MEASURING CORPORATE IDENTITY: A CASE STUDY USING A CORPORATE PERSONALITY SCALE

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Abstract: Corporate identity is one arm of corporate reputation. The other is corporate image. We start from the premise established by Davies (2003) that the former influences the latter and aim to understand the way in which internal views, those of employees are formed. The purpose of the study is to draw from Davies et al’s (2003) “Corporate Character Scale” and measure the views of employees of their own organisation along the various dimensions defined in that scale. The current research focuses on the internal side of the organisation and how it shapes corporate reputation. A corporate brand can provide a sustainable competitive advantage to a company if it is characterised by value, rarity, durability, imperfect imitability, and imperfect substitutability. The researchers argue that certain dimensions of the corporate character scale may be useful in a particular context, but not in others. We argue that the application of the scale is context specific and the characterization of the corporate identity is different from organisation to organisation. This has implications when we link internal identity or external image to measures of employee and customer satisfaction, loyalty or even financial performance.

Key-words: measuring corporate identity, the Utilities sector, profiling a corporate brand


Palavras-Chave: nedição de identidade corporativa, o sector de services primários, perfil de marca corporativa
1. Introduction

1.1. Background of X

X is a major operator of utilities sector and is also a leading provider of customer management services. X employs 17,000 people and is a member of the FTSE 100 group of leading UK listed companies. X operates throughout the UK and internationally, in selected markets, from Europe to Australia.

X is divided into 5 regulated and non-regulated businesses which together for the X Group. The regulated businesses comprise of X Service Delivery (SD) and X Customer Sales (CS) and the non-regulated businesses comprises of X Contract Solutions, Y Communications (YC) and W (customer management services). YC and W operate have their own brand names but the remaining three businesses operate under the X brand name.

1.2. Research purposes

The purpose of the current research is to identify which dimensions of the corporate character scale devised by DAVIES et al. (2003) are relevant for internal stakeholders in the particular context of the utilities sector. By focussing on a large utilities company, the researchers go through 57 items that make up the 4 dimensions of corporate character and evaluate their importance to employees. For the purposes of this study we limit the dimensions of corporate character 4: agreeableness, enterprising, competence and character. The reason for this is that according to DAVIES et al. (2003) the additional dimensions of chic, informality and ruthlessness have very few items loading onto them. We are then presented with the issues of internal communication that leads to a perceived failure for the organisation to differentiate itself and the strategic implications thereof.

2. Literature review

2.1. Corporate Brand – the reflection of an organisation

Although the terms corporate branding, corporate reputation, and reputation management have become ‘buzzwords’ in business circles, they can often

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1 FTSE – It is the index provider of choice for the world’s leading investors. www.ftse.co.uk
mean different things to different people. To further clarify the definition of corporate branding, the American Marketing Association defines brand as a 'name, term, sign, symbol, or design, or a combination of them intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of the competition'. Thus, a company engages in corporate branding when it markets the company itself as a brand. The 'goods and services' in this case would be part of the company's identity as defined above. Finally, corporate brand equity exists when constituencies hold strong, favourable, and unique associations about the corporate brand in memory (KELLER, 2002). A company's corporate brand provides consumers with expectations of what the company will deliver (a 'corporate brand promise' similar to the 'brand promise' of product brands). Accenture's logo, for example, is the company name with a 'greater than' symbol above the 't' that is meant to connote the firm's goal of pointing the way forward and exceeding clients' expectations. Certainly names and logos are only two elements of corporate branding; typically, companies use corporate advertising as another key channel for reinforcing the corporate brand. In terms of distinctions among the concepts discussed, a company can define and communicate its identity and corporate brand, but its image and reputation result from constituency impressions of a company's behaviour and are less within the company's direct control. Some argue that reputation is such an amorphous concept that a company cannot really 'manage' it at all. The authors maintain that a company in fact can do so, and that strong management of a corporate brand is an important part of that process.

2.2. Corporate Branding – the 'buzzword'

Corporate branding, like corporate reputation, has come into the business spotlight in recent years – in fact, 2001 marked the debut of Business Week and Interbrand’s ranking of the ‘Best Global Brands’, which used a valuation methodology to assign dollar values to this important ‘intangible asset’ of some of the largest global companies. In 2003 some eminent authors teamed up with an ICCO (International Communications Consultancy Organization) panel in San Francisco that focused on corporate branding. In preparation for the ICCO panel discussions, Porter Novelli queried 700 corporate communications professionals on their views of the importance of corporate brand management and conducted in-depth telephone interviews with those responsible for directing communications at 16 of the top global brands (BUSINESS WEEK, 2001). To understand what is driving the corporate branding trend, Porter Novelli asked them: ‘Do you believe that in the future your organization will need to place greater emphasis on managing it's corporate or company name as if it were a brand?’ In answer to this question, 64 per cent of the respondents said ‘yes’,

30 per cent said they were already doing so, and only 6 per cent felt that this was not necessary. In terms of patterns within different market segments, business-to-business companies said they were more likely to place greater emphasis on managing their name as if it were a brand and, to some degree, so did healthcare companies. Technology and consumer companies were slightly more likely to say they were already doing so. Non-profit organizations were more likely to respond ‘no’.

In 2000 Leitch and Richardson developed the ‘brand web’ concept which aimed at helping organisations understand and manage the web of brand relationships in which they are enmeshed (see Figure 2, Leitch and Richardson, 2000).

Figure 2. Brand Web (Leitch and Richardson, 2000)

Brands are the conscious distillation and communication of a product, service or corporate identity (Balmer, 2001). Brands are not those things themselves in the same sense that a bottle of Coca-Cola and the brand Coca-Cola are two different things. According to the Brand web concept (Leitch and Richardson, 2000), each organisation sits at the centre of its own web with its corporate brand. The corporate brand is the communication interface between
the organisation and its stakeholders (HATCH and SCHULTZ, 2001). It provides the hub of the corporate brand web and the organisation generally has considerable strategic and tactical control over the hub. The major exception arises in cases when several organisations share a corporate brand name, such as Virgin (BALMER, 2001) and offer different products and services under that corporate brand umbrella, such as Virgin Airways, Virgin Records, and Virgin Brides. The brand web hub has no wealth creating capability without the addition of products or services, either under the organisational brand or as subsidiary brands (AAKER and JOACHIMSTHALER, 2000). Organisations must, then, decide which branding strategy to pursue each time they offer a new product or service to the market (SAUNDERS and GUOQUN, 1997). Radiating zones of brand interactions or ‘nodes’ surround the brand web hub. As the zones move away from the hub they are generally characterized by decreasing levels of control and increasing levels of interaction with the radiating zones of other brand webs. The second zone of the corporate identity brand web is the ‘nuclear brand family’. These are the product, service or wholly-owned subsidiary brands that the organisation has created and fully controls. The third zone is the ‘extended brand family’. It is composed of brands that are interdependent or close allies brands that the organisation does not fully control but with which it has a formal strategic relationship of some kind. Included in this zone are brands with which the organisation has co-branded itself or its products and services, or with which the organisation has formed some kind of alliance, for example X. Brand allies may be brands with which the organisation is closely positioned, such as the retail outlets that a company uses to offer its product brands. For example, Coca-Cola is closely allied with McDonald’s as the only cola beverage on offer within McDonald’s restaurants. These brand allies are linked contractually, may have some cross-ownership, and jointly contribute to one another’s brand identities. Product and corporate brands that are owned by more than one organisation such as Hilton, Volvo and Rolls Royce (BALMER, 2001) are also part of the extended brand family. These shared brands are only partially under the control of each organisation and so share many of the characteristics of co-branding. A shared brand name either through co-branding or multiple ownerships of brands offers the potential to both strengthen and weaken the brand partners (OLINS, 2000). The fourth zone of the brand web is the ‘brand community’ within which the nuclear and extended family of brands operates. The brands of competitors are part of the brand community, as are all brands with which the organisation is networked in some way. In sum, because the study of corporate branding is a relatively new field, the availability of measuring the quality of the brands is problematic. As a result, to measure the quality of the brand, most of the recent authors have turned towards the concept of reputation.
3. Research hypotheses

H1. The corporate brand is seen by its employees as agreeable

1. **Agreeableness** – Cheerful, People Oriented, Open, Transparent, Straightforward, Concerned, Reassuring, Supportive, Agreeable, Honest, Sincere, Trustworthy, Socially Responsible, Helpful, Caring.

H2. The corporate brand is seen by its employees as enterprising

2. **Enterprising** – Imaginative, Up to date, Exciting, Innovative, Extrovert, Daring.

H3. The corporate brand is seen by its employees as competent


H4. The corporate brand is seen by its employees as having character


4. Research method

The empirical work for this study consisted of a 3 month stay at X. 15 top executives and 600 employees in various areas were interviewed over the three months. The Corporate Character scale (DAVIES et al., 2003) was applied and qualitative data collected. A 5 point Likert scale was used where 1 expressed strong disagreement and 5 strong agreement with the statement. Interviewees were asked to imagine that X came to life as a person. If he or she were a person, would he be friendly, honest, trustworthy, etc. Factor analysis on all items produced the table below with the seven pillars of corporate personality. The analysis that follows has the table below as the basis for comparison.
Table 1. The Seven Pillars of Corporate Personality

<table>
<thead>
<tr>
<th>Agreeableness</th>
<th>Enterprise</th>
<th>Competence</th>
<th>Chic</th>
<th>Ruthlessness</th>
<th>Machismo</th>
<th>Informality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cheerful</td>
<td>Cool</td>
<td>Reliable</td>
<td>Charming</td>
<td>Arrogant</td>
<td>Masculine</td>
<td>Casual</td>
</tr>
<tr>
<td>Pleasant</td>
<td>Trendy</td>
<td>Secure</td>
<td>Stylish</td>
<td>Aggressive</td>
<td>Touch</td>
<td>Simple</td>
</tr>
<tr>
<td>Open</td>
<td>Young</td>
<td>Hardworking</td>
<td>Elegant</td>
<td>Selfish</td>
<td>Rugged</td>
<td>Easy going</td>
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<tr>
<td>Straightforward</td>
<td>Imaginative</td>
<td>Ambitious</td>
<td>Prestigious</td>
<td>Inward-looking</td>
<td>Authoritarian</td>
<td></td>
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<tr>
<td>Concerned</td>
<td>Up to Date</td>
<td>Achievement-Oriented</td>
<td>Exclusive</td>
<td>Authoritarian</td>
<td></td>
<td></td>
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<tr>
<td>Reassuring</td>
<td>Exciting</td>
<td>Leading</td>
<td>Refined</td>
<td>Controlling</td>
<td></td>
<td></td>
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<tr>
<td>Supportive</td>
<td>Innovative</td>
<td>Technical</td>
<td>Snobby</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agreeable</td>
<td>Extrovert</td>
<td>Corporate</td>
<td>Elitist</td>
<td></td>
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<tr>
<td>Honest</td>
<td>Daring</td>
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<tr>
<td>Sincere</td>
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<td>Trustworthy</td>
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<tr>
<td>Socially</td>
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<tr>
<td>Responsible</td>
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</tbody>
</table>

SOURCE: Davies et al., 2003 (p.150).

5. Data analysis and Conclusions

For the purpose of this research, the findings and analysis will be divided into five sub-sections. Each sub-section will aim on focusing upon one aspect of the internal employees’ view about the ‘X’ corporate brand:

5.1. The Attitudes towards the corporate brand

The researchers feel that after having analysed the initial impression towards the brand and the feelings towards the organisation, the next logical step was to analyse the attitudes that the internal employees hold towards the corporate brand and the organisation. Extensive academic research offers substantial support for the notion that internal employees’ attitude towards the corporate brand can influence the overall reputation and also the brand perceptions of the external stakeholders.

In this section the researchers will deal with Question 12 of the online questionnaire sent out to the internal employees. This question consisted of a list of brand personality attributes used from The Corporate Personality Scale (Davies et al. 2003), which required the respondents to state their level of agree-
ment or disagreement on a scale of 1-5. The opinions of the respondents have been based on the following assumption that the researcher required them to make, i.e. "X has come into life as a person. What according to you would his/her personality be like?" There were a total of 57 brand personality attributes used for this research. For the purpose of simplifying the analysis the researcher has divided the 57 attributes into 4 broad categories namely, Agreeableness, Enterprising, Competence & Character. Out of the four broad categories, Davies (2002) considers Agreeableness, Enterprising and Competence as Brand personality dimensions. The category of 'Character' has been added by the researchers which will enable to understand the attitudes of the internal employees in terms of how they feel the overall character of the brand would be if it came into like as a person. The researchers feel that this would in turn give an additional dimension in analysing the overall brand perception internally.

<table>
<thead>
<tr>
<th>Category</th>
<th>Attributes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Agreeableness</td>
<td>Cheerful, People Oriented, Open, Transparent, Straightforward, Concerned,</td>
</tr>
<tr>
<td></td>
<td>Reassuring, Supportive, Agreeable, Honest, Sincere, Trustworthy, Socially</td>
</tr>
<tr>
<td></td>
<td>Responsible, Helpful, Caring</td>
</tr>
<tr>
<td>2. Enterprising</td>
<td>Imaginative, Up to date, Exciting, Innovative, Extrovert, Daring</td>
</tr>
<tr>
<td>3. Competence</td>
<td>Reliable, Mature, Secure, Hardworking, Ambitious, Achievement Oriented,</td>
</tr>
<tr>
<td></td>
<td>Leading, Controlling, Technical, Corporate, Original, Unique, Confident,</td>
</tr>
<tr>
<td></td>
<td>Credible, Empowered, Professional, Exclusive</td>
</tr>
<tr>
<td>4. Character</td>
<td>Arrogant, Casual, Pleasant, Aggressive, Tough, Selfish, Easy going,</td>
</tr>
<tr>
<td></td>
<td>Inward looking, Authoritarian, Snobby, Elitist, Affluent, Independent,</td>
</tr>
<tr>
<td></td>
<td>Refined, Simple, Sophisticated, Profit Oriented, Irresponsible</td>
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</table>

For the purpose of simplifying the findings and analysis, the researchers feel that instead of providing the finding for each attribute separately and then analysing it, it would be better to provide a combined findings and analysis for each category. This will enable the reader to understand the attitude of the internal stakeholders towards the brand in a much broader perspective.

5.2. Finding – category 1 (Agreeableness)

Graphs 1 and 2 illustrate the percentage of responses that were received from the internal employees regarding their attitude towards the 'X' brand in terms of 'Agreeableness'. The researchers have used line graphs for this purpose because the movements of the line can represent the level of agreement or
disagreement in a more simplified and interesting fashion. The slopes of the lines can indicate how the brand personality fits with the brand if it came into life as a person attributes as judged by the internal employees.

Graph 1. The attitude of the internal stakeholders about the 'agreeableness' of the X brand

Graph 2. The attitude of the internal stakeholders about the 'agreeableness' of the X brand
The above two graphs represent the attitude of the internal employees towards the level of ‘agreeableness’ with the X brand. While 42% of the internal stakeholders disagree that the corporate brand is cheerful, 52% feel that brand is not at all straightforward. More than 53% of the internal employees feel that the brand is not at all open and only 30% feel it is transparent, though more than 60% feel that the brand is quite supportive, reassuring, concerned and caring. On an average about 60% of the internal employees feel that the brand is honest and can be trusted whereas 80% of the employees also feel that the brand is socially responsible.

5.3. Comments – An agreeable organisation

Agreeableness is one of the most important and interesting dimensions of the corporate brand personality. It explains more variation between the way people see the organisations and the perceptions people hold of them. An agreeable organisation is one where employees feel confident and secured. It is an organisation which is socially responsible and is strongly motivated to build a positive perception with its internal and external stakeholders. In the case of X, the employees of the organisation feel that the brand is agreeable in terms of its concerns for social responsibility, its people oriented attitude and the support employees get from it; however, the employees also feel that the organisation is not open, transparent and straightforward due to the complexity of its business. Though the employees feel that the organisation treats them with integrity, they also have a strong concern about the openness and transparency of the business. According to the researcher, most of the decisions taken at the corporate level do not involve employees to a large extent as a result of which employees feel isolated with the company’s policies. In the last one year, X conducted a ‘Your Opinion’ survey with all its employees around the business and that was the first time employees got a chance to give their opinions regarding their job satisfaction and the overall business. The researcher feels that if such activities are conducted on a much more regular basis, the ambiguity of the brand in terms of its openness and transparency will fade out in the due course.

5.4. Finding – category 2 (Enterprising)

Graph 3 illustrates the percentage of responses that were received from the internal employees regarding their attitude towards the ‘X’ brand in terms of ‘Enterprising’.
The above graph represents the attitude of the internal employees about how 'Enterprising' the X brand is according to them. The researcher found very interesting findings in this category. Where 53% of the internal employees feel that the brand is 'imaginative' and 'innovative' nearly 70% of the employees feel that the brand is not at all 'extravert' and 'daring'. Where 60% of the employees feel that the brand is 'up to date', only 35% of the employees feel that the brand is 'exciting'.

5.5. Comments – category 2 (Enterprising)

One needs to understand that employees often like to work for enterprising organisations and customers like to buy from them. An important facet within enterprise is adventure and this is a creative facet. Most of the enterprising organisations are at the leading edge in its field. Now one might say that this applies to X as the company is one of the leading utility organisations in the UK. However, this is true only in the case of its regulated businesses. And the reason for this is because the company more or less has a monopoly to provide the services in the North West England. In its non-regulated businesses, X is competing with a lot of other companies in the market. An enterprising organisation is also considered innovative. In case of X the company has come with innovative ideas only is its non-regulated businesses such as YC and W. The researcher does not suggest that X should totally change its

Lusfada. Economia & Empresa, Lisboa, n.º 9/2009 175
brand’s personality; however, the researcher feels that if the brand can utilise the enterprising capabilities of its non-regulated businesses and then reflect upon them, this would surely help gain an ‘enterprising’ perception about itself at a corporate level.

5.6. Finding – category 3 (Competence)

Graphs 4 and 5 illustrate the percentage of responses that were received from the internal employees regarding their attitude towards the ‘X’ brand in terms of its ‘Competency’.

Graph 4. The attitude of the internal stakeholders about the X brand in terms of its ‘Competency’

Graph 5. The attitude of the internal stakeholders about the X brand in terms of its ‘Competency’
Looking at the above graphs it is not surprising to see that nearly 60% of the employees in Graph 5A have a very positive attitude towards the brand in relation to competency attributes such as 'reliability', 'maturity', 'security', 'achievement orientation' and 'leadership'. The interesting views come out in Graph 5 where we can see a lot of movements in the line graph. In Graph 5 is surprising to see that in spite of a positive attitude towards the organisation’s competency based on its corporate culture and professionalism, nearly 60% of the employees do not consider the X brand as ‘original’, ‘unique’ and ‘exclusive’. Another 40% also think that the brand is not ‘empowered’.

5.7. Comments – category 3 (Competence)

Competency is one of the major factors of employee and external stakeholder satisfaction. Most of the external stakeholders always want to feel that the company they are dealing with is reliable. Being in a competent organisation, employees will pride themselves on their hard work and long hours. They will be persistent in their search for handling their customers and other stakeholders well. Competent organisations also tend to employ those who score high on the equivalent human personality trait. In other words, the employees themselves will feel very confident and secure working with such an organisation. Organisation like X can demonstrate competence but they can also infer it in the way they present themselves to their external audiences. In case of X, competence should feature strongly in their communication strategies and their attempts to ‘tangibilize’ service quality. As a result, training rather than development is a more obvious strategy to use to improve upon its basic competencies.

5.8. Finding – category 4 (CHARACTER)

Before presenting the finding in this category, the researcher wants to justify why this category in understanding the overall attitude of the corporate brand is important. According to the researcher, brands are now more important that they have even been before. Like human beings, brands also have a ‘character’; for example, if I relate ‘Versace’ to ‘Marlin Brando’, one can clearly understand the character of the Versace brand. What is important to realise is that using The Corporate Personality Scale (DAVIES, 2001) can help one understand how the stakeholders view the brand in terms of the various personality attributes. However, the personality scale by itself does not provide a very rich understanding about the overall character of the brand. For example, a brand can be considered as competent, enterprising, stylish, reliable and achievement oriented. But all these attributes are just a part of the overall ‘character’ of the brand. The researcher feels that if there is only dimension that can help understand the overall character of a brand, then one does not really need to go about
doing an in depth research for each brand personality attributes. Let me give you an example. If we relate the ‘Formula 1’ brand’s character to ‘Michael Schumacher’, it basically means that the ‘F1’ brand is ‘consistent’ because Michael Schumacher has consistent wins, the brand is ‘competent’ because so is Michael, the brand is ‘Agreeable’ and ‘reliable’ because so is Michael, the brand is ‘stylish’ and ‘enterprising’ because so is Michael. What we see here is that relating the ‘F1’ brand to ‘Michael Schumacher’ helps one understand the overall ‘character’ of the brand which includes all the possible brand personality attributes and its dimensions. For the purpose of this research, the researcher aims to understand the character of the X brand depending on the attitudes of the internal stakeholders. Graphs 6 and 7 illustrate the attitudes of the internal employees towards the overall ‘character’ of the X brand.

Graph 6. The attitude of the internal stakeholders towards the overall ‘Character’ of the X brand

Graph 7. The attitude of the internal stakeholders towards the overall ‘Character’ of the X brand
The above graphs represent a very interesting view about the overall ‘character’ of the X brand according to the internal employees of the organisation. Both the graphs represent a lot of movements in the lines and it would be interesting to see in the analysis what the brand actually means to the internal employees. One of the interesting points to note in both the graphs is the movement of the ‘strongly disagree’ curve as compared to the previous graphs. Looking at Graph 6, we can see that nearly 75% of the internal employees agree that the brand has a ‘pleasant’ character. On the contrary 20% also agree that the brand is ‘aggressive’. This can be complemented with the rise in the ‘agree’ line which shows that nearly 53% of the internal employees also feel that the brand is ‘tough’. One interesting finding to see is that while a majority of the internal employees do not consider the brand as being ‘selfish’, nearly 55% of the internal employees do feel that the brand is ‘inward looking’ and ‘authoritarian’. Alternatively, in Graph 7, the movement of the lines are very dramatic. Where less than 30% of the employees agree that the brand is ‘snobby’ and ‘elite’, more than 60% of the employees feel the brand is ‘affluent’ and ‘independent’. One of the interesting points here is to note the dip in the agree curve where less than 30% of the employees consider the brand as ‘refined’ and ‘simple’. One of the striking features of this graph is that nearly 60% of the internal employees consider the brand as ‘profit oriented’.

5.9. Comments – category 4 (CHARACTER)

Attitude can be defined as readiness to respond to a psychological object with some degree of favourableness. The evaluative reaction of favour or disfavour can range from extremely negative to extremely positive, through the neutral point, on a dimension such as: “good – bad”, “pleasant – unpleasant”, or “in favour – opposed”. “Attitude is a psychological tendency that is expressed by evaluating a particular entity with some degree of favour or disfavour” (Eagly & Chaiken, 1993). When referring to attitude towards a brand, it is very important to understand that small things in a brand really matter. Though the researcher does not merely argue that the apparently trivial can be important but more than that, the researcher argues that the most trivial and apparently inconsequential characteristics of brands can be the most important factors in shaping perceptions. This is precisely because they are so seemingly trivial. Indeed it is the trivial characteristics of anyone and anything which are perhaps the most telling. Employees and external audiences, in forming impressions of brands, extrapolate massively from what little clues they are given. They also disregard the obvious main message in favour of small telling details. Just like people, brands have a ‘character’ about them, a certain set of emotions that are evoked by their very name and the images associated with them. Combined with the brand’s stated benefits, a brand’s character helps distinguish it from its competition. A brand’s character can reinforce its intellectual advantages, and is an
essential prerequisite for helping to establish an ongoing relationship between the brand and its stakeholders. As it is said, “Character is what is inside of you that no one can see — it is what you do when no one is watching.” At the end of the day, it comes down to this — what did you do today to live up to your brand? It’s one thing to identify your brand, which is crucial to having an unshakable knowing that no one can imitate you. However, it is another to live up to your brand day in and day out deepening your commitment and dedication to who you are, what you stand up for and the value you offer. Living up to the brand requires focusing the attention on self-improvement and on consistently doing your best. In the case of X, the researchers feel that having realized the overall ‘character’ of the brand as held in the minds of its internal stakeholders, the brand needs to renovate itself in order to be perceived as more exciting to work for, more people oriented, more enterprising and more competent. The researchers argue that unless X makes an attempt to build a ‘stronger brand character’, it will not be able to reap the benefits that it is aiming for at present. There should be a level of excitement that needs to built internally because the internal employees are also the ‘brand ambassadors’ of the company and they play a very important role in building the overall perception of the corporate brand externally.

6. Discussion and Conclusions

<table>
<thead>
<tr>
<th>Failure to Differentiate</th>
<th>Looking at the nature of the regulated business one might presume that it is quite difficult to differentiate yourself based on your product/services, since water will always be water no matter who is providing it. However, the point of differentiation might then seem to be the ‘quality’ of your products and services. BUT, in the case of the regulated businesses in the United Kingdom, every region has one player in the market as a result of which differentiating on the basis of quality can increase customer satisfaction but not recognition. Hence the researcher recommends that along with differentiating yourself on the basis of your ‘quality’, X needs to differentiate itself on the basis of its brand essence and brand parity.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>In the non-regulated business, X faces competition. Differentiating itself from competition means basing the company on a solid foundation. However, with the lack of integrated communications and the inability of the core brand to leverage its values across its non-regulated businesses, X faces a dilemma between what it wants to be looked as and how the external stakeholders actually perceive the brand. As a result, the researcher recommends that the strength of the core brand should act as a differentiating factor for the non-regulated businesses. This seems possible only if the external stakeholders view the non-regulated businesses as a part of the X group rather than individual brands competing in the market.</td>
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</table>
### Table 2. The Branding mistakes that X should avoid

<table>
<thead>
<tr>
<th>Mistake</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td><strong>Failure to differentiate</strong></td>
<td>Looking at the nature of the regulated business one might presume that it is quite difficult to differentiate yourself based on your product/services, since water will always be water no matter who is providing it. However, the point of differentiation might then seem to be the 'quality' of your products and services. BUT, in the case of the regulated businesses in the United Kingdom, every region has one player in the market as a result of which differentiating on the basis of quality can increase customer satisfaction but not recognition. Hence the researcher recommends that along with differentiating yourself on the basis of your 'quality', X needs to differentiate itself on the basis of its brand essence and brand parity.</td>
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<tr>
<td><strong>Presenting yourself with poor or no visuals</strong></td>
<td>In the non-regulated business, X faces competition. Differentiating itself from competition means basing the company on a solid foundation. However, with the lack of integrated communications and the inability of the core brand to leverage its values across its non-regulated businesses, X faces a dilemma between what it wants to be looked as and how the external stakeholders actually perceive the brand. As a result, the researcher recommends that the strength of the core brand should act as a differentiating factor for the non-regulated businesses. This seems possible only if the external stakeholders view the non-regulated businesses as a part of the X group rather than individual brands competing in the market. The human brain retains a visual image much longer than a mass of verbiage. As a result an organisation that presents itself using graphics and multimedia elements such as animation, audio, and video is stays in the minds of its stakeholders far longer than without it. X uses its 'Green' logo very effectively in its internal communications via the intranet, published materials, posters, promotional materials etc., however, it fails to do this externally. Depending on its vans with the x logo painted on them does not indicate effectiveness. The organisation needs to build its visual identity much more consistently to its external audiences through corporate advertising, sponsorships, print medium, television, promotional materials etc and it should also be in line with its overall branding campaign. This will generate a positive psychological effect on its external audiences. Think about the positive feeling and the sense of identity that 'Sony' products create in the minds of its external stakeholders. One point that X needs to take care of is its non-regulated business brands. So when the organisation builds its visual identity it should incorporate the non-regulated brands in such a way that it not only generates integration but also creates an image of an organisation with one brand (X) and united strands (W, YC).</td>
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### Inconsistent design of your website

A web site needs a lot more than a “cool look.” It’s got to sell your company and its products and services to people with very short attention spans; prospects will surf to a competitor’s site in seconds flat if they don’t see immediately that you can meet a burning need. In today’s marketplace, your Web site should be the cornerstone of your brand communications strategy. Every communication tool you create must drive prospects to your site for substantiation, education, inspiration, and motivation. Website has always been considered as a marketing communications tool; however, this is not true. In today’s world more than just marketing, a website stands for an organisation’s overall brand values. For example, X recognised three core brand values: Responsible, Enterprising and Competent. Does its website reflect these values? According to the researcher, it does not. The website of X is very consumer focussed. If the organisation needs to create a strong corporate brand image, the website needs to communicate something for every external stakeholder. Also the non-regulated brands should be clearly highlighted with every non-core brand shown to be associated with the corporate brand based on the overall core brand values. So for example, W and YC should reflect the ‘enterprising’ character of X. Contract Solutions should reflect ‘competency’.

### Improper internal employee training concerning the corporate brand message

Since branding occurs anytime someone in your company comes in contact with your public, don’t forget about your walking, talking billboards – your employees. They may be on the phone with clients, schmoozing prospects at networking events, or simply talking with friends and associates. In order to develop an integrated corporate brand image, X needs to train its employees across all its businesses to conduct themselves in a manner consistent with your brand message (e.g. responsible, enterprising, consistent), and they will surely turn out to be goodwill ambassadors for the external stakeholders of the organisation. Training can be instructor-led or computer-based; both are effective as long as they’re performed consistently.

### Failure to integrate all forms of communication

It is important to realise that multiple impressions from different media motivate a prospect to buy more effectively than the same number of impressions from one medium. X must shower its prospects with a strategically deployed combination of print, direct-mail, a web site, telemarketing, aggressive public relations, and sales presentations etc. all communicating a consistent branding message. The combined impact will be golden to your bottom line. In short, failure to integrate all forms of communication between the regulated and non-regulated businesses will not only create an inconsistent perception of the organisation, but will also fail the organisation to be recognised as one brand with united strands (‘strands’ represent all the businesses).
Inconsistent and ineffective corporate identity

There is no surprise to see that the corporate identity of X in the regulated businesses is very different that in its non-regulated services. The company does not seem to have a consistent corporate identity across all its businesses and one of the major reasons for this is the lack of integration between what the regulated business communicates to its external stakeholders and what the non-regulated business communicates. Ineffective corporate identity is a sign that no matter the company is called X, there is no unity that exists in real terms, which in turn not only hampers the employees morale and perception but also affects the company’s overall reputation at a corporate level. As a result, the researcher recommends that X has to develop a unique value proposition for itself, its products and its services. This will result in distinct and relevant corporate identity that consistently conveys the vision, values, prominence and the corporate brand personality.

In this study, the researchers tried to understand the similarities and differences in the perceptions of the corporate brand of X within the organisation. The findings of the research revealed some very interesting issues that the organisation failed to recognise which in turn has led to the development of a ‘confused brand image’. Most of the reasons for the ‘communication gap’ were found within the organisation. The researcher identified that there was a misalignment between the purpose and values of the organisation and the corporate brand. There was also a misalignment found between the values of the corporate brand and the values of the non-regulated business brands of the organisation. As a result, the researcher has made several recommendations which will help the organisation bridge the communication gap across all its businesses and stakeholders. The three critical considerations that the researcher has recommended for developing the corporate brand of X are:

- **Clarity** to cut through the complexity and confusion that exists in the overall perception of the corporate brand.
- **Integration** of communications across all the businesses and development of the corporate brand which is consistent in terms of its values for both the regulated and non-regulated businesses.
- **Consistency** both in the behaviour of those in the leadership positions (the senior executives of each business within the group) as well as in the core messages that are communicated within and outside the organisation.

Adhering to these first principles is likely to diminish the ‘communication gap’ that currently exists, and in turn enable X to become more effective in communicating consistently across all its businesses and stakeholders. It will also
help the organisation develop a stronger corporate reputation and much more positive corporate brand perception.

7. Managerial implications

Summary of the overall brand perceptions held by the internal stakeholders

Branding. When most people hear the word, they think of branding in terms of prospective customers, or the existing ones. Essentially, they think of branding as an externally focused business function. But what about communicating the brand to your internal customers – your employees? Employees are walking, talking advocates for your brand. However, most companies spend little time, attention, or money on internal marketing and branding, such as making sure employees understand the brand and communicate it well. In many ways, selling the brand on the inside is more important than selling the brand on the outside.

There is no shortage of reasons why companies should embrace the concept of internal branding: it leads to increased corporate loyalty and job longevity; employees are better able to serve customers because they understand the brand promise; employees who believe in the brand work harder, and better. But most importantly, when employees are brand champions, they create brand differentiation for your external audiences. This is something hard for competition to replicate. This differentiation becomes part of an organization’s brand edge on the competition, and employees add the edge.

It is important to understand that employees as part of the brand differentiation are critical on the brand battlefields of the future. “The 4 P’s (product, price, promotion, and placement) are all replicable by competitors; the only thing not replicable is the fifth P, the personality of the organization, its brand or its people.” To truly get the greatest benefit, internal branding must be a dialogue. After all, employees are a great resource of information on the brand. In the case of X, it was found that the overall brand perception of the internal employees was ‘fairly positive’.

In a nutshell, the internal employees of the organization view the ‘X’ brand as mature, reliable, secure, fairly competent and fairly enterprising. On the contrary, the internal employees also consider the brand as profit oriented, unoriginal, not unique, and fairly selfish with lack of transparency.
References


