

## WHAT IS BRAND IDENTITY?

A person's identity serves to provide direction, purpose, and meaning for that person. Consider how important the following questions are: What are my core values? What do I stand for? How do I want to be perceived? What personality traits do I want to project? What are the important relationships in my life?

A brand identity similarly provides direction, purpose and meaning for the brand. It is central to a brand's strategic vision and the driver of one of the four principal dimensions of brand equity: associations, which are the heart and soul of the brand. Nestlé uses the term *brand constitution* to reflect the importance and reverence with which a brand identity should be held. So, what exactly is brand identity?

*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.*

*Brand identity should help establish a relationship between the brand and the customer by generating a value proposition involving functional, emotional or self-expressive benefits.*

*Brand identity consists of twelve dimensions organized around four perspectives—the brand-as-product (product scope, product attributes, quality/value, uses, users, country of origin), brand-as-organization (organizational attributes, local versus global), brand-as-person (brand personality, brand–customer relationships), and brand-as-symbol (visual imagery/metaphors and brand heritage).*

*Brand identity structure includes a core and extended identity. The core identity—the central, timeless essence of the brand—is most likely to remain constant as the brand travels to new markets and products. The extended identity includes*

*brand identity elements, organized into cohesive and meaningful groupings, that provide texture and completeness.*

The purpose of this chapter is to elaborate the definition of brand identity and of related concepts, such as the value proposition and credibility, that a brand identity generates. A theme of the chapter is that *there is value in expanding the concept of a brand*. Too often a limited, tactical perspective inhibits strategists from building a strong brand even when the potential exists. To achieve maximum brand strength, the scope of a brand identity should be broad rather than narrow, the thrust should be strategic rather than tactical, and there should be an internal as well as external focus to brand creation.

## BRAND IDENTITY TRAPS

An examination of four all-too-common identity traps (summarized in Figure 3–1) demonstrates the value of expanding the concept of a brand and provides substantial insight into what a brand identity is and is not. These four traps represent approaches to creating an identity that are excessively limiting or tactical and that can lead to ineffective and often dysfunctional brand strategies. After these traps have been analyzed, a broader identity concept will be developed, its scope and structure discussed, and the value proposition and credibility that flow from it examined.

### THE BRAND IMAGE TRAP

Knowledge of the brand image (how customers and others perceive the brand) provides useful and even necessary background information when developing a brand identity. In the brand image trap, however, the patience, resources, or expertise to go beyond the brand image is lacking, and the brand image becomes the brand identity rather than just one input to be considered.

The brand image trap does not tend to occur when a brand image is obviously negative or inappropriate. When there are only subtle image inadequacies caused by customers' past brand experiences or by changes in their needs, however, the use of the brand image as an identity statement often goes unchallenged.

An insidious problem caused by the brand image trap is that it lets the customer dictate what you are. In short, it is a customer orientation gone amok, much like the Wiley cartoon where a market researcher arrives at a nearly finished Sistine Chapel to say, “Personally, I think it looks OK, Michelangelo, but the focus group says it needs more mauve.”<sup>2</sup> Creating a brand identity is more than finding out what customers say they want. It must also reflect the soul and vision of the brand, what it hopes to achieve.

• While brand image is usually passive and looks to the past, brand identity should be active and look to the future, reflecting the associations that are aspired for the brand. While brand image tends to be tactical, brand identity should be strategic, reflecting a business strategy that will lead to a sustainable advantage. The brand identity should also reflect the brand’s enduring qualities, even if they are not salient in the brand image. Like any identity, it represents the basic characteristics that will persist over time.

A brand identity is to brand strategy what “strategic intent” is to a business strategy. Strategic intent involves an obsession with winning real innovation, stretching the current strategy, and a forward-looking dynamic perspective; it is very different from accepting or even refining past strategy. Similarly, a brand identity should not accept existing perceptions, but instead should be willing to consider creating changes.

## THE BRAND POSITION TRAP

Thus the brand position guides the current communication programs and is distinct from the more general brand identity construct. Some elements of brand identity (such as cleanliness for a restaurant) may not be actively communicated, and other elements (such as a product class association) will recede in visibility as the brand matures. Thus there is a distinction between three related constructs:

The brand position trap occurs when the search for a brand identity becomes a search for a brand position, stimulated by a practical need to provide objectives to those developing the communication programs. The goal then becomes an advertising tag line rather than a brand identity.

This trap inhibits the evolution of a full-fledged brand identity, because strategists continuously weed out those aspects that they feel are not worth communicating. The tendency to focus on product attributes is intensified, and there is often no room to consider brand personality, organizational associations, or brand symbols because they simply do not make the cut when developing a three-word phrase.

Further, a compact phrase is unlikely to provide much guidance to brand-building activities. A brand position does not usually have the texture and depth needed to guide the brand-building effort—which event to sponsor, which package is superior, or what store display sup-

ports the brand. There is a need for a richer, more complete understanding of what the brand stands for.

### THE EXTERNAL PERSPECTIVE TRAP

From the perspective of most brand strategists, particularly in the United States and Europe, a brand identity is something that gets customers to buy the product or service because of how they perceive the brand. The orientation is entirely external.

The external perspective trap occurs when firms fail to realize the role that a brand identity can play in helping an organization understand its basic values and purpose. Because an effective identity is based in part on a disciplined effort to specify the strengths, values, and vision of the brand, it can provide a vehicle to communicate internally what the brand is about. It is hard to expect employees to make a vision happen if they do not understand and buy into that vision.

In most organizations, employees have a difficult time answering the question, "What does your brand stand for?" "Achieving a 10 percent increase in sales" (or profitability)—an all-too-typical response—is hardly inspiring. In firms with strong brands, the response comes faster and with more substance from motivated, even inspired employees. Saturn executives, plant workers, retailers, and suppliers all know that Saturn stands for a world-class car and treating customers as respected friends. Employees in the Kao organization know that the Kao brand stands for innovation and leadership. Such employee response and buy-in comes from a strong brand identity.

### THE PRODUCT-ATTRIBUTE FIXATION TRAP

The most common trap of all is the product-attribute fixation trap, in which the strategic and tactical management of the brand is focused solely on product attributes. Based in part on the erroneous assumption that those attributes are the only relevant bases for customer decisions and competitive dynamics, the product-attribute fixation trap usually leads to less than optimal strategies and sometimes to damaging blunders.

#### A Brand Is More Than a Product

The failure to distinguish between a product and a brand creates the product-attribute fixation trap. Consider Hobart, which is the pre-

mium, dominant brand in industrial-grade food preparation equipment (such as mixers, slicers, dishwashers, and refrigerators). Hobart bases its brand identity and strategy on its product attributes: high quality, durability, reliability, and a premium price. In reality, however, the brand also delivers the feeling of buying and using the best. A baker or cook who has a self-image of being the best wants first-class equipment in the kitchen. Buying Hobart is one way for these individuals to express their values, both to themselves and to others.

Understanding that Hobart is more than a product has significant implications for pricing, segmentation, and communication strategies. One is that it is unnecessary and probably undesirable for Hobart to compete in price-sensitive segments. Rather, the goal should be to seek out those customers that who are interested in having the best and to develop communication materials that associate the best with Hobart. ~

### *Limitations of Product-Attribute-Based Identities*

Product attributes as the basis for a brand identity have important limitations. In particular, they too often:

***Fail to Differentiate.*** A product attribute can be extremely important to customers, but if all brands are perceived to be adequate on this dimension, it does not differentiate the brand. When Procter & Gamble decided to position Jif peanut butter on a freshness dimension because customers said it was the most important attribute and because Jif had a manufacturing process (involving inert gas) that generated real freshness superiority, the effort bombed. Research revealed that customers simply believed all brands were the same on this dimension; Jif could not convince them that the other brands had a freshness liability.

Similarly, in the hotel business, cleanliness is always rated as one of the attributes most important to consumers. Thus it would be appropriate for cleanliness to be a part of the identity for Hilton. Because *all* hotels are expected to be clean, however, it will not be a differentiator.

***Are Easy to Copy.*** Attribute-oriented benefits are relatively easy to copy. A brand that relies on the superior performance of a key attribute will eventually get beaten on that attribute, even if it is continuously improving the product, because the attribute is a fixed target for competitors. In the words of Regis McKenna, the Silicon Valley brand guru, you will eventually get “out-spec’d” (that is, a competitor will announce a product with superior technical specifications) when the focus is on a product attribute. The result can be a loss of differentiation or, worse, an inferior position on an attribute that is integrally associated with the brand. Consider Taster’s Choice, which surpassed the freeze-dried coffee category innovator, Maxim, by being superior on the key dimension of taste.

***Assume a Rational Customer.*** Product attribute research and the resulting strategies usually assume that customers obey a rational decision-making model. The rational model suggests that customers collect information about product attributes, adjust the information to reflect the relative importance of the attributes, and then make a reasoned judgment. The reality is that customers experience mistrust, confusion, or impatience in most contexts, and that they do not (or

cannot) seek out and process objective information about the brands in the category. In addition, many customers do not care as much about function as they do about style, status, reassurance, and other less functional benefits.

Attribute research on trucks, for example, suggests that durability, safety features, options, and power are the most important attributes. Yet style, comfort, and being "fun" to drive are more likely to influence the decisions of consumers who often cannot or will not admit that such frills are really important to them. Of course, there are other more indirect research approaches available to explore these hidden motivations (see chapter 6 in *Managing Brand Equity*), but the basic problems with the rational model remain.

**Limit Brand Extension Strategies.** Strong product-attribute associations, while potentially providing a source of advantage, can be limiting with respect to brand extension strategies. The fact that Heinz means slow-pouring, rich ketchup may limit its role in extension strategies, whereas the association of Contadina with Italians provides more flexibility. An identity that is based upon intangible associations or brand personalities provides the brand with more strategic scope.

**Reduce Strategic Flexibility.** Finally, product-attribute associations reduce a brand's ability to respond to changing markets. If a brand becomes associated with a single product attribute, the ability of that brand to adjust when the attribute's relevance declines is inhibited. In this manner, Weight Watchers' emphasis on professional weight control limited its ability to respond when Healthy Choice entered its market with a "healthy eating" identity.

## BROADENING THE CONCEPT OF A BRAND

The four identity traps suggest how a brand identity can become confining and ineffective. In particular, the focus of a brand is too often restricted to product attributes, existing brand images, brand position, and the brand's external role of influencing customers. A key to developing a strong brand identity is to broaden the brand concept to include other dimensions and perspectives.

The model in Figure 3–3 provides a broader perspective on brand identity planning that can help strategists avoid identity traps. The heart of the model is the brand identity system, where the brand iden-

tity provides a value proposition to customers or credibility to other brands. The ultimate goal of the system is a strong brand–customer relationship.

As shown in the model, brand identity does not have to be drawn entirely from the brand-as-product perspective. Three additional perspectives (brand-as-organization, brand-as-person, and brand-as-symbol) can enhance the understanding of and create bases of differentiation for the brand.

Figure 3–3 includes two other major components: the strategic brand analysis and the brand identity implementation system, both of which are discussed in Chapter 6. The implementation system includes the brand position (the statement of communication objectives drawn from the brand identity and value proposition) as well as an execution and tracking component. The strategic brand analysis, which involves analyses of the customers, competitors, and self, provides the necessary inputs to the planning model.

## BREAKING OUT OF THE TRAPS

A primary point of this chapter—indeed, of this book—is that brand identity tends to be conceptualized too narrowly. A more complete view of brand identity can help strategists break out of the traps by considering the following:

- A brand-as-product perspective that includes user imagery and the country (or region) of origin
- A brand identity based on the perspectives of the brand as an organization, a person, and a symbol in addition to a product
- A value proposition that includes emotional and self-expressive benefits as well as functional benefits
- The ability of a brand to provide credibility as well as a value proposition
- The internal as well as external role of the brand identity
- Brand characteristics broader than a brand position (active communication objectives) or a core identity

### *Creating a Frame of Reference*

One goal of the strategist should be to create a frame of reference to be used by the customer and others when they think of and evaluate the brand and its competitors.<sup>3</sup> For example, Wells Fargo uses a stage-

coach, Marlboro promotes Marlboro country, and Saturn highlights the values of the Saturn employee team to create a context that helps customers understand what the brand stands for. One way to think about a brand identity system is to ask what frame of reference customers should use when recalling the brand, processing information about it, and evaluating it.

## FOUR BRAND IDENTITY PERSPECTIVES

As suggested by Figure 3–3, to help ensure that the brand identity has texture and depth, a firm should consider its brand as: (1) a product, (2) an organization, (3) a person, and (4) a symbol. The perspectives are very different. Their goal is to help the strategist consider different brand elements and patterns that can help clarify, enrich, and differentiate an identity. A more detailed identity will also help guide implementation decisions.

Not every brand identity needs to employ all or even several of these perspectives. For some brands, only one will be viable and appropriate. Each brand should, however, consider all of the perspectives and use those that are helpful in articulating what the brand should stand for in the customer's mind.

The brand-as-product perspective will be described next. The brand-as-organization and the brand-as-person views, described in detail in Chapters 4 and 5, will then be previewed. An analysis of the brand-as-symbol perspective will follow. The chapter will then turn to the identity structure, the value proposition, the credibility role, the brand–customer relationship, and finally the case where a brand has multiple identities as it travels across products and markets.

### THE BRAND AS A PRODUCT: PRODUCT-RELATED ASSOCIATIONS

Although strategists should avoid the product-attribute fixation trap, product-related associations will almost always be an important part of a brand identity because they are directly linked to brand choice decisions and the use experience.

#### *The Product Scope: Associations with Product Class*

A core element of a brand's identity is usually its product thrust, which will affect the type of associations that are desirable and feasible.

With what product or products is the brand associated? For Häagen-Dazs the answer is ice cream, for Visa it is credit cards, for Buick it is automobiles, and for Compaq it is computers. A strong link to a product class means that the brand will be recalled when the product class is cued. A dominant brand (such as A1 in steak sauce, Kleenex in tissues, and Band-Aid in adhesive bandages) will often be the only brand recalled.

The goal of linking a brand with a product class is *not* to gain recall of a product class when the brand is mentioned. Having people respond "rental cars" when Hertz is mentioned is not nearly as important as having Hertz mentioned when a rental car is needed. Thus A&W, the venerable root beer brand, extended successfully to cream soda without damaging the ability of A&W to be recalled when root beer was the cue, and Honda is a name that comes to mind when either motorcycles or automobiles are mentioned.

A key identity issue arises when the scope of a product class is expanded. For many, the HP Jet line is associated with the leading computer printers (namely, the DeskJet and LaserJet). When the distinction between printers, scanners, fax machines, and copiers became blurred, the strong printer association, once a key asset, became a problem that needed active management. HP needed to alter the Jet identity so that it applied to a broader product grouping. Thus HP now has a scanner (ScanJet), fax machines (FaxJet), and even machines that perform the functions of a fax machine, a copier, and a printer (Office-Jet). For a more complete discussion of extensions, see Chapter 8 on leveraging the brand (and chapter 9 in *Managing Brand Equity*).

### ***Product-Related Attributes***

Attributes directly related to the purchase or use of a product can provide functional benefits and sometimes emotional benefits for customers. A product-related attribute can create a value proposition by offering something extra (like features or services) or by offering something better.

Brands that offer something better include Norelco, which provides the closest shave via its lift-and-cut system; the 7-Eleven chain, which offers more convenience than grocery stores; the Marriott chain, with its express checkout; and McDonald's, with its unrivaled worldwide product consistency. Something extra is provided by Cole-man Meats, whose beef is produced without antibiotics or growth

hormones, and by Virgin Airlines, which offers free limousine service with a business class ticket. As noted above, though, the problem is that product attributes tend to be the focus of identity efforts to the exclusion of other perspectives that can add value and distinctiveness to the brand.

### **Quality/Value**

The quality element is one product-related attribute important enough to consider separately. Is the brand a Mercedes, a Buick, or a Ford? A Neiman Marcus, a Macy's, or a Kmart? For each competitive arena, perceived quality provides either the price of admission (you need to deliver a minimum level of quality to survive) or the linchpin of competition (the brand with the highest quality wins). Many brands use quality as a core identity element. Gillette, for example, is positioned in large part by "The Best a Man Can Get," and Gillette's Good News is the best of the disposable razor category. Starbucks' brand identity is based in large part on its reputation for providing the finest coffee in the world with integrity and consistency.

Value is closely related to quality; it enriches the concept by adding the price dimension. Rubbermaid, for example, strives to provide value by offering the highest-quality products at reasonable prices. Wal-Mart is also primarily positioned as a value retailer.

### **Associations with Use Occasion**

Some brands successfully attempt to own a particular use or application, forcing competitors to work around this reality. Gatorade, for example, owns the use context of athletes looking to sustain a high level of performance. Clorox bleach has become strongly associated with the whitening of clothing, even though bleach can be used for cleaning and disinfecting a wide variety of things. Although Miracle Whip is a versatile salad dressing, its real strength is a close association with sandwich making. Starbucks coffeehouses provide a familiar, yet upscale place to relax staffed by friendly employees.

### **Associations with Users**

Another tack is to position a brand by a type of user. Eddie Bauer, for example, offers contemporary fashions for the person with an outdoor lifestyle. Gerber focuses on babies, Weight Watchers is associated with those who are interested in weight control and nutrition, and

Friskies is the food for active cats. A strong user-type position can imply a value proposition and a brand personality. This dimension and its relationship to brand personality will be discussed further in Chapter 5.

### **Link to a Country or Region**

One more strategic option is to associate one's brand with a country or region that will add credibility to it. For example, Chanel is seen as indelibly French, Swatch watches as Swiss, Beck's beer and Mercedes as German, Stolichnaya vodka as Russian, and Molson Ice beer as from Canada ("where ice was invented"). Champagne similarly means France, just as Bloomingdale's means New York. In each case, the brand's association with a country or region implies that the brand will provide higher quality, because that country or region has a heritage of making the best within that product class.

A host of studies have explored the country-of-origin effect. One study showed that the extent of the effect depends on the product class: For example, Japanese electronic goods are rated higher than Japanese food, and French fashions are more highly regarded than French electronic goods.<sup>4</sup> The country of origin, however, can impart attributes that travel across categories. Han and Terpstra, in comparing U.S. consumers' evaluations of automobiles and television sets, found that American products were considered high in serviceability, Japanese products were considered only moderate in prestige (despite their dominant ratings in other dimensions), and German products were high on prestige but low on economy.<sup>5</sup>

## **THE BRAND-AS-ORGANIZATION**

The brand-as-organization perspective focuses on attributes of the organization rather than those of the product or service. Such organizational attributes as innovation, a drive for quality, and concern for the environment are created by the people, culture, values, and programs of the company. The Saturn brand is a good example of such an identity, tying together Saturn values (building a world-class economy car), programs (including the retailer system) and people (who visibly buy into the values).

Some brand aspects can be described as product attributes in some contexts and organizational attributes in others. Quality or innovation,

for instance, could be a product-related attribute if it is based on the design and features of a specific product offering. If it is based on organizational culture, values, and programs (and thus transcends a particular product model context), however, it would then be an organizational-related attribute. In some cases there will be a combination of the two perspectives.

Organizational attributes are more enduring and more resistant to competitive claims than are product attributes. First, it is much easier to copy a product than to duplicate an organization with unique people, values, and programs. Second, organizational attributes usually apply to a set of product classes, and a competitor in only one product class may find it difficult to compete. Third, because organizational attributes such as being innovative are hard to evaluate and communicate, it is difficult for competitors to demonstrate that they have overcome any perceived gap. It is relatively easy to show that one's printer is faster than that of a competitor; it is hard to show that one's organization is more innovative.

Organizational attributes can contribute to a value proposition. Associations such as a customer focus, environmental concern, technological commitment, or a local orientation can involve emotional and self-expressive benefits based on admiration, respect, or simple liking. They can also provide credibility for the product claims of sub-brands, just as the Post-it products from 3M were undoubtedly helped by the 3M reputation for innovation.

In Chapter 4, the brand-as-organization will be considered in detail. Additional insight will be provided into what organizational attributes are and how they work to support a brand.

### **THE BRAND-AS-PERSON: BRAND PERSONALITY**

The brand-as-person perspective suggests a brand identity that is richer and more interesting than one based on product attributes. Like a person, a brand can be perceived as being upscale, competent, impressive, trustworthy, fun, active, humorous, casual, formal, youthful, or intellectual. For example, Saturn has the personality of a reliable, down-to-earth friend.

A brand personality can create a stronger brand in several ways. First, it can help create a self-expressive benefit that becomes a vehicle for the customer to express his or her own personality. For

example, an Apple user might identify himself or herself as casual, anti-corporate, and creative.

Second, just as human personalities affect relationships between people, brand personality can be the basis of a relationship between the customer and the brand. The friend relationship helps drive the Saturn identity and program. Similarly, Dell Computer might be a professional who helps with the tough jobs; Levi Strauss a rugged outdoor companion; Mercedes-Benz an upscale, admired person; WordPerfect a competent, caring professional; and Hallmark a warm, emotional relative.

Third, a brand personality may help communicate a product attribute and thus contribute to a functional benefit. For example, the Michelin man's strong, energetic personality suggests that Michelin tires are also strong and energetic. Chapter 5 will discuss the brand personality in more detail, including different personality types, how they work to link the brand to the customer, and how they are created.

### THE BRAND-AS-SYMBOL

A strong symbol can provide cohesion and structure to an identity and make it much easier to gain recognition and recall. Its presence can be a key ingredient of brand development and its absence can be a substantial handicap. Elevating symbols to the status of being part of the identity reflects their potential power.

Anything that represents the brand can be a symbol, including programs such as the Ronald McDonald House for McDonald's or the no-haggle pricing policy for Saturn. In Figure 3–3, however, three types of symbols are highlighted: visual imagery, metaphors and the brand heritage.

Symbols involving visual imagery can be memorable and powerful. Consider the Transamerica pyramid, Nike's "swoosh," the McDonald's golden arches, the Kodak yellow, the Coke Classic can or bottle, the Mercedes-Benz emblem, and the Quaker Oats man. Each strong visual image captures much of its respective brand's identity because connections between the symbol and the identity elements have been built up over time. It just takes a glance to be reminded of the brand.

The Saturn brand, in contrast, is handicapped because it lacks a specific visual image. There is no single employee (like Bill Gates for Microsoft), user (like Shaquille O'Neal for Reebok), or product design

(like the Ford Taurus or VW Beetle) that represents Saturn. Nor did Saturn use a visual of its Spring Hill plant to play such a role, much as Lynchburg, Tennessee, does for Jack Daniel's whiskey. The Saturn logo, developed early when the car's identity was unknown, is not now much of an asset.

Symbols are more meaningful if they involve a metaphor, with the symbol or a symbol characteristic representing a functional, emotional, or self-expressive benefit. For instance the Prudential rock is a metaphor for strength, Allstate's "Good Hands" logo for reliable, caring service, the Pillsbury Doughboy's soft tummy for freshness, Michael Jordan's leaping ability for the performance of a Nike, and the Energizer bunny for long battery life.

A strong symbol can be the cornerstone of a brand strategy. Kroeber-Riel, a German brand strategist, always starts a brand identity analysis by asking, "What visual image do you want people to have of your brand in five years?" The resulting image then drives everything—in some cases, even the product and the name. For the cookery line of one client, Kroeber-Riel came up with the "Black Steel" image/metaphor that was used as a basis for product design, packaging, and communication.

A vivid, meaningful heritage also can sometimes represent the essence of the brand. The U.S. Marines draw on a rich, storied legacy with the tag line "The few, the proud, the Marines." Amtrak relates its riders' experience to the heritage of first-class rail travel, reminding customers that "there's something about a train that's magic." Starbucks coffee has a link to the first coffeehouse in Seattle's Pike Place market.

## THE IDENTITY STRUCTURE

Brand identity, as suggested by Figure 3–4, consists of a core identity and an extended identity. In addition the identity elements are organized into enduring patterns of meaning, often around the core identity elements. It is therefore important to understand core identity, extended identity and patterns of meaning.

### THE CORE IDENTITY

The core identity represents the timeless essence of the brand. It is the center that remains after you peel away the layers of an onion or

the leaves of an artichoke. The following are illustrations of core identities:

- Michelin—advanced-technology tires for the driver who is knowledgeable about tires
- Johnson & Johnson—trust and quality in over-the-counter medicines
- Rubbermaid—value and innovation, plus a heritage of making practical plastic products for the home
- Saturn—world-class quality; treating customers with respect and as a friend (see Figure 3–5)
- Black Velvet—soft and smooth; priced a cut above the popularly priced brands (see Figure 3–8)

The core identity, 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. For example, when Black Velvet expands to new countries, it is always a value brand (as opposed to a price brand or a super-premium brand), and it always delivers the “soft and smooth” product and message. The rest of the Black Velvet identity, described in Figure 3–8, is less central.

The core identity for a strong brand should be more resistant to change than elements of the extended identity. Ivory’s “99<sup>44</sup>/100% pure” and “it floats” slogans reflect an identity that has lasted for more than one hundred years. The brand position and thus the com-

munication strategies may change, and so might the extended identity, but the core identity is more timeless.

Ultimately, the core identity follows from the answers to some tough, introspective questions.

- What is the soul of the brand?
- What are the fundamental beliefs and values that drive the brand?
- What are the competencies of the organization behind the brand?
- What does the organization behind the brand stand for?

One brand strategist observed that if you get the values and culture of the organization right, the brand identity takes care of itself. For many brands, there should be a close correspondence between the values of the organization and the core identity.

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. Sometimes a slogan can capture at least part of the core identity:

- "We're number two; we try harder" suggests that Avis is committed to delivering the best customer service.
- "The relentless pursuit of perfection" suggests that Lexus cars are built to the highest quality standards with respect to workmanship, handling, comfort, and features.
- "melt in your mouth, not in your hand" suggests the unique combination of flavor and convenience provided by M&M candies.

Even the core identity, however, is usually too multifaceted for a single slogan. The Saturn identity, for example, had a quality component (a world-class car) and a relationship component (treating customers with respect and as a friend). The slogan "A different kind of company, a different kind of car" provided an umbrella under which these two core elements of the identity could be sheltered. However, by no means did the slogan alone capture the Saturn core identity.

### THE EXTENDED IDENTITY

The extended brand identity includes elements that provide texture and completeness. It fills in the picture, adding details that help

portray what the brand stands for. Important elements of the brand's marketing program that have become or should become visible associations can be included. In the case of Saturn, the extended identity includes the product itself, the no-pressure feel of the retail experience, the no-haggle pricing, the "different company" slogan, and the brand personality. Each has a role to play as a driver of the brand identity, but none is as basic a foundation as the core identity.

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.

For example, the core identity of an insurance company—delivering "peace of mind"—resonated with the target segment and represented what the firm was and could provide. When developing communication objectives and executions, however, the company realized that any of three communication strategies could depict peace of mind—strength (which could describe either Prudential or Fortis), planning ahead for retirement or emergencies (Fireman's Fund), and personal caring and concern (Allstate, State Farm). An analysis of competitor profiles, the target market's needs, and the firm's heritage all led to the latter strategy, but only after the addition of a personality element—a concerned friend rather than a rugged protector or a successful planner—to the brand's extended identity helped crystallize the direction of the brand.

A brand personality does not often become a part of the core identity. However, it can be exactly the right vehicle to add needed texture and completeness by being part of the extended identity. The extended identity provides the strategist with the permission to add useful detail to complete the picture.

A reasonable hypothesis is that within a product class, a larger extended identity means a stronger brand—one that is more memorable, interesting, and connected to your life. A person whom you find uninteresting and bland and who plays only a small role in your life can be described in a few words. An interesting person with whom you are involved personally or professionally would usually require a much more complex description. The number of relevant

brand identity elements will depend on the product class, of course. For instance, a strong candy or spirits brand will likely be less complex than that of a service company such as Bank of America, because the former is likely to have a simpler product attribute set and probably will not involve organizational attributes.

Figures 3–5, 3–6, 3–7, and 3–8 illustrate the above concepts by suggesting possible identities for four brands—Saturn, McDonald's, Nike, and Black Velvet.

**FIGURE 3–5**  
*A Saturn Brand Identity*

**Core Identity**

### FIGURE 3–6 A McDonald's Brand Identity

McDonald's, which does about \$26 billion of business in seventy-nine countries, has one of the most successful global brands. The focus for McDonald's has been on value, in part because customers are value conscious and in part because it must compete with the aggressive value approach of Pepsico's Taco Bell. However, the brand as symbolized by the golden arches has a rich identity that provides several links to the customer.<sup>6</sup>

#### Core Identity

**Value offering:** McDonald's provides value as defined by the product, special offers, and the buying experience given the price

**Food quality:** Consistently hot, good-tasting at any McDonald's in the world

**Service:** Fast, accurate, friendly, and hassle free

**Cleanliness:** The operations are always spotless on both sides of the counter

**User:** Families and kids are a focus, but serves a wide clientele

#### Extended Identity

**Convenience:** McDonald's is the most convenient quick-service restaurant—it is located close to where people live, work, and gather; features efficient, time-saving service; and serves easy-to-eat food

**Product scope:** Fast food, hamburgers, children's entertainment

**Subbrands:** Big Mac, Egg McMuffin, Happy Meals, Extra Value Meals and others

**Corporate citizenship:** Ronald McDonald Children's Charities, Ronald McDonald House

**Brand personality:** Family oriented, all-American, genuine, wholesome, cheerful, fun

**Relationship:** The family/fun associations are inclusive, and McDonald's is part of the good times

**Relationship:** The Ronald McDonald Children's Charities engender respect, liking, and admiration

**Logo:** Golden arches

**Characters:** Ronald McDonald; McDonald's dolls and toys

#### Value Proposition

**Functional benefits:** Good-tasting hamburgers, fries, and drinks that provide value; extras such as playgrounds, prizes, premiums, and games

**Emotional benefits:** Kids—fun via excitement of birthday parties, relationship with Ronald McDonald and other characters, and feeling of special family times; adults—warmth via link to family events and experiences reinforced by the McDonald's emotional advertising

## FIGURE 3-7

### A Nike Brand Identity

Nike has been a dramatic success in the world of sports and fashion. Like many strong brands, it has identities that differ by segment: The identity for the fitness segment (including cross trainers, joggers, and hikers) is different, for example, than the identity for those in competitive sports like tennis and basketball. In fact, the Nike identity is modified for subbrands such as the Force basketball shoe or the Court Challenge tennis shoe. In most contexts, however, Nike still has an overriding identity, whose elements include the following:<sup>7</sup>

#### Core Identity

Product thrust: Sports and fitness

User profile: Top athletes, plus all those interested in fitness and health

Performance: Performance shoes based on technological superiority

Enhancing lives: Enhancing peoples' lives through athletics

#### Extended Identity

Brand personality: Exciting, provocative, spirited, cool, innovative, and aggressive; into health and fitness and the pursuit of excellence

Basis for relationship: Hanging out with a rugged, macho person who goes for the best in clothing, shoes, and everything else

Subbrands: Air Jordan and many others

Logo: "Swoosh" symbol

Slogan: "Just do it"

Organizational associations: Connected to and supportive of athletes and their sports; innovative

Endorsees: Top athletes, including Michael Jordan, Andre Agassi, Deion Sanders, Charles Barkley, and John McEnroe

Heritage: Developed track shoes in Oregon

#### Value Proposition

Functional benefits: High-technology shoe that will improve performance and provide comfort

Emotional benefits: The exhilaration of athletic performance excellence; feeling engaged, active, and healthy

Self-expressive symbolic benefits: Self-expression is generated by using a shoe with a strong personality associated with a visible athlete

#### Credibility

Makes performance shoes and clothing that are stylish

### FIGURE 3–8

#### *A Black Velvet Brand Identity*

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Black Velvet is a brand of Canadian whiskey. The Black Velvet lady, wearing a black velvet dress, first appeared in ads in the early 1970s, and she has since become a key symbol for the brand (see Chapter 7). The Black Velvet lady is credited by Heublein as being largely responsible for the brand's share growth in the United States from 3.6 % in 1971 to 8.9 % in 1980 (when the category doubled to 21 million cases) and to 10.3 % in 1993 (during a time when overall category volume dropped to 16 million cases). Black Velvet has a substantial presence in Sweden and Hungary and is on a sharp growth track in many other countries.

#### Core Identity

*Product attribute:* Soft and smooth

*Price/quality:* A cut above popular price (not among the highest-priced brands)

#### Extended Identity

*Product scope:* A spirits brand, not just a Canadian alternative

*Local/Global:* An imported brand

*Symbol:* The Black Velvet lady with the black velvet dress; also the bottle with its black label

*Personality:* Classy and elegant but friendly and approachable

*Taste:* Lacks the bite of Scotch and other spirit drinks

*Users:* A broad age spectrum (not restricted to older males)

#### Value Proposition

*Functional benefits:* Soft and smooth taste at a value price

*Emotional benefits:* Feeling relaxed, rewarded, and sensual

*Self-Expressive benefits:* Serving a brand with a touch of class

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#### COHESIVE, MEANINGFUL IDENTITY ELEMENT GROUPINGS

Core and extended identities organize the identity elements as to their role in representing the essence of a brand. The brand identity elements can also be organized into cohesive and meaningful groupings (or mental networks), usually around the core identity components.

Strong, effective brands will have cohesive and interpretable groupings of identity elements. In contrast, weaker brands will have an identity based on fewer elements, and those elements will appear disjointed or even inconsistent.

An important aspect of brand identity structure, then, is how the elements fit together. Are there meaningful patterns? Are the elements of the identity grouped cohesively? Or are the elements a set of seemingly random associations that are possibly inconsistent?

Consider McDonald's for example. At least three such cohesive groupings can be identified, each supported by a host of identity elements. The kids/fun/family associations are supported by and consistent with Ronald McDonald, McDonald's birthday-party experiences, McDonaldland games, Happy Meals, and McDonald's dolls and toys. A set of social involvement associations includes Ronald McDonald House. Finally, there is a set of functional associations organized around the concepts of service, value, and meals. The "golden arches" provide a linking function as well as representing the whole identity.

A useful exercise is to draw a *mental network* of identity elements with links between them, perhaps using heavy lines for strong links and light or dotted lines for weak links. The role of the core identity and the pattern of linked elements then become apparent, as Figure 3-9 illustrates for the case of McDonald's.

Wells Fargo Bank could have a grouping around banking that would include its automated tellers, high service level, reliability, and financial strength. Another grouping could be around the bank's stagecoach symbol, which associates Wells Fargo with the old West, individualism, courage, a commitment to deliver, and safekeeping of funds. The stagecoach, by also representing reliability and service, would be linked to the banking associations.

The concept of a whole, or gestalt, as developed by Gestalt psychologists (beginning with Max Wertheimer in 1912), can help illustrate the power of a meaningful pattern of associations. The gestaltists emphasize that human beings do not usually perceive things in terms of their separate attributes but, rather, look for an overall picture or pattern. In Figure 3-10, the four separate lines in panel A become a flag in panel B and a letter in panel C—images that have meaning and are much easier to understand and recall than random lines.<sup>8</sup> In

Gestalt psychology, this phenomenon is often summed up by the phrase “The whole is greater than the sum of its parts.” This applies as well to brand identity.

## PROVIDING A VALUE PROPOSITION

The bottom line is that unless the role of a brand is simply to support other brands by providing credibility, the brand identity needs to provide a value proposition to the customer. What is a value proposition?<sup>9</sup>

*A brand's value proposition is a statement of the functional, emotional, and self-expressive benefits delivered by the brand that provide value to the customer. An effective value proposition should lead to a brand–customer relationship and drive purchase decisions.*

The central concepts of functional, emotional, and self-expressive benefits are explained below.

### FUNCTIONAL BENEFITS

The most visible and common basis for a value proposition is a functional benefit—that is, a benefit based on a product attribute that provides functional utility to the customer. Such a benefit will usually

relate directly to the functions performed by the product or service for the customer. For laser printers, functional benefits might be their speed, resolution, quality, paper capacity, or lack of downtime. Other examples are as follows:

- Volvo is a safe, durable car because of its weight and design.
- Quaker Oats provides a hot, nutritious breakfast cereal.
- A BMW car handles well, even on ice.
- Huggies deliver comfort and fit, so leaks are reduced.
- Gatorade helps replace fluids when one is engaged in sports.
- A 7-Eleven store means convenience.
- Coke provides refreshment and taste.
- Nordstrom delivers customer service.

Functional benefits, especially those based upon attributes, have direct links to customer decisions and use experiences. If a brand can dominate a key functional benefit, it can dominate a category. Crest, for example, led the toothpaste category for decades with a cavity-reducing claim supported by the endorsement of the American Dental Association (originally obtained in the 1950s). Competitors were forced to position their brands along inferior dimensions such as fresh breath and white teeth.

The challenge is to select functional benefits that will “ring the bell” with customers and that will support a strong position relative to competitors. The latter task involves not only creating a product or service that delivers but also communicating that capability to customers. Communication, of course, is always a nontrivial task; sometimes, it may be extremely difficult.

### *Limitations of Functional Benefits*

As noted in the discussion of the product-attribute fixation trap, product attributes and functional benefits have limitations—they often fail to differentiate, can be easy to copy, assume a rational decision-maker, can reduce strategic flexibility, and inhibit brand extensions. One way to overcome these limitations, already explored, is to expand the brand identity perspective beyond product attributes by considering the brand-as-organization, person, and symbol. Another is to expand the value proposition to include emotional and self-expressive benefits as well as functional benefits.

## EMOTIONAL BENEFITS

When the purchase or use of a particular brand gives the customer a positive feeling, that brand is providing an emotional benefit. The strongest brand identities often include emotional benefits. Thus a customer can feel any of the following:

- Safe in a Volvo
- Excited in a BMW or while watching MTV
- Energetic and vibrant when drinking Coke
- In control of the aging process with Oil of Olay
- Important when at Nordstrom
- Warm when buying or reading a Hallmark card
- Strong and rugged when wearing Levi's

Evian is simply water, which has fairly uninteresting functional benefits. In its advertising (shown in Figure 3-11), however, the brand is overlaid with a substantial emotional benefit. Through the slogan "Another day, another chance to feel healthy" and the visual imagery, Evian associates itself not only with working out (a common use occasion for the brand) but with the satisfied feeling that comes from a workout.

Emotional benefits add richness and depth to the experience of owning and using the brand. Without the memories that Sun-Maid raisins evoke, that brand would border on commodity status. The familiar red package, though, links many users to happy days of helping Mom in the kitchen (or to an idealized childhood, for some who wish that they had such experiences). The result can be a different use experience—one with feelings—and a stronger brand.

To discover what emotional benefits are or could be associated with a brand, the focus of research needs to be on feelings. How do customers feel when they are buying or using the brand? What feelings are engendered by the achievement of a functional benefit? Most functional benefits will have a corresponding feeling or set of feelings.

### *Fusing Functional and Emotional Benefits*

The strongest brand identities have both functional and emotional benefits. A study by Stuart Agres supports this assertion.<sup>10</sup> A laboratory

efit had a substantially higher effectiveness score (using a standardized commercial laboratory testing procedure) than 121 commercials that had only a functional benefit.

Scott Talgo of the St. James Group talks of fusing functional and emotional benefits in order to create a composite. For example, Quaker Oats could combine the functional benefit of a nutritious, warm breakfast with the feelings that accompany serving (or being served) such a breakfast to create a fused “nurturing” brand image. Similarly, Rice-A-Roni’s “the San Francisco treat” slogan combines the functional benefit of adding flavor to rice with the excitement and romantic feelings associated with San Francisco.

### SELF-EXPRESSIVE BENEFITS

Russell Belk, a prominent consumer behavior researcher, once wrote, “That we are what we have is perhaps the most basic and powerful fact of consumer behavior.”<sup>11</sup> What Belk meant was that brands and products can become symbols of a person’s self-concept. A brand can thus provide a self-expressive benefit by providing a way for a person to communicate his or her self-image.

Of course, each person has multiple roles—for example, a woman may be a wife, mother, writer, tennis player, music buff, and hiker. For each role, the person will have an associated self-concept and a need to express that self-concept. The purchase and use of brands is one way to fulfill this need for self-expression. For instance, a person may define himself or herself as any of the following:

- Adventurous and daring by owning Rossignol powder skis
- Hip by buying fashions from the Gap
- Sophisticated by using Ralph Lauren perfume
- Successful and powerful by driving a Lincoln
- Frugal and unpretentious by shopping at Kmart
- Competent by using Microsoft Office
- A nurturing parent by serving Quaker Oats hot cereal

Nike has substantial self-expressive benefits associated with its brand. The advertisement in Figure 3–12 shows the “Just do it” concept. As a Nike user, you express yourself by performing to your capability.

When a brand provides a self-expressive benefit, the connection between the brand and the customer is likely to be heightened. For example, consider the difference between using Oil of Olay (which has been shown to heighten one's self-concept of being gentle and mature, but also exotic and mysterious) and Jergens or Vaseline Intensive Care Lotion, which don't provide such benefits.

### *Self-Expressive Versus Emotional Benefits*

Sometimes there is a close relationship between emotional and self-expressive benefits. For example, there is only a subtle difference between feeling rugged when wearing Levi's jeans or expressing the strong, rugged side of yourself by wearing them. The differences between the two perspectives, however, can be important. Proving one's success by driving a Lincoln might be significant, whereas "feeling important" may be too mild an emotion to surface in a brand identity analysis or in its execution. Thus it is helpful to consider self-expressive benefits separately.

In general, in comparison to emotional benefits, self-expressive benefits focus on the following:

- Self rather than feelings
- Public settings and products (for instance, wine and cars) rather than private ones (such as books and TV shows)
- Aspiration and the future rather than memories of the past
- The permanent (something linked to the person's personality) rather than the transitory
- The act of using the product (wearing a cooking apron confirms oneself as a gourmet cook) rather than a consequence of using the product (feeling proud and satisfied because of the appearance of a well-appointed meal)

The self-expressive benefit of a brand—and its background in psychology and consumer behavior research—is discussed in detail in Chapter 5, where the self-expression model is developed. In that discussion, a distinction is drawn between actual self-concept (how people actually perceive themselves) and ideal self-concept (how people would like to be perceived).

## THE ROLE OF PRICE

A brand's price is also related to the benefits that the brand provides (see Figure 3–13). A price that is too high relative to the benefits will undercut the product or service's value proposition, as brands are not evaluated independent of price. A brand that is seen as overpriced by customers will not be rewarded even if there are clear and meaningful benefits.

Price, however, is a complex construct. While a higher price can reduce the value proposition, it can also signal higher quality. As part of brand identity, price can define the competitive set—such as whether the brand is upscale (BMW 700 or Nordstrom), middle market (Toyota Camry or Macy's), or downscale (Honda Civic or Kmart). Within a brand's competitive set, a high relative price signals a higher-quality or premium position, and a low relative price signals a lower-quality or value position.

The issue really is whether the value proposition is driven by benefits or by price. The goal of identity creation and management is usually to focus on benefits rather than price. If price is an important part of the identity, however, the challenge is to make sure that the benefits are anchored by elements other than price. One approach is to note explicitly that the brand, although comparable or superior to others in its set, has a lower price. (The Oldsmobile Aurora, for example, is as good as premium imports but is less expensive.) The price is then evaluated in the context of the competitive set.

## PROVIDING CREDIBILITY

A brand does not always need to drive the purchase decision; sometimes it plays an endorser role. For instance, Nike, Chevrolet, Kellogg's, and Sony play endorser roles for Nike Air Jordan, Chevrolet Lumina, Kellogg's Corn Flakes, and Sony Walkman. In each case, the endorser brand's primary role is to provide credibility for the subbrand rather than a value proposition. Chapter 4 will discuss the function of organizational attributes such as innovation and trust in providing credibility. In Chapter 8 the various brand roles, including endorser roles, will be presented.

## THE BOTTOM LINE: A BRAND-CUSTOMER RELATIONSHIP

A brand–customer relationship can be based upon a value proposition. For example, a customer may be loyal to Maytag because it delivers, at a fair price, the functional benefit of reliability and the emotional benefit of feeling secure and confident. Or the relationship may need to emanate directly from the brand identity, especially when the value proposition does not effectively capture the relationship. The Saturn brand–customer relationship (based on treating customers with respect and as a friend), for example, is not captured well by the car's functional, emotional, or self-expressive benefits.

Many brand–customer relationships emerge when the brand is considered as an organization or as a person, rather than as a product. For example, organizational associations (such as concern for consumers or for the environment) might translate into a respect or liking that forms the basis for a relationship. A likable personality such as that of the Pillsbury Doughboy also could underlie a relationship. Relationships between a brand and customers can be based on a host of positive feelings (such as admiration, friendship, having fun, and being a part of the same community) that cannot be accurately conceptualized in terms of value propositions. Chapters 4 and 5 will elaborate on these perspectives.

Sometimes the brand–customer connections can be strong. For example, consider Stew Leonard's high-energy, family dairy/grocery store in Connecticut. One of its customers had a Stew Leonard shopping bag placed in her casket. The relationship between the woman

and the store was such an important part of her life that she sought to continue it in death.

## WORKING WITH MULTIPLE BRAND IDENTITIES

In some cases, a brand identity is so persuasive and universal that it will work in all markets. For example, British Airways expects its “World’s Favorite Airline” tag line to work throughout the world. Coca-Cola also has long used a core identity across segments and countries. To the extent that an identity can be common across markets, economies of scale will result, and inconsistencies (which can be costly and even debilitating) can be avoided. In most cases, however, a brand identity will need to be adapted to different market or product contexts.

For example, Hewlett-Packard needs to adapt the identity of the HP name to fit diverse markets, including engineers who buy test equipment and workstations, business professionals who buy mini-computers and laser printers, and consumers who buy the Omnibook subnotebook computer. The Levi’s identity needs to be adapted to Europe and Japan (where it is seen as “them” rather than “us,” and upscale rather than utilitarian). Nike needs to refine its identity to distinguish between the sports and fitness sides of its business.

Courtyard by Marriott draws on the core identity of the Marriott name for associations of consistency, dependability, and friendliness. For business travelers, the Courtyard brand adds identity elements drawn from the slogan “Designed by business travelers for business travelers.” For the leisure traveler, Courtyard offers a set of associations around a value theme. For both segments, the Courtyard name defines a set of hotel attributes that help manage expectations.

When multiple identities are needed, the goal should be to have a common set of associations (as suggested by Figure 3–14), some of which will be in the core identity. The identity for each market would then be embellished, but in a way that is consistent with the common identity elements. Thus Levi Strauss might develop a core urban-hip user imagery that plays in most countries. In the United States, though, the gold-miner heritage and rugged brand personality would be more prominent, whereas in Europe the brand personality would be more upscale and less blue-collar.

The non-overlapping associations should avoid being inconsistent. One approach that ensures consistency is to have the same identity, but emphasize different elements in each market: In one market a

brand personality will be in the forefront, while in another the product attributes will be more prominent. When there are real differences, the goal should be to make them as consistent as possible without undercutting their impact and effectiveness.

## TOWARD UNDERSTANDING BRAND IDENTITY

The understanding and management of brand identity are keys to building strong brands and thus creating brand equity. This chapter has presented an overview of brand identity—in other words, what a brand stands for. A brand identity potentially consists of twelve elements organized around four perspectives: the brand-as-product, brand-as-organization, brand-as-person, and brand-as-symbol. The identity structure includes a core and extended identity and a system of cohesive, meaningful groupings of the identity elements.

The brand identity concept will be elaborated in the next two chapters. Chapter 4 will cover organizational attributes and their role in providing credibility as well as a value proposition; Chapter 5 will discuss brand personality. In Chapter 6, the balance of Figure 3–1 will be presented: the brand position, the execution or the communication program, the tracking of the results, and the strategic brand analysis that in practice starts the process.

### QUESTIONS TO CONSIDER

1. Consider your key brands from the perspective of a product, an organization, and a person. From each perspective, which elements could be used as part of the brand identity? Consider each

of the twelve brand identity dimensions: product scope, product attributes, quality/value, uses, users, country of origin, organizational attributes, local versus global, brand personality, brand–customer relationships, visual imagery/metaphors, and brand heritage.

2. For each brand, what is the brand identity? Identify the core identity and extended identity. What are the groupings of identity elements? What patterns are found? How are the groups linked to the brand and to each other?
3. For each brand, what are the key functional benefits? What are the emotional benefits? Self-expressive benefits? Relationships with customers?