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Abstract

The start-up scene, both around the world and in Vietnam, is now growing stronger than ever. As the barriers to entry goes down, competition for all businesses in general, and startups in particular is increasing, and the need to differentiate become more important. One of the solutions for differentiation has always been brand building and development. Although in the past, branding and marketing activities are often neglected by start-up founders, particularly those in the tech industry, in recent years many startups have started to look at branding seriously. In fact, there are many benefits that branding activities can bring to startups, such as attracting customers through differentiation and building customer loyalty through communicating brand values. A quick glance at the more successful startups in recent years e.g. Kickstarter and Flipboard reveals how effective branding can contribute greatly to commercial success. In this paper, the necessity (or lack thereof) of brand building in startups will be discussed, and a guideline for brand building in start-up companies is developed.

Chapter 1: Introduction

1.1. Problem Statement

Some brands are instantly recognizable. Toyota. Apple. Louis Vuitton. Coca-Cola. KFC. Starbucks. When a person hears the name Toyota, they do not just think of a car, but words such as “economy”, “durability” and “good value” come to mind. When a person hears of “Louis Vuitton” or “Gucci”, they do not just think of shirts, dresses or pants, but of “fashion”, “trendy” and “luxury”. In the last few years, the world have reached a point when a person hearing the name “Apple” would not think first of a fruit, but of a line of products that is “modern”, “sleek” or even “best in business”. The list does go on, but some questions arise: What do these names have in common? Is it only the quality of the products that has propelled these names to worldwide popularity? A common belief held by many corporations today is that in an increasingly competitive business environment, having a brand image that “stand out” is the key to success.

However, not every company can afford the multi-million dollar promotion campaigns run by international conglomerates such as the brands mentioned above. The case is particular true for SME startups, who often need to be highly sale-oriented in order to survive, and therefore would focus more on product and price (Carson, 1995) rather than image building activities (Krake, 2005). In fact, in later sections of this paper it would be demonstrated how start-up owners might even be reluctant to invest in marketing activities in general, and brand management activities in particular.

In Vietnam, the relative ease of setting up a new company in recent years have led to a strong increase in the number of SME startups (there were 65,000 new startups in 2012 alone – data by the Ministry of Planning and Investment), especially in the 2 main commercial centers: Hanoi and Ho Chi Minh City. At the same time, the number of companies that went bankrupt remains high at 55,000. This is particularly apparent in

the food and beverages industry, with new restaurants, coffee shops and bars that seem to go in and out of business on a monthly basis. In this kind of business environment, differentiating one's products or services has become more difficult yet more important than ever.

This paper first discusses the various existing branding philosophy through a review of literature. After that, the paper discusses the necessity of brand building and development in startups; and try to develop a guideline for strategic brand building in startups. Finally, the paper applies that guideline to the specific case study of Qua Ha Noi Xua, a start-up Hanoian snack food restaurant located on Pham Hong Thai Street..

1.2. Purpose and significance of the study

There are two purposes to this study: one theoretical and one practical. Theoretically, the study aims to prove the necessity of having a branding strategy, even in cost-conscious startups; and try to establish a general guideline for strategic brand building in startups. Practically, the study aims to apply that discussion/guideline to developing a unified branding strategy for Qua Ha Noi Xua.

Relating to the significance of the study, a question arises: Is there a real need for a separate guideline to brand building and development in startups? Although there are ample resources to be found on corporate branding, it is the author's view that these strategic models and guidelines, being designed with multination corporations in mind, can sometimes be too complicated or too resource-consuming for cost-conscious startups to apply. Therefore, it is the author's aim to propose a simple and easily applicable model that can help startups define a brand strategy and build an identity at a low cost. Due to the limited scope of the paper, the author does not propose an original model, but instead seek to adapt existing brand building models for use in startups.

1.3. Research questions

The paper answers 3 main research questions:

- **First**, is it necessary and practical for startups to invest in brand building and management?
- **Second**, is there a general guideline from which a startup can develop their branding strategy, especially in Vietnam's business environment?
- **Third**, how would the established guideline be applicable to the case of Qua Ha Noi Xua?

1.4. Limitations & Delimitations

Although brand management is a well-tread ground of academic research, most of the existing papers discuss branding and brand management in the corporation environment (usually multi-nationals corporations who need to present a unified image in various markets). Academic research of the matter in startups is almost non-existent, however there are several literature on brand management in SMEs, which would be used as a basis in this paper.

A second limitation of this research is the lack of financial data in most startups, especially in Vietnam, making any quantitative analysis difficult to implement. Moreover, the author is concern about the possibility of collecting measurable results that can be gained from the case study due to the lack of a Performance Assessment Framework.

Chapter 2: Review of Literature

2.1. Definitions of the brand, brand equity, brand building and brand management

2.1.1. The brand

During the last few decades, the concerns of branding literature have experienced a dramatic shift. Traditionally, the brand is defined as simply “the name, associated with one or more items in the product line, that is used to identify the source of character of the item(s)” (Kotler 2000, p.396), or “(a brand is) a name, term, sign, symbol, or design, or a combination of them, intended to identify the goods and services of (sellers)” (AMA). These definitions, while being correct in defining the basic function of the brand, describe the brand as no more than a product identifier. In very much the same way, the traditional branding model consists of a brand management team who were responsible for creating and coordinating the brand’s management program (Aaker and Joachimsthaler, 2000). The drawback of this model was that the brand manager (who was often not high in the company’s hierarchy), would focus only on the short-term financial results of single “brands” or products in the market. Overall, the model itself was reactive, rather than strategic and visionary. (Aaker and Joachimsthaler, 2000).

Keller (2003a) argued that “technically speaking, then, whenever a marketer creates a new name, logo or symbol for a new product, he or she has created a brand”. Keller recognized, then, that the brands today must be much more than just a product’s identifier. In other words, our definition of the brand must change to accommodate this understanding. Kapferer (1997) proposed the modern definition of the brand, which now serves 8 distinct functions as shown in Table 1. He argued that “the value of the brand comes from its ability to gain an exclusive, positive and prominent meaning in the minds

of a large number of consumers”. Therefore, branding and brand building should focus on developing brand values.

Function	Consumer benefit
Identification	To be clearly seen, to make sense of the offer, to quickly identify the sought-after products.
Practicality	To allow savings of time and energy through identical repurchasing and loyalty
Guarantee	To be sure of finding the same quality no matter where or when you buy the product or service.
Optimization	To be sure of buying the best product in its category, the best performer for a particular purpose.
Characterization	To have confirmation of your self-image or the image that you present to others
Continuity	Satisfaction brought about through familiarity and intimacy with the brand that you have been consuming for years.
Hedonistic	Satisfaction linked to the attractiveness of the brand, to its logo, to its communication.
Ethical	Satisfaction linked to the responsible behavior of the brand in its relationship towards society

Table 2-1 The Functions of the Brand for the Consumer

2.1.2. Brand equity

The American Marketing Association (AMA) defines brand equity as the value of a brand. Aaker (1991) argued that the most important asset of a company is its intangible assets i.e. its name, brand, symbols and slogans. From a consumer perspective, brand equity is based on consumer attitudes about positive brand attributes and favorable consequences of brand use.

2.1.3. Brand building

Building brands allows companies to grow their business, make them even more profitable and create an intangible asset (Kapferer, 2007). Aaker (1991) lists four dimensions that help create a strong brand: Awareness, Associations, Perceived quality and Brand loyalty. Aaker also argued that “companies who have built strong brands have an alternative to competing on price and specifications”.

How, then, does a company build the basic brand values that would help it gain a competitive edge? Keller (2007) suggested the Customer-Based Brand Equity (or CBBE) model that would act as a branding ladder, or building block, for a firm’s branding program. Below is the diagram of the CBBE model:

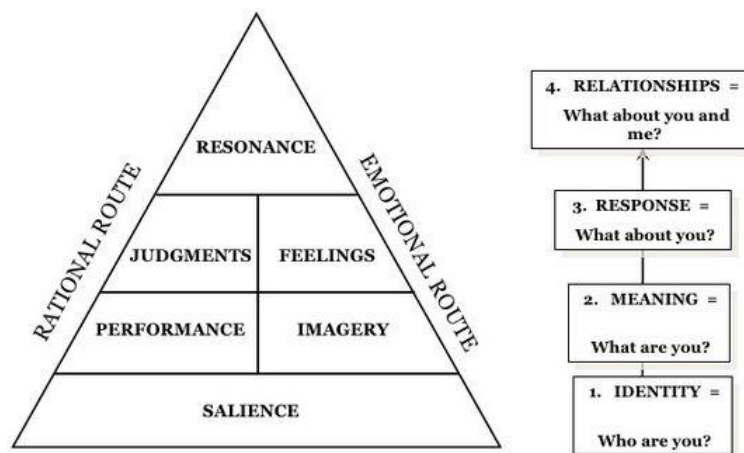


Figure 2-1 Customer-Based Brand Equity Pyramid

(From Strategic Brand Management 3e, Kevin L. Keller)

The CBBE model approaches brand equity from the perspective of the customer, providing a unique point of view as to what brand equity is and how it should best be built, measured and managed. The power of a brand lies in what customers have learned, felt, seen and heard about the brand as a result of their experiences over time. The challenge for marketers and brand managers, then, is to ensure that the customers will have the right type of experience with their product or service. An example of a successful brand, the Toyota Prius, shows how this concept is actualize:

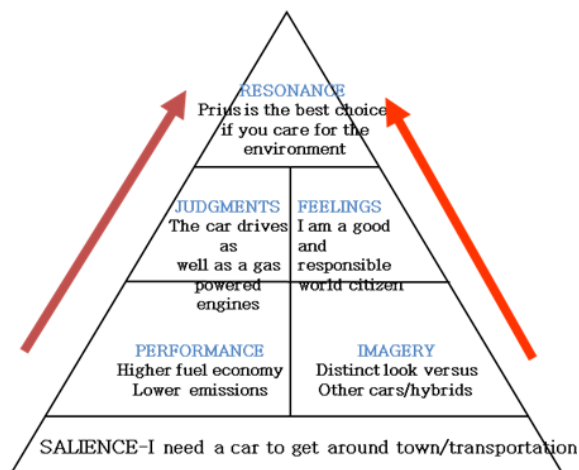


Figure 2-2 Toyota Prius' Customer-Based Brand Equity Pyramid

(From Management and Strategy, 2007)

2.1.4. Brand management

Keller (2003) defined brand management as “the implementation of a brand strategy, and the management of the brand as not a once off exercise, but a daily recurring aspect of its marketing policy”. It is generally agreed that brand management lies with the director or owner of the company.

Companies can manage their brands by implementing effective marketing strategies that focus on building sustainable advantages over the competition (Kapferer, 1997),

Marketing strategies, on their own, are focused on two main factors: differentiation and value added. (Abraham, 2005)

2.2. The Brand Identity

In order to achieve the desired image and values for a brand in the minds of the customers, a company can build what is call the brand identity. The brand identity is a set of elements that is both tangible and appealing to the senses, taking disparate elements and unifies them into whole systems. (Wheeler, 2009 Designing brand identity). Because the brand identity is assembled by the brand owner, it reflects how the company *wants* the consumers to perceive the brand – and by extension the company, products or services. This is in contrast to the aforementioned *brand image*, which is a customer's mental picture of a brand. An important element of the brand identity is the brand name. Effective brand names build a connection between the brand personalities as they are perceived by the target audience and the actual product/service. The brand name should be conceptually on target with the product/service (what the company stands for). Furthermore, the brand name should be on target with the brand demographic. Typically, sustainable brand names are easy to remember, transcend trends and have positive connotations. Brand identity is fundamental to consumer recognition and symbolizes the brand's differentiation from competitors.

While models such as the CBBE pyramid provide a general strategic guideline for companies, they do not concern with the implementation of these strategies. Regarding this issue, the “Universal Brand Identity Process” (Wheeler, 2009) provide a conceptual basis on which the brand identity can be established:

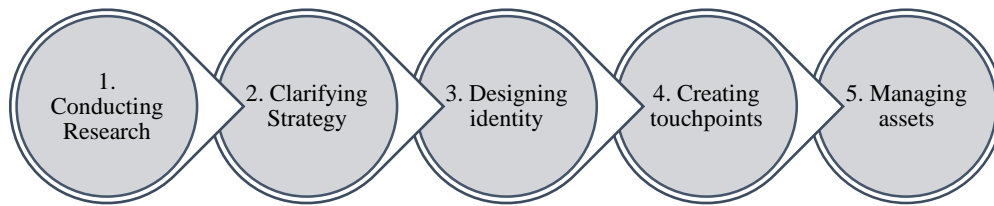


Figure 2-3 Universal Brand Identity Process

(Adapted from Wheeler, 2009)

Although the Universal Brand Identity Process looks deceptively simple, it carries many implications that are of strategic importance to all companies looking to establish the desired image. This model is discussed in details in another section of this paper.

2.3. Branding strategy

The brand manager’s jobs are not done after a brand identity has been created. In order to ensure brand growth, companies need to build a brand strategy in order to maintain customer trust and loyalty, and to ensure that the brand remains easy to identify and consistent in quality (North, Kotze, Stark and de Vos, 2003). Wong and Merrilees (2005) pointed out four key components to brand strategy: brand orientation, brand barriers, brand distinctiveness and brand marketing performance.

Brand orientation: Brand orientation is “an approach in which the process of the organization revolve around the creation, development, and protection of brand identity in an ongoing interaction with target customers with the aim of achieving lasting

competitive advantages in the form of brands” (Urde, 1999). Wong and Merrilees (2005) note that the brand orientation is a choice of strategy which can determine a firm’s competitive edge, ensuring future survival in the long term.

Brand barriers: The brand can be used as a means of differentiation, and so corporations invest significant amounts of money to build up brand equity. This kind of expense is seen as a huge barrier for smaller companies as they seek to create similar brands from scratch (Kotler and Keller, 2005).

Brand distinctiveness: Brand distinctiveness offers firms a competitive marketing advantage as firms position their goods or services in a unique manner, which distinguishes them from their competitors (Carvalho, 2007).

Brand marketing performance: There are various means of evaluating the performance of a brand i.e. based on financial value (Feldwick, 1996), or on equity (Aaker, 1995), or through the brand report card (Keller, 2000), or on the brand building process (Chernatony, 2001). However, Wong and Merrilees argued that a combination of various evaluation methods enhances the possibility of a true picture of the performance of a brand.

2.4. Brand building from a financial perspective – The value of a strong brand

As indicated in the sections above, both academic research during recent years and the majority of business people today generally acknowledge the importance of building a strong brand, and that developing a brand identity should be taken as part of the long-term strategy. However, organizations are often under tremendous pressure from stakeholders to focus on current financial results, and because of this, the challenge has been to measure the financial benefits of branding from both short and long term perspectives.

According to David Aaker (Building Strong Brands, 1995), there are a number of financial benefits to building a strong brand. These benefits can be measured, and they are interdependent and build on each other.

The AVS Group listed 6 direct financial benefits (derived from Aaker's) of having a strong brand identity:

Benefit 1: Brand identity commands a price-premium. Why is someone willing to pay thousands of dollars more for a Lexus than for a Toyota? They are virtually the same product with the exception of some additional options and accessories.

The value proposition is wrapped around the brand. The Lexus, Jaguar, Volvo, and Range Rover brands are worth more in the minds of consumers regardless of whether the product actually functions better.

Benefit 2: A price premium creates the perception of quality. This follows the age-old axiom of "you get what you pay for." If a Lexus costs more than a comparable product, it must be because the Lexus provides better quality. Right? Not necessarily. There are plenty of lower-cost, high-quality vehicles available, yet people still pay more for what they perceive to be a better or higher-quality brand. So the axiom lives on.

Benefit 3: Perceived quality has been shown to positively affect customer usage. Consumers tend to select brands they perceive to be quality brands. This also connects to repeat buying or brand loyalty. Consumers tend to continue buying brands that reward them with a good experience versus repeating the evaluation process time after time.

Benefit 4: According to Dr. Aaker's research, perceived quality is the single most-important contributor to a company's return on investment (ROI), having more impact than market share, R&D, or marketing expenditures. Brand identity perceives quality

that contributes to profitability, in part by enhancing prices and market share. Improve perceived quality and the organization's ROI will improve.

Benefit 5: Customers relate value with quality. This is closely connected to Benefit 1. If one brand is perceived to be of higher quality than another brand, customers tend to perceive that the higher-quality brand is a better value.

Benefit 6: Perceived quality can be a point of differentiation. Smart companies are continually looking for ways to differentiate their brand's identity from competing offers. Perceived quality can be used to differentiate, and in doing so, enable the company to loop back to Benefit 1 and charge a price premium for their strong brand.

(Adapted from

<http://www.avsgroup.com/Resources/Articles/FinancialBenefitsofBrandIdentity.aspx>)

Chapter 3: Methodology

Because of the limited literature on brand building and development in startups, the author wants to explore how startups understand and use brands in their business. Because of this exploratory focus and the lack of statistic and financial data of startups, the author chooses the qualitative approach based on **related literature review**, **in-depth personal interviews** and **case study method**. This methodology allows the author to explore wholly and gain insight into the branding situation and issues of startups. It is also in line with a number of branding studies, such as Wong and Merrilees, 2005 and de Chernatony and Riley, 1998.

In order to answer the first research question “Is brand building and development necessary for startups?” the author reviews recent literature and expert opinions on the matter, then conducts thorough personal interviews with branding experts to discover the answer. The author also looks at the success stories of **famous international startups** to discover how these companies utilize their brands. An overview of the startups used in this section is presented below.

Company name	Website	Business type	Time in business	No. of Employee
Kickstarter	<i>kickstarter.com</i>	Crowd-funding	5 years	50 to 100
Getaround	<i>getaround.com</i>	Peer-to-peer Carsharing	1 year	10 to 50
Storenvy	<i>storenvy.com</i>	Social e-marketplace	6 years	Less than 10

Flipboard	<i>flipboard.com</i>	Social-network aggregation application	2.5 year	50 to 100
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Table 3-1 Case studies - International Startups

For the second question “Is there a general guideline for brand building and development in startups”, the author proposes using a simple model adapted from Wong and Merrilees’ Brand Orientation Archetypes for SMEs as a general guideline, then uses case studies of **Vietnamese startups** to show the model in action. Information of the case studied was gathered using both direct and indirect means. An overview of the startups used as case studies used in this section is presented below:

Company name	Website	Business type	Time in business	No. of Employee
HATCH!	<i>hatch.vn</i>	Entrepreneurial Support	5 months	Less than 10
Ig9	<i>ig9.vn</i>	Crowd-funding	1 month	Less than 10
Keewi	<i>keewi.me</i>	Event Management	1 year	10 to 20
VYE	<i>vye.vn</i>	Entrepreneurial Support	1 year	10 to 20
Muafast	<i>muafast.com</i>	Online shopping	6 months	20 to 50
Foody.vn	<i>foody.vn</i>	Restaurant guide	1 year	20 to 50
Mintown	<i>mintown.vn</i>	Handmade goods	2 year	Less than 10

Table 3-2 Case studies – Vietnamese Startups

Chapter 4: Answering the Research Questions

4.1. The necessity of Brand building and development in Startups.

4.2.1. Deductive arguments

Many start-up founders, particularly those in the tech industry, discount the importance of brand in startups. It's difficult, especially for new founders who have to face myriad of priorities each day, to think about brand in a way that make sense for startups. Many modern startups today operate following both the Lean Startup philosophy (i.e. doing things and making incremental changes as necessary) and the just-in-time attitude of only doing something when it's absolutely necessary. The problem with this approach is that it is short-term focused, and sometimes when a problem is realized (e.g. the company lacks purpose, some people are destructive to the working environment, etc.), it may have been too late to reconcile. Branding, on the other hand, help the company in the long run by creating a strong foundation for the future.

Another reason for which startups should focus more on branding is the decreasing technological barrier. As barriers to entry continue to fall driven by cloud technologies, competitions among startups will increase and the startups that reach their target customer bases with the best messaging and building the most effective brands will win. (Tunguz, 2013)

Raisanen of Fast Co.Design described three main reasons why startups should invest in brand building and management:

- **Startups can use the brand to define who they are.** Most entrepreneurs have a clear idea in their head what they are aiming to accomplish. However, when asked what their company does, most entrepreneurs will respond with a confused garble of abstractions, conceptual solutions, and tech jargon. An understanding of the basic

principles of branding will help start-up founders refined their language to achieve brevity and clarity while communicating the brand.

- **Startups can use brand to differentiate.** While this may sound obvious, many new companies keel falling into the trap of telling everyone how fantastic they are, and how great their technology is. Instead, what other people want to hear is why your product is better than the other ones.
- **Startups can use a visual identity to communicate brand values.** Elements of the identity such as logo, website, fonts and colors, when applied correctly will instantly emit the values that the company want to communicate e.g. trust, innovation, luxury, etc.

Although the initial brand barriers for startups maybe high, in truth startups also have a tremendous advantage in brand building because they have the ability to build and leverage early stage brand DNA, enabling them to define their own niche and cut through the competitive clutter. (The Guardian, 2012) Building and cultivating core brand values from the beginning will help startups quickly capture a loyal customer base and provide a certain amount of “gravitas”.

The impacts of the brand, when view from an internal standpoint, are no less significant; as brand values can have major influence on the internal workings and structures of a business. As startups grow, the threat of losing their initial core values can begin to surface. It’s easy for brand values to become diluted, and it is therefore crucial to create an internal culture that reflects the brand positioning and can grow the equity of the brand (The Guardian, 2012).

4.2.2. Success stories

Before discussing about developing a guideline for startups, the paper looks at successful international startups today and how they build and utilize their brands. Four U.S.-based startups are considered: Kickstarter, Getaround, Storenvy and Flipboard.

Kickstarter (U.S.)

Kickstarter's branding strategies revolve around using novel, highly visible and creative projects to promote the brand. As the most famous crowd-funding platform in the world, Kickstarter can attract and host creative and high-profile business ideas from entrepreneurs around the world. Because the name Kickstarter is attached to every project it hosts, the more attention a project gained, the more publicity Kickstarter enjoys. The company logo and name reflect clearly what the company does – kick-starting potential businesses. The company even provide the “style guide” – a brand guideline for media and Kickstarter's partners to use the Kickstarter Brand properly.

Storenvy (U.S.)

Storenvy is a social e-commerce platform that allow sellers to open fully customizable and feature-rich online stores for free while at the same time create one big marketplace where shoppers can interact with sellers and each other. Storenvy's branding strategies focus on simplicity with a consistent brand identity including: a simple and creative logo, minimalist website's interface that features a product grid and roll-over categories. Storenvy is designed based on customers' needs (both sellers and buyers) therefore it's friendly and easy for small-business owners to use. The integration with Facebook also support store owners to easily manage their shop and keep in touch with customers. All of those features support Storenvy's vision of becoming an ultimate place for “creative indie businesses”.

Getaround (U.S.)

Getaround is not the first company to provide peer-to-peer car sharing services; however by offering a trustworthy car sharing community as well as an easy system to connect car owners and renters, they are becoming one of the most high profile peer-to-peer car sharing services. Their brand strategies also play an important role on helping Getaround achieve this position. The brand name reflects the company business. The website's interface is simple, coherent and attractive. The tone of voice using is positive, reliable and friendly. The company's color (blue green) is the color of trust and responsibility therefore is consistent with company's spirit. All of those factors reflect the nature of Getaround services which are convenient and reliable.

Flipboard (U.S.)

Flipboard has been one of the best and most popular mobile and tablet applications in recent years, with good reasons. The company provides a unified, integrated news reading service to users that can be personalize in almost infinite ways. Users of Flipboard can enjoy a brand that is simple and elegant but instantly recognizable. Both the name and the logo provide a clear idea of the company business. Flipboard also promote its brand by providing special news topics curated by Flipboard staff from news channels around the globe, creating a brand image consists of words such as "useful", "convenient" and "knowledgable".

4.2. A general guideline for brand building and development in Startups

Although there have been various articles on the subject of creating brands in startups, so far there haven't been a systematic guideline for brand building and development in this type of organization. After reviewing literature on this matter, the author proposes a two-phase process that would help startups to correctly identify their branding strategy,

and build a brand identity that correctly reflects their company values. The two phases are:

- Phase 1: Identifying the brand strategy (Strategic Phase)
- Phase 2: Building the brand identity (Implementation Phase)

But first, the logic behind the choice and adaptations made to the brand building models presented in the next section is explained below.

4.2.1. Basis of the guideline: Principles of Branding in startups.

In order to identify the correct models that can be applied and adapted to develop a brand strategy and brand identity for startups, main principles of branding in startups (as opposed to branding in corporations in general) need to be established. These principles (*adapted from Guery, 2009 <http://www.slideshare.net/safster/ibm-presentation-exit09>*) are identified as:

- **At the beginning, the brand personality and the startup personality are one.**
The belief and values of the startup founder will usually shape its employees, investment opportunities and overall perception of the company. This is different from a large corporation where task force needs to be organized to discover and gain internal consensus on company values.
- **Messaging and positioning should be at the core of everything the startup does.**
Many startups have great products or services but fail to articulate their key target audiences. Messaging and positioning should be communicated **internally** to employees and **externally** to investors, the media, partners and other key stakeholders.
- **Understand the needs of customers and elicit their feedback.** Startups are often founded when the founders identified an unknown or unmet customer needs. It is

important for startups to clearly communicate that understanding and utilize customer feedback from the beginning to gain market traction.

- **Manage the brand like a flagship product.** Usually, marketers are hired relatively late in the start-up recruiting cycle (after business picks up). Moreover, many startups are technology driven, however the majority of users have no interest in technology. Having someone whose key responsibility is managing the brand identity is key to success.

With these principles in mind, the guideline to brand building and development in startups is presented in the following sections of this paper.

4.2.2. Phase 1. The brand strategy

4.2.2.1. *Brand strategy in SMEs and its relation to startups*

Despite the long list of brand building and management aspects that are presented in the literature, one topic remain largely untouched: brand building and development in startups. However, there are existing literature that discusses a similar issue: brand building and its relative importance in small and medium enterprises (SMEs). The author suggests that **these literature can be used as a basis for creating a general guideline for brand building and management in startups.** It is not lightly that the author make this comparison between the two types of company. Besides from size, some of the brand-related features that are often shared by startups and SMEs include:

- **First** is the “survival mentality”: or, in other words, the needs to put sales before the brands. Since both SMEs and startups often face limited budget, they may have the mindset that resources should be put into attracting new customers and driving sales, instead of making new names and logos. That, combined with the significantly high cost that goes with a brand building/ rebranding project, often prohibit or postpone any real efforts at brand building in startups and SMEs alike.

- **Second** is the lack of know-how: Startups and SMEs are usually lean in structure, with only enough employees to handle the day-to-day operations. While we can find in large corporations dedicated brand management teams that create and manage their establish identities, in SMEs and startups this is rarer. As a result, branding efforts in these types of companies often require the help of branding agency, which is both expensive and time-consuming.
- **Third** is extensive use of digital means: Because of the small budget, there are limited solutions available for both SMEs and startups to use in brand management, as well as marketing in general. The most useful (and widely used) tools in these companies are often digital-based, with most modern startups used online solutions as part of their operations.
- **Fourth** is brand management through non-traditional channels: Even when SMEs and startups companies possess an adequately established brand identity, brand management poses a considerable problems. In order to promote the brand, companies need to invest in marketing and advertising. However, traditional marketing channels (i.e. magazines, TV, newspapers, billboards, etc.) can incur tremendous costs; and that's why SMEs and startups usually look for non-traditional channels, such as word-of-mouth and social media.

Wong and Merrilees (2005) proposed a simple model of branding strategy in SMEs, based on the four key components discussed in the “**Brand strategy**” section of this paper. This model identified three branding “archetypes”: the Minimalist brand orientation, the Embryonic brand orientation, and Integrated brand orientation. A short description of the archetypes can be found below Figure 4.

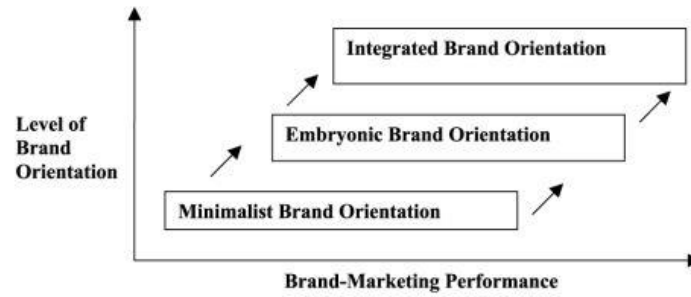


Figure 4-1 The 3 brand orientation archetypes
(Source: Wong and Merrilees, 2005)

The three archetypes are described in details in Table 3 below:

<i>Archetypes</i>	Brand orientation	Brand distinctiveness	Branding vision	Brand barrier
<i>Minimalist Brand Orientation</i>	Low level of brand orientation	Limited brand distinctiveness.	Survival oriented, no branding vision	High brand barrier
<i>Embryonic Brand Orientation</i>	Greater awareness of competitive advantage and competitive positioning, however still limited	Limited, mostly implicit	Mostly short-term focused, limited long-term branding vision	Medium brand barrier
<i>Integrated Brand Orientation</i>	The brand is a more important and active part of	Good understanding of the competitive	Long-term branding vision	Low brand barrier

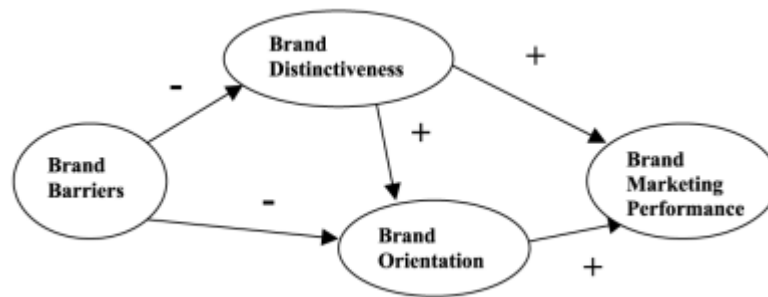
	the marketing strategy. Branding has a greater role in the marketing mix.	advantage of the firm and overall distinctiveness compared to competitors		
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Table 4-3 Summary of the three archetypes

(Adapted from Wong & Merrilees, 2005)

According to this model, if minimalist brand orientation firms can progress to embryonic brand orientation, its brand-marketing performance will improve. In the same way, embryonic brand-oriented firms can improve brand-marketing performance if they advance to an integrated orientation level. Therefore, Figure 4 can be a tool to the successfulness of brand-marketing performance.

Wong and Merrilees also proposed a broader brand strategy model, which describes the 3-stage process to improving brand-marketing performance. At the beginning (the first stage), brand barrier is a challenge for SMEs to invest in building the distinctiveness of the brand. The next stage of the model shows that brand barrier and brand distinctiveness act as antecedents of brand orientation. The distinctiveness provided to customers is instilled in the brand and branding becomes the primary force for the business. The final stage of the model posits that brand orientation and brand distinctiveness act as antecedents to brand-marketing performance. This model is shown graphically in Figure 5 below.



*Figure 4-2 Brand-driven approach to brand marketing strategy
(From Wong & Merrilees, 2005)*

How, then, is the models above related to brand strategy in startups?

- **Firstly**, because the four components proposed by Wong and Merrilees are not exclusively applicable to SMEs, but are general elements of the brand strategy, it can be argued that these four components can be used for startups as well.
- **Secondly**, because most start-up founders are not marketing or branding expert but an expert in their own field e.g. IT or engineering, many startups were established without proper understanding of their branding and marketing in general (Mark Evans Tech, 2013). As the startup grows, its focus gradually changes from survival to creating a strong position for itself in the market. With that focus in mind, branding becomes an important tool for the startup, and receive more attention as well as investment. In that case, we can say that the startup has grew from a Minimalist Brand Orientation company to an Embryonic Brand Orientation. Reasoning along similar lines, the author suggests that most startups can also be categorized into the Minimalist, Embryonic and Integrated Brand Orientation archetypes. Some case studies of startups in Vietnam and their level of brand orientation are shown below. It must be noted that in the same way as SMEs, while startups could grow from one level of brand orientation to the next, some startups can start at the Embryonic or even Integrated Brand Orientation level.

4.2.2.2. *Brand strategy in Startups*

Based on Wong and Merrilees' model, the author suggest a simple model for categorizing startups based on their level of Brand Orientation. The model is based on three main criteria:

- **Scope of marketing and branding activities:**
 - What kinds of marketing activities are there, if they exist at all?
 - Does the company have a marketing strategy?
 - What kinds of promotional tools are utilized?
 - Is there a concerted effort to use the company brand?
 - Is marketing and branding a formal or informal activities?
 - Are marketing and branding considered crucial to the company's operations?
- **Level of brand distinctiveness**
 - How many distinct branding elements does the company have?
 - Is there a brand guideline? Is there concerted effort to follow the brand guideline?
 - Does the company know its distinctive features and try to communicate these features in its marketing activities?
 - Does the company invest in developing its brand distinctiveness?
- **Level of brand-marketing performance**
 - Is the impact of branding activities measured, and if so based on which criteria?
 - What is the level of brand awareness?
 - Is the brand identity a representation of the company values and distinctiveness?

The three Brand Orientation Archetypes are then categorized as

	Scope of Marketing and	Brand Distinctiveness	Brand-marketing performance

	Branding Activities		
Minimalist Brand Orientation Startup	<p>Few marketing activities, mostly based on informal channels.</p> <p>Marketing are considered costs rather than important part of operations</p> <p>No awareness of branding and its effects</p>	<p>The only brand identity components include company name and logo.</p> <p>There is no brand guideline.</p> <p>The company may know its distinctive strengths but cannot translate it to a brand identity.</p>	<p>The impact of marketing is not measured</p> <p>Level of brand awareness is low</p> <p>The brand identity doesn't represent company values.</p>
Embryonic Brand Orientation Startup	<p>More marketing activities, some are formal. There is a simple marketing strategy.</p> <p>There is effort to put the company brand "out there", however the brand</p>	<p>There is clearer brand identity with logo, name, color, typography, etc.</p> <p>There isn't a formal brand guideline but simple rules to follow</p>	<p>The impact of marketing is measured through financial means, the impact of branding is not measured</p>

	is not yet consistent.	The distinctiveness is somewhat represented by the brand identity.	Low to medium level of brand awareness The brand identity represent company values in some case.
Integrated Brand Orientation Startup	Marketing activities are a crucial part of all operations, both formal and informal. Many tools are utilized. The company brand is used consistently in every activities.	The brand identity is comprehensive, clear and distinct. There is a strict brand guideline that is followed at all time. The company invest resources into building brand distinctiveness	The impact of marketing and brand is measured through many metrics: financial, awareness, loyalty, etc. High level of brand awareness The brand identity correctly represent company values

Table 4-4 Levels of Start-up Brand Orientation

According to this methodology, the **15 start-up case studies** described in **Section 3** could be classified based on their level of brand orientation as followed.

a. Minimalist Startups

Keewi (Vietnam)

Keewi is a start-up service that aim to provide centralized event management tools. The company also provide a mobile applications to help people easily find and connect with each other when participating in any events. Although the “Keewi” name is gaining some awareness due to its participation in events such as Startup Weekend, the brand identity is not distinct or memorable in any way with its generic color theme, inconsistent typography and design choice, and mixed personality. The name “Keewi” has an obscured origin, and doesn’t say anything about what the company does. There is no branding activities even on the homepage, with only an outdated blog and a short and undescriptive “About Us” section.

Younet (Vietnam)

Younet is one of the older and more successful startups in Vietnam. The company aims to provide Social Network and Social Media solutions for company both in and outside Vietnam. However, branding-wise the company is still in its minimalist stage. The brand identity is generic, and it doesn’t show any personality nor values of the company. The company makes up for its lack of branding activities with a long list of famed clients and work history.

b. Embryonic Startups

VYE (Vietnam)

VYE is the first entrepreneurship movement in Vietnam that is by students and for students. VYE’s mission is described as “to inspire and empower passionate Vietnamese youths to create successful entrepreneurial endeavors”. To that end, VYE organizes both

start-up events and student events that has attracted some mainstream media attention. Branding-wise, VYE has a distinct name and logo that show both what the company does, as well as its mission. However, there is no consistent color theme or brand personality, and VYE relies more on the community more than the brand for its marketing activities.

Foody.vn (Vietnam)

Foody.vn is advertised as a social network for finding and reviewing restaurants, coffee shops, bars, resorts, etc. in Vietnam. From its founding in 2012, the company has grown quite large, with a database of more than 30,000 locations and thousands of contributing members. The service is provided both on the website and a mobile app, which have similar brand design. The name “Foody” is easily memorized and shows what the service is about, and there is an effort to use a consistent color theme of red-white-yellow. There is no visible effort to advertise the foody.vn brand rather than word-of-mouth.

Muafast (Vietnam)

Functionally speaking, Muafast is one of the many online shopping service in Vietnam. However, Muafast tries to differentiate itself by promising to provide convenient, fast online shopping anywhere in Vietnam due to superior logistics and inventory management. The Muafast name reveals the company’s philosophy, and there is effort to utilize the red/black color theme, however the company logo is inconsistent even on the website homepage. The company’s effort to use social media to build a strong customer base has been successful, and there is high awareness of the brand among online shoppers.

Mintown (Vietnam)

Mintown is a project that has garnered much attention from the media in the past few months. Advertised as a “community for people who love hand-made goods”, Mintown is best known for its “Creative World” event and its participation in the Kawai start-up contest, in which the startup won a minor prize. The Mintown brand deliver a consistent image with its minimal logo, name and orange color theme, and there is visible effort to market the brand at events and on media (especially on social media sites i.e. Facebook and Twitter).

c. Integrated Startups

Ig9 (Vietnam)

As the first crowd-funding platform in Vietnam, Ig9 received much attention from both the media and the start-up community worldwide. The name Ig9 is a cheeky version of the English word “Ignite”, and as the name, the Ig9 brand has a minimal, clean look with distinct color theme and personality. The name, logo and tone of voice used by Ig9 correctly represent both company values and its mission, which is the “ignite” the entrepreneurial spirit in Vietnam. Ig9 also invest in organizing events for Vietnamese students and startups in order to build up a strong supporting community.

HATCH! (Vietnam)

HATCH! is described as “a Vietnamese not-for-profit initiative to create community of entrepreneurs, to connect entrepreneurial resources, and to organize a high-quality Annual Startup Fair. HATCH! provides valuable resources to help new companies, supports the regional start-up ecosystem, and recognizes that sustainable, scalable small businesses are the drivers of our economy”. At HATCH!, there is a strong sense of brand distinctiveness, and that distinctiveness was more explicit than those in the embryonic category. They include as much branding as possible in the marketing and

communication strategy, as they see branding as an important means to delivering all strategies. HATCH! has a clear understanding of customer needs, and they use a wide variety of online marketing tools. The team members at HATCH! see the brand management system in more holistic terms and are willing to invest in such a system despite the costs and risks that minimalist and embryonic SMEs associate with such branding activities. Investment in the brand includes but goes beyond promotional expenditures.

4.2.3. Phase 2. Building the brand identity

Building a brand identity is probably one of the most challenging and important strategic initiatives for a startup to undertake. However, many startups ignore the significance of brand identity as the glue that bonds customers to their product or service, because they do not understand the brand identity correctly. Some of the common misconceptions among startups, especially in Vietnam, about the brand identity are:

- The brand identity is a logo. As stated in the previous section of this paper, the brand identity is a collection of tangible elements that the customers can percept about the brand. Thinking that the logo is the sole element of brand identity is ignoring other elements that might affect customer perception of the product or service.
- The brand building process does not concern the customers. Consumers today are bombarded with thousands of marketing messages per day, and even more in new products per year. In order for the brand to break through the noise and resonate with customers, customers need to be an important part of the brand building process, both in the market research phase and in the testing phase after the brand identity has been crafted.
- Obliviousness toward brand touch-points and how they affect customers. Brand touch-points represent opportunities to increase awareness and brand loyalty for

startups. If the message is not consistent across all touch-points, the brand can be diluted, confusing customers and becoming prohibitive to customer trust.

Wheeler (2009) proposed a model called “The Universal Brand Identity Process” in her book “Designing Brand Identity”. The model provide a simple and streamlined process to building a brand identity, and for that reason the author propose that startups can utilize this model with adaptations to the situation of their companies.

The model divides brand identity building process into 5 main phases: conducting research, clarifying strategy, designing identity, creating touchpoints and managing assets (visualized in Figure 3).

Because Wheeler’s model was designed mainly for use in larger organizations, there are many steps that would be too time-consuming or costly for a startup to consider. Therefore, a few modifications need to be made to make the model more suitable for smaller, more cost-conscious companies i.e. startups. The process’ five phases to building is presented in the table below.

Conducting research	Clarifying strategy	Designing Identity	Creating touchpoints	Managing assets
Clarify vision, strategies, goals and values	Narrowing the focus	Visualize the future identity	Collaterals	Launching brand identity
Research stakeholders' needs and perceptions	Find the Big Idea	Logotype	Business card	Brand books
Define market structure, competitive audit and positioning	Write a brand brief	Color	Letterhead	Online branding tools
	Naming	Typography	Website	
	Develop key messages	Sound & Motion	Signage	
		Trial Applications	Product design & Marketing	

			Advertising	
			Environments	
			Vehicles	
			Uniforms	
			Ephemera	

Table 4-3 The Universal Brand Identity Process (adapted for startups)

(Adapt from Wheeler, 2009)

In order to prove that the model can be easily implemented by small-scale startups, an application to the case study of **Qua Ha Noi Xua** – a Vietnamese startup in the restaurant industry is presented in Part 2 of this paper. **Through the case study**, a more detailed and comprehensive look at the steps of the process would be revealed.

4.3. Managerial implications

There are some practical implications to this study. Firstly, the deductive arguments and case studies have proved that branding is not only relevant, it is crucial for startup success. Through the introduction of the adapted brand strategy and brand identity building models, entrepreneurs can obtain a fuller understanding of the role of branding in startups, and to implement steps toward better brand performance. The paper also suggests the need for startups to take an “investment” approach to branding (as opposed to the current “cost” approach), as well as to develop a distinctive brand that can convey and communicate the values and personalities that the startups or startup founders strive for.

4.4. Research proposition: Brand building for startups in Vietnam.

The startup scene in Vietnam is growing stronger than ever. In recent years, many high-profile startups backed by angel investors have appeared and quickly gained popularity in their respected industries (such as Foody, Younet or YEC), while also giving rise to the startup incubator/supporter industry. Most of these startups, however, were founded by entrepreneurs with technological / engineering background, often with very limited budget, and so very few startups in Vietnam today understand the principles, or even concept of branding, not to mention utilizing the brand as a business tool. Moreover, the Vietnamese business environment and market may possess factors that can affect the branding strategy of startups. A proposition for further research is then identified:

P1. Could the general guideline for brand building in startups be applied directly to the case of startups in Vietnam? If not, what modifications need to be made, and on which basis?

Based on the research limitations, the author suggests a second research proposition:

P2. Could the relation between brand building and organizational performance, and in extension the necessity of branding in startups be tested empirically? How are the elements of the brand strategy related to brand performance in startups?

Chapter 5: Case Study of “Qua Ha Noi Xua”

5.1. Executive Summary

Qua Ha Noi Xua was founded by Ms. Lan in October 2012. Being born in a very traditional family in the Old Quarter of Hanoi, Ms. Lan was entranced by all the aspects of old Hanoian culture, especially the snack food that she ate when she was a child. Seeing that many of these delicacies are now lost, Ms. Lan was determined to bring them back and introduce them to today’s customers, both inside and outside of Vietnam. Thus, the “Qua Ha Noi Xua” restaurant was born.

The restaurant is located on Pham Hong Thai Street, with the architecture being built following traditional Eastern style with wooden and bamboo furnishing, with photos of old Hanoi hanging on the wall. The food was made by the founder herself, using authentic and organic ingredients purchased from small countryside vendors; and to people who have experienced Hanoian snack food during their childhood, it bring back a strong nostalgic feeling.

Qua Ha Noi Xua’s main strength is its uniqueness, and at the moment the startup has no direct competitor (although it still has to compete with many other types of snack food restaurant in Hanoi). Other strong points include its tasty, authentic food and very low prices. The menu is also quite strong with more than 30 items. Many customers who came appreciate the food and atmosphere and become repeating customers. Some are so enthusiastic that they even recommend it to their friends. However, the founder is experiencing some serious financial difficulties due mostly to high renting costs and low revenue. The restaurant is not very popular to the target customer that the founder aims for i.e. office workers, and does not have a following online community.

Currently, the founder is trying to attract foreigners living in Vietnam, as well as expand the existing customer base. However, Qua Ha Noi Xua is having problems with attracting foreign customers, since its brand is communicated completely in Vietnamese. The founder also feels that the current image of the restaurant is not “clicking” with customers as well, and is looking for a way to improve brand performance. The author suggests that a rebranding of Qua Ha Noi Xua might be a solution for attracting more customers and building a strong foundation for future business activities.

5.2. Brand building for “Qua Ha Noi Xua”

5.2.1. Phase 1: Identify the Brand strategy

According to the proposed guideline, Qua Ha Noi Xua is currently a Minimalist Brand Orientation startup due to the following observations:

Scope of marketing and branding activities

There are very few marketing activities both online and offline due to limited resources and a simplified view of marketing from the founder. Moreover, the founder feels that she would prefer to sell to people who already understand the values of her product, and so she does not have any plan to educate uninformed customers. Although there are a few articles about the restaurant on magazines and online, the company brand has not been communicated through these articles.

Level of brand distinctiveness

Currently, the startup has a slightly convoluted brand identity. Although the official name of the restaurant is “Qua Ha Noi Xua”, the founder attached another name, “Tung Hien” in logo form next to the official name, which is both confusing to uninformed customers and diluted the brand name. The restaurant does not have a logo, and although there is distinctiveness to the interior design, the main signage does not convey that

distinctiveness, and therefore is not attractive to passer-by. The presentation of the food is also an important part of the brand image, however it hasn't been advertised well compared to other elements i.e. taste and authentic origin.

Level of brand-marketing performance

Currently, although the startup is nearly one-of-its-kind, it suffers from very low brand awareness even with its target customers (results of a conducted online poll), and the marketing activities are considered costs, therefore their impact is not measured.

The implications for this assessment is Qua Ha Noi Xua is in its very early stage of branding, and can benefit greatly from a complete rebranding that can fix its shortcomings and refine the message that the founder wants to send to customers. From the assessment, we can also see the branding aspects of Qua Ha Noi Xua that require improvement, which enable us to proceed to the next phase: **Building the Brand Identity**.

5.2.2. Phase 2: Building the Brand Identity

5.2.2.1. Conducting research

In the first step of the Universal Brand Identity Process, a management interview is conducted to discover the distinctiveness, missions, values, goals and current situation of the company. After that, a market research is conducted to discover main competitors as well as market opportunity for the startup in the market.

a. Management interview

A thorough personal interview with the startup founder reveal the information described in the previous sections: Executive Summary and Brand Strategy.

b. Market research & Segmentation

In order to research customer preferences and snack-food eating habit, an online survey was conducted. The survey aims to discover whether there is a market opportunity for Qua Ha Noi Xua, and to discover viable target market. In total, there were 55 respondents (all Vietnamese), with the following demography:

Gender: 45% Male, 55% Female

Age: 45% Under 18; 51% From 18-30; and 4% 30 and above

Occupation: 76% Students; 15% Office workers; 9% Other

Because the restaurant operates in Hanoi only, all Vietnamese respondents live in Hanoi.

Besides the survey, the author was able to conduct short interview with a number of Vietnamese customers and 15 non-Vietnamese customers coming to the restaurant. The way the demography is categorized represents how all customers are segmented for the case of Qua Ha Noi Xua. From the questionnaire and interview results, 4 main types of customers are identified:

- **Students:** Vietnamese students often eat out with friends after school. They enjoy snack food, and are always looking out for cool new places. They use social media extensively, and are likely to be attracted by internet advertisement.
- **Vietnamese office workers:** Although people who work office jobs, particularly those over 30 years old with family don't usually have time to eat out, they are the main target market for takeaway and delivery food. They could come over after work to buy a box of tasty snacks to eat with their family, or order it to their workplace.
- **Foreigners living in Hanoi:** They are people who are used to the taste of Vietnamese food so they can appreciate the difference in taste at Qua Ha Noi Xua, and can find and go to the restaurant by themselves. However, they prefer to have food delivered

to their houses or to buy them at supermarkets. They rely on the Internet for information.

- **Foreigners who are tourists or want to visit Hanoi:** They are people who want to try a true “Vietnamese” eating experience instead of these other tourist traps. They are on the lookout for things that could be brought back as souvenirs. They rely on travel websites and magazines for information. Although they are one-time customers, they can also be a great source of publicity.

In these four market segments, Foreigners living in Hanoi and Tourists are chosen as the target market for Qua Ha Noi Xua. There are 2 reasons why students and office workers were not targeted:

- Interviewed students who came to the restaurant feel that it is too “formal” for them, and
- Interviewed office workers feel that they would prefer a place to unwind after work (such as a coffee house or a bar) instead of a quiet, serious place. Because the restaurant is not located near an office area, it’s not convenient for office workers to come by and order takeaways.

The survey also reveal an important implications: There is a market opportunity for a traditional snack food restaurant in Hanoi. Although only 45% of the questionnaire respondents prefer Vietnamese traditional snacks to imported ones, the majority (71%) admit that they still like the traditional snacks that they eat from childhood, and an even larger proportion (76%) said that they want to discover more about Hanoian culture. Thus, if Qua Ha Noi Xua could realign its message to appeal to not only people who love traditional snack food, but also people who are curious about Hanoian culture, there is an opportunity for it to success. A further audit of the market structure and competitive

environment in the next section shows how Quan Ha Noi Xua should position itself in the market.

c. Competitive audit, Market structure and Positioning

The low-price traditional snack food market in Hanoi is absolutely saturated, with mom-and-pop stalls and street-food vendors at every street corner. Although these vendors sell a wide variety of snack food, they share the same main features: low price, low perceived hygiene, uncomfortable seating place, and generally bad service. At the other end of the market we have snack food-focused restaurant 37th Street or buffet restaurants that have a wide variety of traditional snacks, such as the SEN restaurant chain. These restaurants provide a high-end eating experiences at 10-20 times the price of eating at a low-end one. At the middle price range, there are established brand names, usually a family store that sells a single type of snack food. An approximate visualization of the current market structure is provided below:

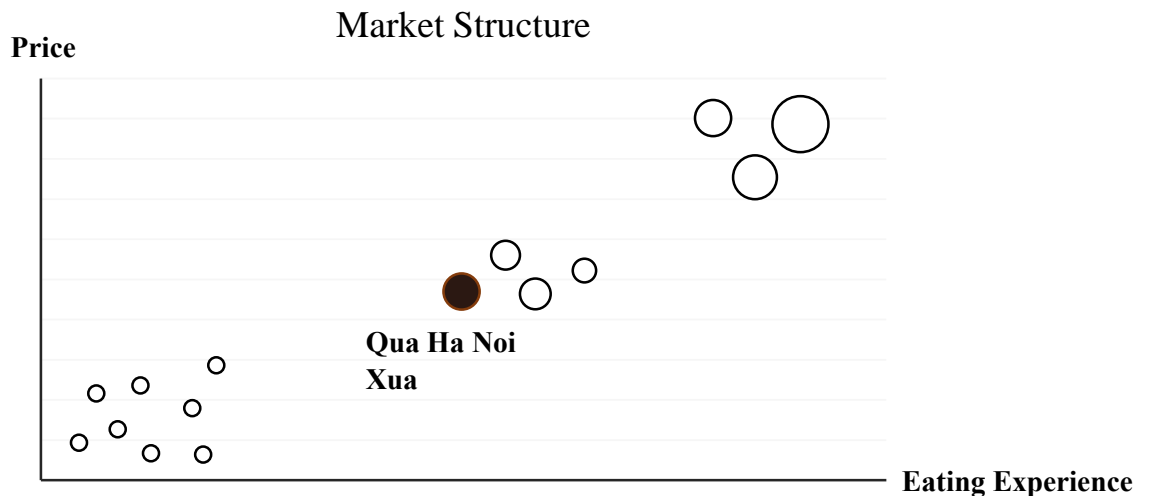


Figure 5-1 Market Structure of the traditional snack food market

In the figure above, each type of restaurant is positioned following 2 axis: Price and Eating Experience ("Eating Experience" is a combination of taste, presentation, eating

place, hygiene and service). At the bottom left we have the “Street-food” cluster (low-price, low-quality), in the center we have the established family brand names cluster (med-price, med-quality, single specialty food), and at top right we have “High-end” cluster (high-price, high-quality). Assuming that building a better eating experience would require higher costs and therefore, price; looking at this market structure, it is clear that there is opportunity for a restaurant that offer a variety of snack food at medium price and medium to high-end eating experience - Qua Ha Noi Xua.

5.2.2.2. Clarifying strategy

In the second step of the process, the Big Idea is defined. The Big Idea is a simple worded statement functions as an organizational “totem pole” around which strategy, behavior, actions and communications are aligned. (Wheeler, 2009) The brand brief is then created around the Big Idea, and a name for the brand is chosen.

a. The Big Idea

For the Big Idea, less is more. Inspiration were taken from famous brands, for example:

Apple: Think different

FedEx: The world on time

Disney: Make people happy

Coca-Cola: Happiness in a Bottle

Qua Ha Noi Xua’s Big Idea is “**The true Hanoian experience**”. This statement enveloped both the main selling point of the brand and its goal (as stated by the founder).

b. The Brand brief

After the Big Idea is defined, the Brand brief is designed. The Brand brief is a diagram that documents fundamental precepts of the brand, and writing it is the most important task of Step 2. There are many components to the brand brief, each of which is defined for Quan Ha Noi Xua and presented in the table below

The Brand Brief	
Vision and Mission	<p>Vision: To become the number one go-to destination for traditional snack-food and Hanoian culture in the world.</p> <p>Mission: To bring to every one of our customers a slice of Hanoian culture through the truest and most authentic eating experience. To preserve Hanoian traditions and introduce them to people worldwide.</p>
Attributes	Traditional, Authentic, Serene, Caring, Nostalgic
Key products	Traditional cake, sweet soup, lotus tea
Key competitors	37 th Street, established families brand names (in traditional snack food) e.g. Nguyen Ninh, Bao Phuong, Ninh Huong, etc.
Competitive advantages	Truly authentic ingredients, “Hanoian” eating experience
Key stakeholders	Founders, Employees, Eating customers, People who cares about Hanoian culture.
Value proposition	We offer an authentic Hanoian eating experience that you can’t find anywhere else. We provide an environment for

	everyone who cares about Hanoian culture looking for like-minded people to share their passion.
Target market	Tourists & Foreigners living in Hanoi

Table 5-1 Qua Ha Noi Xua's Brand Brief

c. Naming

The brand as it is currently does not communicate to foreigners, since both the name and all materials were made in Vietnamese. A simpler name that can be easily understood in both Vietnamese and English translation should be chosen. A quick research of the names of Vietnamese restaurants that also target foreigners gave inspiration:

- The good restaurant names are **Little Hanoi**, **Ngon**, **Sen** because they are short, simple to pronounce, and can easily be understood by all customers
- An example of a bad name is **37th street** because Vietnamese people will find it hard to read, while foreign people won't understand the story behind the name.

A new brand name is proposed for Qua Ha Noi Xua:

- In Vietnamese: **Hương Hà Nội**
- In English: **Hanoi Fragrance**

The name *Hanoi Fragrance* will be used in all branding materials designed from this point forward.

5.2.2.3. Designing the identity

The basic elements of brand identity involve the logo type, color theme, typography, and brand language.

a. Logo

The logotype for *Hanoi Fragrance* is designed to be clean, simple and elegant. The logo uses the familiar lotus imagery with light wooden pattern that stands out from the tacky colorful design of other traditional snack food brands. There are 2 versions to the logo: One to use on white or light color background, and one to use on dark background. Both have their Vietnamese and English version.



Picture 1 Logo Option A - English



Picture 2 Logo Option A - Vietnamese



b. Color theme

Picture 4 Logo Option B - English

- Official Brand color space:



RGB R43 G24 B18

- Official Font color:



RGB R230 G213 B187



Picture 3 Logo Option B - Vietnamese

c. Typography

The typography must be consistent across all brand materials, including the website.

The official fonts of *Hanoi Fragrance* are:

- For Header: UVN_Thanhpho
- For Content: Kozuka Gothic Pro

d. Brand voice

When people speak to each other in person, the non-verbal cues (facial expression, gestures, poses, etc.) say more than the words themselves. However, with online or in printed materials, all these cues are lost. The brand voice can make up for that by imbuing the words with a tone that is distinct, clear, consistent and relevant to the target audience.

The brand voice of *Hanoi Fragrance* Vietnamese should communicate these personalities or “brand attributes”: **traditional**, **caring**, **close**, and **nostalgic**. The language and tone of voice must be consistent across all materials. Some example uses of the brand language include:

Type of Material	Feelings	Sample language
Newsletter	Curious, trust, nostalgic	Each year, when the first ray of summer sunshine showed up on our doorsteps, on the streets of old Hanoi you can feel the scent of tea made from newly blossomed lotus flowers. In this

		week's newsletter, the secret of Hanoi's famous lotus tea is revealed.
Website	Curious, interest, nostalgic	Throughout all the ups and downs of history, the quintessence of Hanoi culture are still etched in the mind of each and every Hanoian. Here you can relive the good old days through the fragrance of our lotus tea (trà sen), or the taste of our hand-made loggan sweet soup (chè nhãn lồng hạt sen).
Brochure	Curious, interest, nostalgic	Same as web but more concise.
Facebook	Trust, curious, interest	Do you want to find again the taste of home-made sweet soup grandma used to make? Come try our specials this week: ...

Table 5-2 Brand Voice of Hanoi Fragrance

5.2.2.4. Creating the touchpoints

Each brand touchpoint is an opportunity to increase brand awareness and build customer loyalty. The number of brand touchpoint for a company could be staggering, as demonstrated in the figure below.

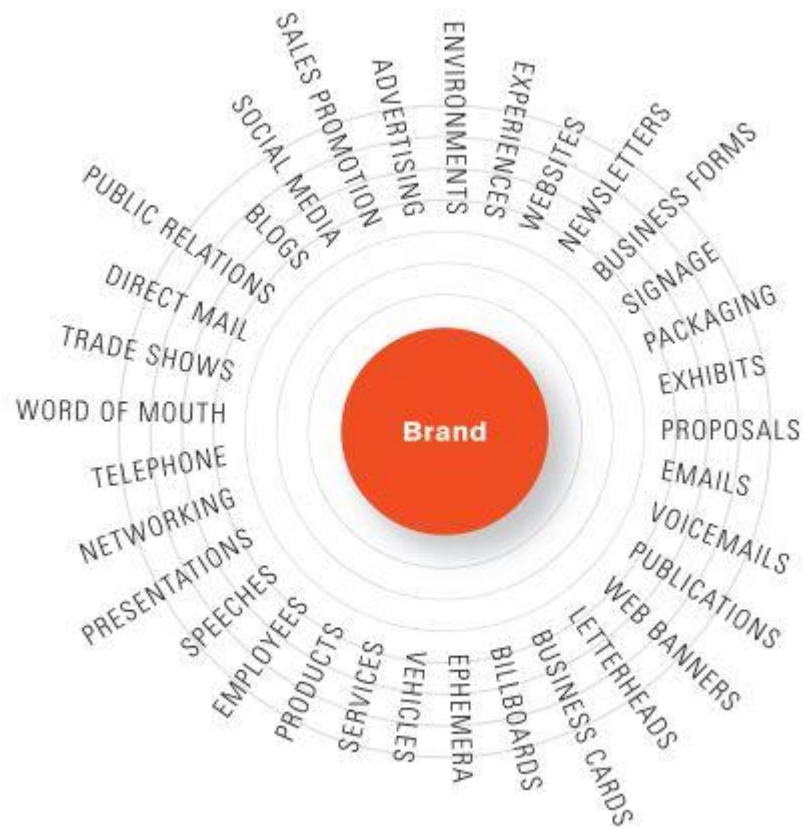


Figure 5-2 Brand Touchpoints (Wheeler, 2009)

Only a number of brand touchpoints is designed and presented in this proposal.

a. Brand Applications

- *Main Exterior Signage*



Picture 5 External Signage

- *Business card*



Picture 6 Business Card Front



Picture 7 Business Card Back

- *Leaflet & Standee*



Picture 8 Leaflet



Picture 9 Standee

- Menu

There are 3 parts to *Hanoi Fragrance* Menu design: Cover, A Taste of Hanoi (Food menu), and Hanoi's Fragrances (Drinks menu)



Picture 11 Menu Cover



Picture 10 Hanoi's Fragrances

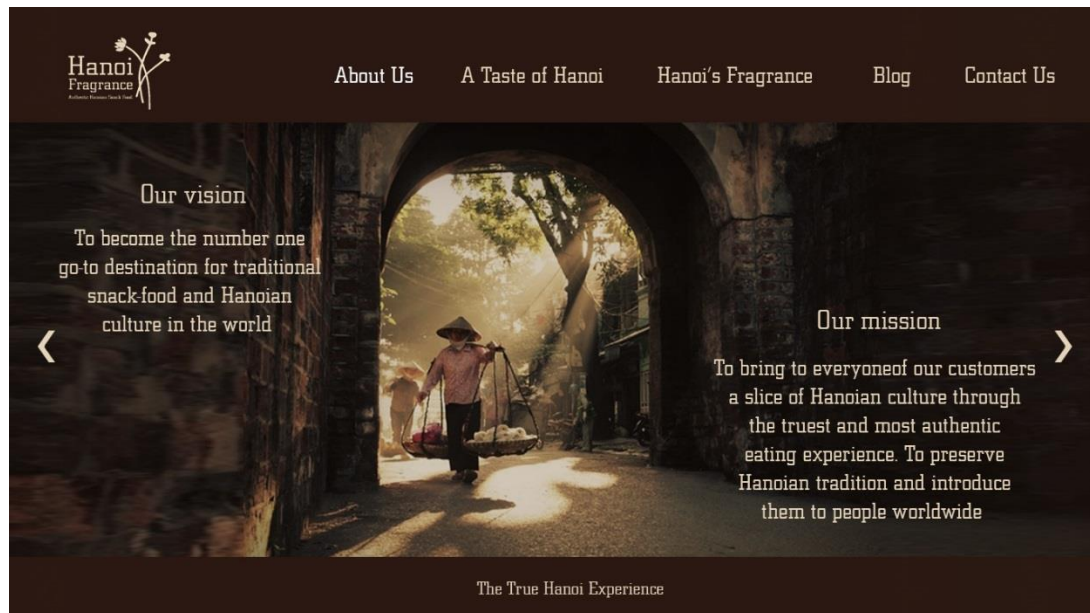


Picture 12 A Taste of Hanoi

- Website

The website is where many potential customers discover *Hanoi Fragrance* for the first time. Therefore, it must be design in a way that is aesthetically elegant and consistent

with the brand, as well as provide the viewers with the most basic of information: Menu and Restaurant contacts. A sample webpage design is presented below:



Picture 13 Webpage – Vision & Mission

- *Packaging*

At the moment, Qua Ha Noi Xua use the plastic box and plastic bag packaging that is both generic and does not convey quality. It is suggested that *Hanoi Fragrance* uses custom-designed branded paper box, such as in the design below:



Picture 15 Packaging - Option B



Picture 14 Packaging – Option A

- *Ephemera (Giveaways)*

Some ideas for Ephemera include a Recipe handout to be given out during promotion events or as online Newsletter, and Postcards of Old Hanoi that visitors can buy in-store.

An example of postcard design for *Hanoi Fragrance*:



Picture 17 Postcard - Front



Picture 16 Postcard - Back

5.2.2.5. Managing assets

The brand identity process does not end after all design materials have been completed. The next step, managing assets even more important than building the brand identity itself, requiring significant investment in time, money and human resources.

Firstly, *Hanoi Fragrance* need to organize a launch for the new brand identity. A launch represents a huge marketing opportunity that the startup can seize to build brand awareness. For startups with limited budget, the best approach is to launch the new identity first on-line along with a promotion campaign to build awareness and hype. Social media provide a platform on which the startup can launch its brand identity and reach a wide customer base, while online tools such as *MailChimp* allow small companies to send and manage newsletter at very low cost. Because *Hanoi Fragrance*'s target customers is foreigners, it is important to advertise on tourist websites (such as Agoda or TripAdvisor), as well as implement product placement at locations frequented

by the non-Vietnamese community in Hanoi i.e. at imported goods supermarket; “Chợ Tây”, flea market. The startup can also provide catering services for events, particularly those hosted by embassies and NGOs. Another proposal is to partner with Travel Agents to put *Hanoi Fragrance* as a tour destination, however it would require significant investment and a wide network of relations.

Finally, a short brand guideline should be made to document the correct way of using the *Hanoi Fragrance* brand identity.

5.3. Budgeting

An estimated budget of *Hanoi Fragrance* rebranding project is presented in the table below (creative fees deducted).

Hanoi Fragrance Rebranding and Advertising Budget	
Task 1: Market Research	Total: VND 1,500,000
Research compensation	VND 500,000
Sample products	VND 1,000,000
Task 2: Brand Identity Design	Total: VND 8,000,000
Designer fee (Logo, banner, standee, signage, etc.)	VND 4,000,000
Designer fee (Website, using existing template)	VND 4,000,000
Task 3: Changing Brand Identity	Total: VND 5,880,000
Main exterior signage (aluminum frame with hi-flex canvas)	VND 750,000
Standing standee (frame)	VND 450,000
Standing standee (one time printing cost)	VND 180,000
Printed materials (brochure, menu, brand book, etc.)	VND 2,000,000
Packaging	VND 2,000,000
Ephemera (printing costs)	VND 500,000

Task 4: Managing assets	Total: VND 34,400,000
Website hosting (for 1 year)	VND 12,000,000
Promotion online articles on Vietnamese news site (= VND 5,000,000 * 4 articles)	VND 20,000,000
MailChimp account to manage newsletter (for 1 year)	VND 2,400,000
TOTAL	VND 49,780,000

Table 6-3 Budgeting

Chapter 6: Conclusion

The start-up scene, both around the world and in Vietnam, is now growing stronger than ever. As the barriers to entry goes down due largely to the advance of cloud-based technology driving down start-up costs, competition for startups is increasing, and the need to separate one's product and service from others becomes more and more important. One of the solutions for startups to differentiate themselves is to invest in brand building and development. Although in the past, branding and marketing activities are often neglected by start-up founders, particularly those in the tech industry, partially due to the significant costs they incurred; in recent years many startups have started to look at branding seriously. In fact, there are many benefits that branding activities can bring to startups, such as attracting customers through differentiation and building customer loyalty through communicating brand values. A quick glance at the more successful startups in recent years e.g. Kickstarter and Flipboard reveals how effective branding can contribute greatly to commercial success. Because of the impacts that the brand can have, the author proposes building a general guideline for brand building and development in startups. The guideline is divided into 2 main parts: identifying the brand strategy (strategic stage) and building the brand identity (implementation stage). Following this guideline, startups can **define** (or redefine), **build** and **communicate** their desired image to customers. A Brand Proposal for Qua Ha Noi Xua, a struggling startup, is presented to demonstrate the guideline plausibility.

Because of the exploratory nature of this paper, no quantitative data is presented. Instead, a collection of case studies are used to demonstrated the proposed models in action. It is the author's wish that future research will be able to test the effectiveness of this guideline, as well as the general effect of branding in startups using empirical data.

Appendix

Questionnaire form (in Vietnamese)

Bảng khảo sát về sở thích và thói quen ẩm thực của người tiêu dùng

Nhằm phục vụ cho đề tài khóa luận tốt nghiệp “Xây dựng và phát triển thương hiệu trong các công ty khởi nghiệp: Nghiên cứu trường hợp của Quà Hà Nội Xưa”, tác giả khóa luận xin trưng cầu ý kiến về sở thích và thói quen ẩm thực của người tiêu dùng. Các ý kiến này có đóng góp quan trọng vào kết quả của đề tài. Vì vậy, tác giả rất mong nhận được sự ủng hộ với đề tài nghiên cứu cũng như sự cân nhắc của các bạn trong mỗi câu trả lời. Những thông tin thu được trong phiếu điều tra sẽ chỉ được sử dụng cho mục đích nghiên cứu. Xin trân trọng cảm ơn! Trịnh Tuấn Anh Sinh viên QH-2009-E Quản trị Kinh doanh ĐH Kinh Tế, ĐH Quốc gia Hà Nội.

Phần 1: Thông tin cá nhân

Hãy giúp tôi hiểu hơn về bạn.

Giới tính của bạn: *

Độ tuổi *

Nghề nghiệp *

- ☐ Học sinh, sinh viên
- ☐ Nhân viên văn phòng
- ☐ Nội trợ
- ☐ Công nhân, nông dân, người bán hàng
- ☐ Other:

Phần 2: Sở thích và thói quen ẩm thực của bạn.

Làm ơn đánh giá mức độ đồng ý của bạn với mỗi phát biểu dưới đây.

Chủ đề 1: Sở thích ẩm thực của bạn *

	Đồng ý	Phân vân	Không đồng ý
Ăn các loại quả hoặc kẹo bánh là một trong các sở thích của tôi	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tôi thường thích các loại quả hoặc kẹo bánh truyền thống của Việt Nam	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tôi thường thích các loại quả hoặc kẹo bánh nước ngoài	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tôi thường thích ăn các loại quả hoặc bánh kẹo được làm bằng tay	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tôi vẫn thích các loại quả hoặc bánh kẹo tôi ăn từ ngày bé	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tôi thích ăn các loại quả, bánh ngọt hơn so với quả, bánh mặn	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Chủ đề 2: Về thói quen ẩm thực của bạn *

	Đồng ý	Phân vân	Không đồng ý
Tôi thường đi ăn các món quà vặt với bạn bè hoặc một mình	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tôi thường ăn các món quà vặt ở một quán quen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tôi thích khám phá các địa điểm mới có món ăn ngon	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tôi thường đi ăn quà vặt tại các quán có giá cả bình dân	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tôi thường ăn các sản phẩm có nhãn hiệu đầy đủ, an toàn	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tôi thường mua đồ mang về thay vì ăn tại cửa hàng	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Chủ đề 3: Một số câu hỏi phụ *

	Đồng ý	Phân vân	Không đồng ý
Tôi yêu thích / muốn khám phá truyền thống Hà Nội	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tôi biết rất nhiều quán ăn ngon tại Hà Nội	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tôi thường tìm kiếm các quán ăn / món ăn mới qua Internet hoặc MXH (Facebook)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Khi tìm được quán ăn ngon tôi thường chia sẻ với bạn bè	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tôi thường tham gia các chương trình khuyến mại tại nhà hàng / quán ăn	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Phần 3: Lời cảm ơn

Xin chân thành cảm ơn bạn đã dành thời gian trả lời các câu hỏi trong bảng khảo sát trên. Ý kiến của các bạn có ý nghĩa rất quan trọng tới sự thành công của nghiên cứu. Nếu bạn có bất cứ thắc mắc hoặc ý kiến gì làm ơn liên lạc tới levent.trinh@gmail.com. Xin chúc bạn một ngày tốt lành! Trịnh Tuấn Anh.

Management interview Questions

- a. What is your mission? What are your three most important goals?
- b. How would you categorize your product (what other kinds of food will it be competing with)?
- c. Who is your target market?
- d. How do you want to be perceived by your customers?
- e. Who is your biggest competitor?
- f. How do you market your product and service?
- g. Where will you be in 5 or 10 years?
- h. What are your main values?
- i. What are the potential barriers to the success of your product?
- j. If you could communicate a single message about your company, what would it be?

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