban character and context.

Globalization of the brand

“A brand museum globalizes the brand by emphasizing its international affiliations. The global associations made within the museum are appealing to international visitors” (Gottdiener 1997; Hollenbeck, Peters, Zinkhan 2008). This finding was corroborated by the testimony of an international graduate student from India, Ralph, who was quoted in the case study as saying,

“I truly noticed Coca-Cola’s international nature. I saw many international visitors when I was there. When I saw a TV ad from India, I felt at home and nostalgic for a few moments. I was especially happy to talk to some Indian people during my visit. I am sure that this must be an advantage to the other international visitors I saw. In fact, I must have heard four or five international languages spoken there. This suggests to me that Coca-Cola is a brand that belongs to all of us, no matter what part of the world we
belong to. We are all noticed and touched by Coke…. I must confess [smiles] that my wife and I tried to take a picture of ourselves standing near the Indian flag that was at the front of the exhibits. It was great fun” (Gottdiener 1997; Hollenbeck, Peters, and Zinkhan 2008).

For this international student, the Coca-Cola brand museum is perceived and identified as an international brand, not solely an American brand. As the authors of the case study explain, “The international flags, the various languages spoken at the museum, and the ads from different countries are similar to how customers value the brand’s localized connections” (Gottdiener 1997; Hollenbeck, Peters, and Zinkhan 2008). These attributes all provide customers with a sense of belonging that related to a localized identification.
Theatricization of the brand

“A brand museum theatricizes the brand by staging the retail spectacle to be an engaging, interactive, and participatory experience. When brand museum visitors participate in multisensory, interactive experiences, they are drawn to the brand” (Gottdiener 1997; Hollenbeck, Peters, and Zinkhan 2008). As the case study at the WOCC makes clear, sensory experiences deepen the identity of the brand and build an exciting emotional connection with customers.

As the authors explain,

“according to Joy et al. (2003), environmental elements (e.g., color, light, taste, smell) and their intensity directly affect consumers’ moods. In the brand museum, consumers are entertained by the various colors, lights, and sounds that accompany each exhibit. Consumers engage in interactions with the brand and some enjoy the interchanges so much that they often stay for hours in one area of the museum” (Gottdiener 1997; Hollenbeck, Peters, and Zinkhan 2008).

This concept is supported by one of the employees, who was interviewed during the case study; he explained, “Coca-Cola positions the brand as a fun, entertaining brand.
The whole idea is to let visitors have a good time by participating in the exhibits and by learning more about the brand. We want visitors to laugh and to have a real good time.

People always are impressed by the things we have here in the museum” (Gottdiener 1997; Hollenbeck, Peters, and Zinkhan 2008).

This was also supported by the testimony of another visitor, Ben, who explained how interacting with the displays in the museum created memories of the brand:

“I will never forget it. It was so much fun. It was fun because you get to interact with all of the displays and you get involved in each one of the galleries. I was overwhelmed when we got off the elevator…. There were a ton of people in there standing and talking loudly and watching the bottles get magically filled as they moved down the line… it was an energizing experience because I felt as if I was at a Coca-Cola party with lots of action, lots of people, lots of excitement” (Gottdiener 1997; Hollenbeck, Peters, and Zinkhan 2008).

The case study clearly demonstrated that “design elements such as color, layout, architectural style, or type of furnishings are all important factors that elicit an effective
response…. Ambient and social factors can be used to create an environment that offers a high level of atmospheric characteristics which provides a pleasurable experience for consumers” (Baker, Levy, and Grewal 1992; Gottdiener 1997; Hollenbeck, Peters, and Zinkhan 2008).

In relation to the branding benefits of experience, research conducted by Kotler has also found that “atmospherics are a ‘silent language’ in marketing communications, possessing more influence toward brand meaning than the product itself” (Kotler 1973). As this case study makes clear, well-intended experience can easily have unintended consequences. Clearly, as this example shows, consumption is not just about business deals; it is also about the experience of enjoyment and pleasure.
CHAPTER VI

CONCLUSION

According to the research outlined in the previous chapters, we find that there is no conflict between art and branding even in non-profit organizations. Furthermore, art and branding have a high degree of intimacy and communion. “Art has been defined as the expression of emotion, though it is more correct to say that art expresses an emotional quality” (O’Shaughnessy 2003, p. 15). Art has been perceived as a kind of emotional expression and a form of communication through storytelling. Likewise, branding is also a set of feelings that links various expressions, experiences, and emotions to the consumer’s mind. Matt Haig stated that “branding is an emotional process. It is about inspiring trust, comfort, desire, even love” (Brand loyalty 2004). The brand becomes more than a product; it becomes an experience. Alina Wheeler stated that “products are created in the factory; brands are created in the mind” (Wheeler 2009). The product may
be copied by a competitor, but the brand is unique. An earlier study also indicated that
“the modern competitive scenarios will be those that understand what the consumer
wants today: not more products and services, but experiences able to make them feel
good by involving the senses and giving them excitement” (Fioroni and Titterton 2009).
Traditional branding positions are not enough to build relationships with consumers.
Alina Wheeler claimed that the “brand is the promise, the big idea, and the expectations
that reside in each customer’s mind about a product, service, or company. People fall in
love with brands, trust them, develop strong loyalties to them, buy them, and believe in
their superiority. The brand is shorthand. It stands for something” (Wheeler 2009). These
are the significant and vital elements of consumer loyalty. Branding is a bridge between
the corporation and consumer. Herbert Baum, President of Campbell’s Soup, said, “When
you look at our balance sheet, you see right through the cash, accounts receivable, plants
and equipment on the asset side, to our brands. Our brands are the real assets we own.
Without them we have nothing” (Formburn 1996; Travis 2009). Marketing in arts
organizations cannot be fixed but must explore where the brand resides in the consumer’s
mind and perceptions. Elliot and Percy stated that “the emotional associations with a
brand that people hold in memory will influence how they process information about that
brand. Profiling the emotions linked to a brand vs. competitors will help guide the
development of more effective positioning and marketing communication programmes
for that brand” (Elliott and Percy 2007). Corporate branding with emotions and
experience creates success for the organization. Therefore, I strongly encourage the use
of branding strategies in arts organizations.
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