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Editorial

Following the successful publication of the inaugural edition of the London School of Business and Management’s Working Paper Series (LSBM WPS) in January 2016, this second issue highlights a selection of papers around branding. Sticking with the LSBM tradition of “stimulating debates on topical research and scholarship matters amongst the LSBM community and its stakeholders (policy makers, employers, the media and networks in other institutions),” (see Issue 1 Editorial), this double issue presents a mixture of papers from both LSBM staff and students.

This is a themed issue with a focus on branding. The first four papers showcase students’ work, which formed part of their coursework in the 2015/2016 academic year. The final paper is a working paper by a member of the academic staff at the London School of Business and Management. Furthermore, while the first paper focuses on a fashion brand (Pandora), the second paper is on brand awareness in real estate. The third paper’s focus is on entertainment (Disney), and the last two papers revolve around person brands (Eminem, Sir Alex Ferguson and the late Steve Jobs).

The papers featured in this second issue have undergone peer review as reports with A grades from both LSBM and the degree awarding body, the University of Northampton, as well as editorial reviews of the LSBM Centre for Research & Enterprise key resource persons and the WPS editorial board.

In the first paper, Claudia Maugeri undertakes a brand audit of PANDORA, the jewellery brand renowned for its charm bracelets. The paper kick-starts with a brand inventory consisting of the variety of collections and features. The study argues that PANDORA’s focus on women of different ages positions the brand as a high-end brand at affordable prices. The study also undertakes a brand exploratory of customers’ perception drawing upon Keller’s brand equity pyramid, which outlines six steps to brand equity building. As Claudia argues, PANDORA has been ranked as a good brand, with relatively high resonance among customers, with a high resonance on social media platforms. Overall the study highlights key brand positioning concepts such as points of difference (PODs), points of parity (POPs), and the brand mantra, might reposition PANDORA within its sector.

Anaïs Cornuault, in the second paper, explores the volatility of business management in the saturated real estate market. The focus of her paper is on a French real estate agency, SMB Habitat, located in Pau, Pyrénées-Atlantiques, France, where she seeks to understand the Corporate Social Responsibility initiatives undertaken by the firm in order to build stronger brand awareness and resonance. The study was part of an MBA business research project, which involved completion of interviews and a mini survey. The findings of the interviews and mini survey confirm what is already well established – CSR activities can help to strengthen a brand but only to some extent. According to the findings, it seems that SMB Habitat’s CSR initiative has had a positive impact on the existing customers’ perception of the brand, but the same cannot be said for potential customers, as not enough brand awareness seems to have been generated as a result of CSR activity at the firm.

In the third paper, Mary Westre, explores brand association is the way people think of a particular brand of product when they think of a particular activity associated with the product. The ultimate goal of any brand manager is to increase brand equity of the company and create a group of loyal customers. Brand equity can be increased with better brand association. Brand association is affected by many parameters, such as brand familiarity, brand awareness, brand credibility, brand culture, and brand image. These brand concepts are discussed as part of the study’s review of the literature. In summing up, Westre raises some interesting points for consideration as far as the Disney brand is concerned – notably, the danger of brand dilution. According to the study, while the Disney brand may have “been able to successfully preserve its core brand value and customer associations […] in the future, it needs to be more cautious and manage brands more carefully as the new generation of millennials may not associate themselves with Mickey as easily as the previous generation.”

Giulia Rinaldi, in the fourth paper explores the notion of person brands taking the case illustration of Marshall Bruce Mathers III (aka Eminem) as a point of reference. The brand audit includes a brand inventory, which consists of highlights of the artist’s life story, as well as the product portfolio, to get a clear picture of the Eminem value proposition. A partial comparison is made with one of the biggest
names in hip-hop, Shawn Carter (aka Jay Z), as well as a mention of hip-hop billionaire, Andre Romelle Young (aka Dr. Dre), co-founder of the Beats Headphone, which was acquired by Apple Inc.

In the fifth and final paper, Nnamdi Madichie, explores another branding dimension – i.e. CEO branding, by drawing insights from halo effects attributable to two CEOs in separate lines of business and/or sectors – notably the late Steve Jobs, former Apple CEO and Sir Alex Ferguson, also a former manager, and arguably “CEO” for one of the most successful English Premier League football teams of all time – i.e. Manchester United. He argues that, as different as these CEOs may be, both have leveraged their leadership and personality traits as captains. Both firms are well established brands and likewise are the people behind the brands. This working paper is positioned upon two streams of literature: first, David Rae’s (2005) conceptual framework on entrepreneurial learning as a triadic model consisting of personal and social emergence; contextual learning; and the negotiated enterprise is evaluated and applied to the first firm – Apple and its co-founder, Steve Jobs. Second, the leadership attributes of CEOs, is applied to Sir Alex Ferguson, who has exhibited the CEO brand attribute that goes with success crowned by a knighthood and a case study in the Harvard Business Review – even though he never went with the title of CEO at Manchester United Football Club (an established brand with a stock listing).

Overall, this Working Papers Series would be the main conduit of the activities of the Centre for Research & Enterprise at the London School of Business and Management, and would be mapped with the research & Scholarship strategy which is currently in its final stages of development with a view to encouraging participation from all aforementioned stakeholder groups.

Nnamdi O. Madichie
Series Editor, October 2016
The Charm of Pandora – A Brand Audit

Claudia Maugeri

London School of Business and Management, UK

This report will conduct a brand audit on PANDORA, the jewellery brand known for its charm bracelets. The first step of a brand audit is the **brand inventory**, and this is followed by the **brand exploratory**. In the case of the former, PANDORA has different collections that target different women of different ages. The brand position is clear – high-quality products at affordable prices. In the latter case, (i.e. brand exploratory) customers’ perception is very important and highlighted by brand guru, Kevin Lane Keller, who said that the strength of a brand is inside consumers’ minds. This study’s focus is on the importance of the mental map, and the customer based brand equity pyramid – i.e. the six steps to building brand equity. PANDORA has been ranked as a good brand, with relatively high resonance among customers, and especially so in social media platforms. Key brand concepts are discussed as part of the exploratory e.g. brand mantra, point-of-difference and point-of-parity. The PANDORA brand mantra reflects its positioning and will be **individuated** as “unique, affordable and hand-crafted”. A detailed research conducted in this report has shown that while PANDORA has several points-of-parity with its competitors, the jewellery brand’s strong social media presence, especially Facebook, may well be a distinct point-of-difference for the brand.

**Keywords:** Brand Audit, Charm Bracelet Market, Pandora

**Introduction**

According to the American Marketing Association (AMA), “a brand is a name, term, design, symbol, or any other feature that identifies one seller’s good or service as distinct from those of other sellers” (AMA, 2015). The definition highlights the concept of recognition, in comparison to other brands (Shaw, 2000); on the other hand, this definition lacks something essential: the importance of customers’ knowledge of the brand, the creation of brand awareness and reputation. Products and services are characterised by three levels. Each level will add more value to the customer. Hence there is the core level, followed by the actual product and the augmented product (Kotler, 2013). The first level is about what the customer is really buying; in other words, what customers’ needs are really being fulfilled with that purchase (e.g. if you buy an IPhone you are not just buying a smartphone or electronic device, you are also buying the freedom of being connected everywhere). The second level is the actual product. Product planners have to create the product or service features such as design, packaging, name, brand name (Kotler, 2013). At the top level there is the augmented product level – in this level marketers have to create and deliver the additional services such as warranty, customer assistance, etc. Branding is about competing at the augmented product level, and is what will distinguish a commodity from a brand (Keller, 2012).

Auditing brands has become one of the most effective ways of measuring brand equity (Keller, 2012). Brand equity is the “differential effect” (Kotler, 2013, p. 257) that the awareness of the brand has on customers when responding to any marketers’ efforts (Kotler, 2013). Brand audits are characterised by two different levels – the first stage will be a detailed description of how the brand has been marketed across its products and services – i.e. the brand inventory (Keller, 2012); the second level, called brand exploratory, will provide a description of how customers perceive the brand; the focus is on the customers’ brand awareness as a source of brand equity (Keller, 2000).

The study is mainly a brand audit based on a situational analysis of a fashion brand – PANDORA. Following the evaluation of the brand inventory and brand exploratory, recommendations are put forward, both strategic and tactical, to the brand in keeping its strong brand equity for the next three years at least.
The Internal Audit

In the literature, the internal audit consists of a brand inventory and the financial wellbeing of a brand. Both of these concepts are, therefore, discussed in this section. Brand inventory is defined as a meticulous internal explanation of how the brand has marketed its products (Keller, 2000). The main scope of the brand inventory is to identify how all the products or services of the brand are currently marketed and branded (Grover, 2006). It is the first step of a brand audit and also it is important for two reasons: it helps to have an idea of what consumers’ perceptions may be built on and create the base for interpreting the following step, the brand exploratory that describes what consumers’ perceptions are in reality (Grover, 2006).

Sold in more than 90 countries across six continents, PANDORA jewellery keeps constantly growing as evidenced by 9,500 points of sale and 1,500 concept stores (PANDORA, 2015). PANDORA began its journey in Copenhagen, Denmark, in 1982; since then, the brand has grown constantly and now has around 14,000 employees of which 10,000 are located in Thailand, where jewellery is manufactured (PANDORA, 2015). Per Enevoldsen and his wife Winnie started creating PANDORA in their small jewellery shop in Denmark; travelling to Thailand often to import stones. This was arguably what prompted the couple to venture into their own brand, starting with their native Danish market (PANDORA, 2015). In 1989, the company started manufacturing its jewellery in Thailand (PANDORA, 2015).

The most important year for the company was 2000: “PANDORA’s charm bracelet concept” was created and international success was almost immediate (PANDORA, 2015). Trying to cope with the manufacturing production in Thailand, PANDORA opened six manufacturing plants there (PANDORA, 2015). In 2008 the company was acquired by Axcel by 60 percent, and in 2010 the brand was listed on the NASDAQ Copenhagen Stock Exchange (PANDORA, 2015).

PANDORA’s mission is to create luxurious and quality jewellery at an affordable price (PANDORA, 2015). Each charm, each piece of jewellery aims to evoke emotions and aims to be special - as a result of that, each charm and product will have some key feature and a range of collections. PANDORA has different collections also according to the different times of year. The charm bracelet concept developed in 2000 includes a variety of charms and clips that can be mixed and matched according to personal preference. Therefore, it is clear that PANDORA targets all women that want to feel special embracing different ages and different desires.

Pandora’s financial performance has been remarkable in recent years. In 2010 the company net profit was £176 million increasing each year until 2014 with a net profit of almost £300 million. The revenue in 2010 was £629 million while in 2014 it was £1,125 million. The company’s gross profit in 2010 was £443 million while in 2014 it was £793 million (PANDORA, 2015). It is clear that PANDORA is becoming more profitable each year, and this clearly shows that the company brand resonance is very good among consumers.

PANDORA’s Brand Strategy

Marketers create brand awareness and familiarity among consumers in order to make them able to recognise the brand and keep it in their memory. Brand awareness and brand image are the main sources of brand equity; they also maximise companies’ profitability (Aaker, 1991). PANDORA’s mission statement is:

To celebrate women by offering them the opportunity for personal expression through […] high quality and contemporary jewellery at affordable prices. All women have their individual stories to tell – a personal collection of special moments that makes them who they are […] that is why we celebrate these moments [and] say these moments are unforgettable“ (Pandora, 2015).

From the mission statement it is clear that PANDORA’s strategy is to achieve brand equity and to create the association in customers’ minds with something special, precious and unique at an
affordable price; the brand tactics to achieve that are clear, and are based on their unique brand value proposition – there is always time to celebrate special moments and imprint them in the memory for ever. This is the reason why any festivity and celebration are the perfect time for PANDORA to increase its brand equity, and sales.

Another tactic used by PANDORA is the use of Social Media. Joining the Facebook community and gathering 3.957.468 subscribers (Facebook, 2015) had the result of ranking PANDORA, in 2012, in 11th position as the most prestigious brand on Facebook (SyncForce Ranking the Brands, 2015). Moreover, the growing success of YouTube has been used by PANDORA strategically: the brand has been advertised by using YouTube channels of a very popular beauty blogger that will talk about the jewellery among their million people audience; with one video, for instance, the company has received 53,042 views (YouTube, 2015).

A very good tactic to achieve the strategy is to focus on vertical Integration: it is known that PANDORA’s production facilities are based in Thailand. PANDORA’s vertical integration is a source of brand equity. In fact, the brand is taking care of choosing each raw material and with care, transforming it in the beautiful charm sold to consumers. Each individual piece of jewellery is hand-crafted; therefore, it is synonymous with high quality. Lastly, but not least, is the pricing strategy because pricing reflects PANDORA’s brand strategy. It is clear from their positioning that the price is affordable. The brand is targeting every woman that wants to feel special.

The External Audit

Like the internal audit, the external audit comprises a brand exploratory as well as brand positioning which enables brands to highlight their respective points-of-parity and points-of-difference to their target audiences.

The brand exploratory is an external analysis of what is the brand meaning for the customers (Keller, 2000); in other words, what are consumers’ feelings about the brand (Grover, 2006). PANDORA was ranked in 2011 at the 44th place as the world’s most innovative company and in the 24th position in 2014 as the most valuable Nordic brand (SyncForce Ranking the Brands, 2015). This is mainly due to its capability to be innovative and develop its bracelet concept in 2000 (PANDORA, 2015). Brand association is very important and is the mean that will help brands to gain a competitive advantage over competitors (Aaker, 1991). Consumers usually associate PANDORA with “fashion”, “unique”, “quality”, “feminine”.

The PANDORA mental map in Figure 1 has been created gathering data from social media, such as Facebook and consumers’ comments on PANDORA’s Facebook page (2015). Although there are 13 associations, this report will discuss three. High quality is a very important point that gives a competitive advantage to PANDORA over its competitors. The uniqueness of its charms and bracelet is a strength that will lead consumers to choose this brand rather than a brand that will sell something that someone else could have the same. Lastly, the association with “charms and bracelets” is important because it means that there is brand awareness among customers.

Brand mantras are short (usually 3 to 5 words) sentences that will explain the brand soul and therefore it will reflect its positioning (Keller, 2012, p. 133). The mantra is usually divided into three types: functional modifier (describe the type of the product), the descriptive modifier (describe the nature of the product) and the emotional modifier (describe the way the brand delivers positive attributes). Hence, the PANDORA brand mantra is: hand crafted, affordable and unique. The brand mantra will sum up the main core brand associations (Keller, 2012).

The customer-based brand equity model will represent the steps for creating a strong brand. Consumers’ knowledge is the key to achieve strong brand equity considering, as Keller says, that “the power of a brand lies in consumers’ mind” (2012, p. 54). The pyramid, is divided into 6 steps that are fundamental in order to create brand equity – if the top is reached the brand is successful (see Figure 2 for an illustration).
Female all age medium/upper middle class girly women

Very good customer service
Silver sterling and gold
Charm and bracelets
Original
Affordable luxury
Unique

Figure 1. PANDORA mental map

Figure 2. PANDORA Customer Based Brand Equity (CBBE) pyramid

Source: Keller (2012)
### Figure 3. sub-dimension of PANDORA building blocks

<table>
<thead>
<tr>
<th>Feature</th>
<th>PANDORA CBBE pyramid model</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Salience</strong></td>
<td>PANDORA is easily recalled and recognised when it comes to charms bracelets. When talking to the charms and the bracelet concept, PANDORA is one of the most recalled brands among women.</td>
</tr>
<tr>
<td><strong>Imagery</strong></td>
<td>Trend, fashion, modern, unique. Middle-upper class women;</td>
</tr>
<tr>
<td><strong>Performance</strong></td>
<td>high quality products, hand-crafted silver sterling and gold, and very fashionable</td>
</tr>
<tr>
<td><strong>Feelings</strong></td>
<td>It is important to understand than when it comes to the PANDORA bracelet concept it is not only about the material product itself but the brand is linked to intangible feelings such as “memory”, “special moments”, “celebrations” and so on.</td>
</tr>
<tr>
<td><strong>Judgements</strong></td>
<td>high quality, good customer service, durable jewellery, not luxurious</td>
</tr>
<tr>
<td><strong>Resonance</strong></td>
<td>Moderate high brand loyalty. Strong social media presence.</td>
</tr>
</tbody>
</table>

### Figure 4. PANDORA Christmas collection

#### Features

- **Genuine materials.**
- **Solid sterling silver and 14ct or 18ct gold.**
- **Diamonds, gemstones, organic gems and man-made stones.**
- **White special box for each single purchased product including warranty.**

#### Collections

- **The Essence collection**
  - It targets every woman that wants to feel special and captures every special moment. The collection includes charms, bracelets and necklaces.
- **The Christmas collection**
  - It will be addressed to every woman that wants to make her Christmas special and unforgettable.
- **The Autumn 2015 collection**
  - The collection is a tribute to the beauty of the autumnal season.
- **The Pre-Autumn collection**
  - This collection is inspired by animals and cute puppies. The inspiring catch-phrase of the collection is “life is an adventure”.
- **PANDORA Rose collection**
  - This is a beautiful selection of rose gold pieces of jewellery obtained by fusing together a blend of metals.

Source: (PANDORA, 2015)
Pandora Brand Positioning

Positioning is defined as “the place the product occupies in consumer’s minds relative to competing products” (Kotler, 2013, p. 221). Kotler, in his definition, highlights an important concept: competitiveness. It is fundamental that brands offer customers an advantage over other competitors (Jobber, 2013); PANDORA positions itself as a provider of high-quality modern jewellery at affordable prices (PANDORA, 2015). To start positioning a brand, it is important to identify the target market. After that, the next step is to identify competitors such as Thomas Sabo and Chamilia and the points of parity and points of difference against them (see Table 1 for a one-page summary of the brand plan).

Table 1. PANDORA BRAND PLAN

<table>
<thead>
<tr>
<th>Situation Analysis</th>
<th>Objectives and Strategies</th>
<th>Implementation Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strengths</strong></td>
<td><strong>Objectives</strong></td>
<td><strong>Marketing Schedule</strong></td>
</tr>
<tr>
<td>• Backward integration (Thailand is the location of production)</td>
<td>1. To focus on PANDORA branded sales channels and opening 375 concept stores by 2016</td>
<td>J F M A M J J A S O N D</td>
</tr>
<tr>
<td>• Leader in the growing market of charms and bracelets</td>
<td>2. To focus in product development and increase the ring offering by 40% by next year</td>
<td></td>
</tr>
<tr>
<td>• Established presence in 90 countries with 9,500 points of sale</td>
<td>3. To create a men’s jewellery line by 2017</td>
<td></td>
</tr>
<tr>
<td>• Hand-finished from genuine materials at affordable prices</td>
<td>4. To increase brand awareness by 25% using online platforms such as Facebook and YouTube by 2016</td>
<td></td>
</tr>
<tr>
<td><strong>Weaknesses</strong></td>
<td><strong>Brand Positioning</strong></td>
<td></td>
</tr>
<tr>
<td>• Main cash flow is generated from charms and bracelets (limited product range)</td>
<td><strong>Functional Brand Value</strong> - high-quality hand finished jewellery at affordable prices</td>
<td></td>
</tr>
<tr>
<td>• Production limited to Thailand</td>
<td><strong>Emotional Brand Value</strong> – PANDORA jewellery allows customers to express themselves</td>
<td></td>
</tr>
<tr>
<td><strong>Opportunities</strong></td>
<td><strong>Essence</strong> – high quality jewellery at affordable prices for every customer that wants to celebrate special occasions</td>
<td></td>
</tr>
<tr>
<td>• Economy of BRICS</td>
<td><strong>Marketing Mix</strong></td>
<td></td>
</tr>
<tr>
<td>• New product development</td>
<td>Product – launch new and innovative products to be always trendy</td>
<td></td>
</tr>
<tr>
<td>• E-market, social media</td>
<td>- launch men’s jewellery line</td>
<td></td>
</tr>
<tr>
<td>• Strategic alliances</td>
<td>Price – affordable depending on item.</td>
<td></td>
</tr>
<tr>
<td><strong>Threats</strong></td>
<td><strong>Distribution</strong></td>
<td></td>
</tr>
<tr>
<td>• Counterfeiting products</td>
<td>internet website, authorised retailers, concept stores</td>
<td></td>
</tr>
<tr>
<td>• Gold and silver (raw material) may increase in price</td>
<td><strong>Promotion</strong> – website, direct marketing, PR towards YouTube channels, e-mail campaign, brochure</td>
<td></td>
</tr>
<tr>
<td>• Economic crisis</td>
<td><strong>People</strong> – sales assistants are well-trained to deliver the best experience when buying PANDORA jewellery, loyalty programs (PANDORA Club)</td>
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</tr>
</tbody>
</table>

Points-of-Parity are defined as customers’ associations that are linked to other brands. These associations are considered to be essential for choosing that brand in other words consumers have to...
think that the brand is worthy (Sudhakar, 2013); by comparing Pandora, Thomas Sabo and Chamilia, it is clear that both provide high quality jewellery – charms, pendant, necklace, rings and bracelets. Also the three brands both allow customisations of their product by making them absolutely unique. A strong customer service is the pillar of their service and, when customers purchase a product, they all come in beautiful and special packaging.

Points-of-Difference are the benefits that a customer associates with a brand. These benefits have to be strong and unique and will lead consumers to choose one brand rather than another (Sudhakar, 2013). PANDORA has shown some laudable points-of-difference in comparison to other brands – for example, the brand has a strong Facebook presence, and following. Pandora counts 3,961,898 subscribers (Facebook, 2015) against 106,084 of Chamilia (Facebook, 2015) and 950,835 of Thomas Sabo (Facebook, 2015). Social media presence is a very important advantage against competitors – consumers will trust more an online brand and the possibility to read reviews (Kohli, 2015). Moreover, strategic alliance can be a strong advantage for some brands in consumers’ minds; hence it is worth mentioning the strategic alliance with The Walt Disney Company made on 12 October 2015 (PANDORA, 2015).

Conclusions and recommendations

In order for PANDORA to keep and build its brand equity, some recommendations will be suggested. As illustrated in Table 1 in the brand plan, there are several brand challenges for PANDORA. At the strategic level a challenge PANDORA is facing, is gathering new markets. Although PANDORA has focused a lot on the bracelet/charm concept, the market is limited to women; therefore, in order to capture a new segment – like men, the brand should create a new line for men. Moreover, PANDORA should diversify its offering and perhaps focus on increasing the ring offering. Although PANDORA has established its presence in 90 nations, there are a lot still unexplored.

A strategic recommendation in order to enter new markets and establish its presence should be investing in BRICS economies. A tactic for entering new unexplored markets could be to increase its manufacturing plants and add different ones in different part of the world, such as Brazil, India, or China. As a result of that, it could be easier to enter different market that have still been unexplored. In order to increase brand loyalty, PANDORA should keep investing in internet and social media. A tactic to increase brand loyalty, is the price. The price should be affordable, but could also be kept high depending on the item. PANDORA should also invest more in social media, as there have been some evidence of such media especially Facebook and YouTube to contribute to the revenue streams of brands.

Facebook and YouTube are great platforms and in this way, PANDORA could reach an immense number of customers. Focusing on branded concept stores is fundamental in order to strengthen the awareness of the brand. Therefore, it is important to increase the number of concept stores and open new ones by also continuing to invest in the official website and authorised retailers. People are fundamental in order to deliver the best customer service and the jewellery brand should invest in highly motivated and professional staff that are not only able to deliver products, but also the best experience to customers. It is clear that marketing activities are very important and PANDORA should keep investing in them, as it did in 2014 when the brand devoted 10 percent of the net profit to marketing activities.

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   [Accessed 24 October 2015].


Brand Awareness and Corporate Social Responsibility in a French Real Estate Firm

Anaïs Cornuault

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The purpose of this study is to understand the CSR initiatives undertaken by a small firm and how this might have impacted on the firm’s Brand Awareness, and hence brand image. The findings would enable SMB Habitat build stronger brand awareness through more effective CSR and marketing initiatives. The study is a single case study of a French real estate agent, SMB Habitat, located in Pau (France). Access to the firm was negotiated using convenience sampling and data was collected by three in-depth interviews, which were further complemented by a mini survey of clients in order to compare the findings. The study has implications for a sector that is not normally received positively by the general public, owing to the real or perceived rent-seeking behaviour of estate agents. The originality of the study therefore lies in the attempt to link CSR to branding literature and explore this in the context of a small real estate firm.

Keywords: Real Estate, Brand Awareness, Corporate Social Responsibility, SMB Habitat

Introduction

The French people call them “sharks”. They have a reputation for being greedy, money-driven and unreliable. Real estate companies are often described as vehicles for scams, frauds and bribery. Two decades ago, there were 15,000 real estate companies in France, the number has doubled since and there are now 33,000 (Businessscoot, 2016). The French real estate market is becoming overcrowded. Yet, many companies are entering the market every year and the French real estate market value is expected to grow almost 4 percent by 2019 (Marketline, 2015). As a result, there is fierce competition among the real estate companies and many of them are revisiting their strategies in order to differentiate themselves from their competitors and gain market share.

Recently, I had been discussing jobs and met a friend of mine and she had mentioned that her mother had a job in a real estate agency. She explained a bit more about the company and stated that 10 percent of its agency fees is donated to a non-profit organisation. I loved the idea and was hungry to learn more. I felt biased against the real estate industry, but was willing to get a different perspective on how the real estate industry operates. As a result, I contacted her mother, Valerie Cayron, and our discussion was the starting point of this study.

Two friends founded SMB Habitat in September 2014. The French real estate company is located in a small city in the Southwest of France, Pau. The company only has one branch and consists of four people and two self-employees (the founders) working full-time and two employees working part-time. Since its creation, the company has not invested much in marketing, but has come up with a new model: for each property sold, SMB Habitat donates 10 percent of its agency fees to the customer’s chosen charity. However, during our first discussion, Mrs. Crayon informed me that some people were confused by this concept and business model since they asked the real estate agents if they needed a specific document i.e. payslip to register at the agency, using SMB Habitat as a local council. Furthermore, this initiative – “10% of our agency fees to a charity” – seems not to be the reason why customers choose SMB Habitat over other real estate agencies as most of them are not aware of this.

However, another issue was their lack of benchmarking. Indeed, SMB Habitat had never benchmarked and measured their brand awareness. Throughout my research, other problems have been identified. With this in mind, the following research question was formulated: How can SMB Habitat increase its brand awareness through targeted marketing and corporate social responsibility? The purpose of this paper is to understand the CSR initiatives carried out by a French real estate agency, SMB Habitat,
assess its brand awareness, and help it build stronger brand awareness through more effective CSR and marketing initiatives. The Research objectives are:

- To explore the relationship between CSR, marketing initiatives and BA.
- To measure SMB Habitat’s BA amongst consumers.
- To measure SMB Habitat’s brand performance and customer satisfaction with its existing customers.
- To provide SMB Habitat with solutions to increase its BA, attract customers and as result, generate more revenue.

This study seeks to assist the organization in two ways: firstly, help it to collect relevant data and undertake its first benchmarking exercise and secondly, provide it with solutions to improve its BA accordingly. The first step in the consultation process was the unstructured interview I had with Valérie Cayron, then, I conducted two other interviews: one semi-structured and another one structured. Within the process SMB Habitat was also contacted via email. It provided me with a list of customers’ emails to send the survey to (second survey) and I communicated the findings of the two surveys.

The next section will analyse the relevant literature with regards to the chosen topic, i.e. Brand Awareness and Corporate Social Responsibility (CSR) in a French real estate firm.

### Literature review

A Brand is generally viewed as a primary point of differentiation between different offers and critical determinants of a company’s success in marketing literature (Wood, 2000). Kotler (1991, p.442) defined brand as “a name, term, sign, symbol or design or combination of them”. However, Cacciolatti and Lee (2015) argued that a brand is more than just a name or symbol and explained that focusing on only the physical aspects when defining a brand can lead to confusion.

Since the 1990s, many authors have highlighted the importance of brand management. Styles and Amber (1995, cited in Wood, 2000 and Cacciolatti and Lee, 2015) distinguished between two different approaches when managing brands: “product-plus” and “holistic”. The “Product-plus” approach views brand as a distinctive and additional element to the product. The “holistic” approach advocates that brand is an aggregate of all elements of the marketing mix and each element (price, distribution, promotion, and so on) should support the brand message.

A brand image and brand message can be created through brand communication. Brand communication is very critical for brand recall and brand recognition (Langaro et al., 2015). Brand awareness is made up of brand recall and brand recognition (Huang and Sarigöllü, 2012). Brand recall refers to the extent to which a consumer can correctly identify and recall a brand when given the product category, and brand recognition is the prior exposure consumers have (or not) with a brand which enables them to recognize this brand (Huang and Sarigöllü, 2012).

Brand awareness refers therefore to the likelihood and ease with which a brand will come to consumers’ minds. Langaro et al. (2015) explained that there is a positive correlation between brand communication efforts and brand awareness. They also demonstrated that social networking can help to create strong brand awareness.

### Brand Growth Barrier (BGB) model

Krüger and Stumpf (2013) identified three ways a brand can evolve: grow, stagnate or decline. The authors explained that brands lose potential customers at every steps of the purchase decision process due to weak brand management. They described these steps as “brand growth barriers” and explained how the Brand Growth Barrier (BGB) model can help companies to manage their brand more effectively by identifying hindrances to brand growth.
The BGB model includes seven barriers: awareness, brand clarity, relevant set, first choice, purchase, repurchase and recommendation (Krüger and Stumpf, 2013). There is an awareness barrier when a company’s target group has not heard of the brand. There is a brand clarity barrier when the target group has heard of the brand but cannot explain clearly what the brand stands for. Relevant set refers to a situation where the target group knows about the brand but would not consider buying it.

First choice barrier occurs when the target group considers the brand in their purchase decision process but it is not their first choice. Purchase barrier refers to situations where consumers consider or prefer the brand at the first steps of their decision process but finally chose another brand. Repurchase barrier refers to situations where consumers have already bought the brand but choose a competitor for the second time, and recommendation barrier is when the target group are customers but not promoters of the brand.

These barriers must and can be removed by using appropriate marketing activities (Krüger and Stumpf, 2013). However, without formerly and clearly defining the target group, these activities cannot be effective. Indeed, the chosen strategies hinge on the target group and will be different from one target group to another. Cause-related marketing (CRM) are one type of marketing activities by which companies (for-profit organisation) partner up with charities in order to boost the former’s sales and promote the latter’s cause (Koschate-Fischer et al., 2012). In other words, a percentage of the company’s sales revenue is donated to a charity. The cause-related marketing campaigns outcomes are moderated by three variables: the donation amount, the customer predisposition towards the donation and cause-related (Koschate-Fischer et al., 2012). CRM is often assimilated to Corporate Social Responsibility (CSR) (Sheik and Beise-Zee, 2011). However, the “CSR is a broader concept” (Sheik and Beise-Zee, 2011, p.28) and incorporates CRM.

**CSR and Brand Awareness**

Maheshwari and Kumar (2013) argued that CSR is the most critical thing on any brand manager’s mind. Over the last century, the importance of CSR has been widely discussed in business administration literature (Kraus and Britzelmaier, 2012). The first debate about CSR started in the 1930s. However, CSR’s biggest contribution is owed to Bowen who defined CSR as a social obligation and argued that organisations should act as “proper citizens” (Kraus and Britzelmaier, 2012).

CSR can be defined as the initiatives organisations take to create a positive impact on society and beyond that which is required by the law (Blowfield and Murray, 2011). CSR is viewed as a marketing tool, which helps companies to create brand awareness and positive brand image amongst consumers (Maheshwaki and Kumar, 2013).

Indeed, consumers are becoming increasingly engaged in social causes and more likely to spend money on brands whose business values reflect what they believe in. Porter and Kramer (2006) listed four main reasons for companies to engage in CSR programs: moral obligation, sustainability, license to operate and reputation. They also argued that CSR initiatives are not just a cost for companies as they can create opportunities and help them to gain competitive advantage. Additionally, Mattera et al. (2012) added that a socially responsible brand position is source of competitive advantage.

Furthermore, a company’s CSR actions and marketing strategy – if effectively communicated – help companies to strengthen their brands and increase their brand awareness (Mattera et al., 2012). Wang et al. (2015) explained that some researchers have linked CSR to firm performance arguing that when a company fulfils its CSR, it strengthens its brand image and as a result, improve its performance. Moreover, a company may be promoted in media or existing customers may recommend the brand because of their CSR actions, which can as a result, lead to stronger BA. Swerdluck (2008) suggested that marketing initiatives build BA. He differentiated two types of marketing initiatives: community-based initiatives and practice-based initiatives. The former include partnerships, donations and contribution in local communities while the latter are the actions in practice (for example giveaways and events). Falck and Heblich (2007) explained that companies should embrace a long-term strategy when engaging in CSR. Thus, donations are short-term actions and not the most efficient strategy (Falck and Heblich, 2007).
Most CSR actions generate more sales or at worst, have no effect (Falck and Heblich, 2007). Further, the cost of CSR efforts is minimal compared to the benefits they can generate (Wu, 2006). Although some researchers found a positive correlation between CSR and a firm performance (Wang et al., 2015, Lai et al., 2010); many others argued that there is a negative correlation or no linkage between the two (Pour et al., 2014). Angshuman (2007 cited in Maheshwaki and Kumar, 2013) suggested that CSR does not help to promote a brand and its outcome cannot be visible in the bottom line of a company. In the discussion and evaluation section, SMB Habitat’s CSR initiatives will be assessed.

**Methodology**

When conducting a research, it is very critical to adopt the right methods and techniques in order to collect and analyse relevant data for the project. This section will describe the chosen approach using the research onion developed by Saunders and Lewis (2012).

Starting with the *research philosophy*, this refers to the assumptions made with regards to the research. Saunders and Lewis (2012) identified four philosophies: realism, interpretivism, pragmatism and positivism (see Figure 1). A pragmatic approach to research was adopted for this project. Pragmatism philosophy emphasizes the importance of research objectives and questions when conducting researches. This approach involves using the most suitable methods to the research problem without relying heavily upon academic research regarding what is the best method. Pragmatists usually mix different methods and techniques; and thus collect and analyse qualitative and quantitative data (Saunders and Lewis, 2012).

*Figure 1: The research onion*

![The research onion](source)

*Source: Saunders and Lewis. *Doing research in business and management*, p.103.*

*Research approach* is made up of two different approaches: deductive which implies adopting a research strategy specifically designed to test the validity of theoretical assumptions; and inductive which is the development and formulation of theories based on the prior research. In other words, the deductive approach starts from general to specific while the inductive first focuses on the specific and then the general. However, it is possible to combine the two approaches. This paper used both approaches and the academic research was undertaken while the interviews were conducted.

For *research strategies*, Saunders and Lewis (2012) explained that there are seven strategies when answering the research question and meeting the research objectives. These strategies are: experiment, survey, case study, action research, grounded theory, ethnography and archival research.
Survey is one of the most widespread strategies as it enables the data collection from a large sample of the population in a cost-effective way and generate findings which are representative of this population (Saunders and Lewis, 2012). As one of the research objectives was to measure the brand awareness of SMB Habitat in Pau, it is being more appropriate to use a survey (cf. Survey 1). The two surveys were also associated with three interviews (unstructured, semi-structured and structured) in order to ensure the collection of reliable data.

The next layer of the research onion model focuses on an important decision researchers have to make when establishing their research design – research choices – which is whether to opt for a qualitative or quantitative method; or a combination of both methods for gathering data. This study used both qualitative and quantitative research data because our objectives were to measure SMB Habitat’s brand awareness in Pau (which required quantitative data) and gain an overall view of the problems (with regards to the brand awareness) faced up by the company (which required qualitative data).

Therefore, qualitative discussions including brainstorming, interviews (qualitative data) and surveys were conducted. The surveys have helped us to collect and analyse both qualitative and quantitative data. Most of the questions were closed-ended (quantitative data). However, we also asked some qualitative research questions such as “Do you have any other comments, questions or suggestions?” in order to gather customer feedbacks and meet our last research objective.

Another open-ended question was “When you think of real estate companies in Pau, what brands come to mind?” This was an unaided brand awareness question (and qualitative data) which gave a strong indication of SMB Habitat’s brand awareness. The findings of the brainstorming and interviews are illustrated in the Ishikawa diagram (see Figure 2).

Figure 2: Ishikawa diagram applied to SMB Habitat

The Ishikawa diagram (also known as cause-and-effect diagram) can help to identify and visualize the potential causes of a problem. In our example, the problem (or effect) is SMB Habitat’s brand awareness and results from three main causes: external factors, benchmarking and marketing. The external factors cause includes market saturation and competition; marketing causes include brand clarity, SEO, advertising, brand recall and brand recognition, and benchmarking cause refers to the lack of benchmarking analysis.

Time horizon is the last layer before reaching the “core of the onion” and refers to the time frame allocated to the project completion. There are two time dimensions: longitudinal and cross-sectional researches. Longitudinal research analyses the changes of a topic over an extensive period of time. This research adopted a cross-sectional approach since the research question and objectives of this study were evaluated at a particular point in time. In other words, this study is a “snapshot” of a specific topic (SMB Habitat’s brand awareness and CSR) at a particular point in time.
Data collection and analysis

A purposive sampling technique was chosen for this study because the sample members were selected based on the research objectives. Saunders and Lewis (2012) distinguished two ways of selecting samples: probability sampling and non-probability sampling. Non-probability sampling is divided into five techniques (quota, purposive, self-selection, convenience and snowball). Summary of the process with the different objectives at every step is highlighted in Table 1.

Table 1. Summary of the Research process

<table>
<thead>
<tr>
<th>Steps</th>
<th>Objectives</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Unstructured interview</strong>&lt;br&gt;(First interview)</td>
<td>Gain an overall view of the company i.e. what they do, who are their customers, what is their target market and what are the type of properties they sell. Understand the problems faced up by SMB Habitat.</td>
</tr>
<tr>
<td><strong>Semi-structured</strong>&lt;br&gt;(Second interview)</td>
<td>Explore the problems highlighted in the first interview by asking prepared questions but also allow the interviewee to go into details or digress when needed.</td>
</tr>
<tr>
<td><strong>Structured interview</strong>&lt;br&gt;(Third interview)</td>
<td>Ask the last questions necessary to establish the surveys and complete the project.</td>
</tr>
<tr>
<td><strong>Qualitative discussions</strong>&lt;br&gt;(brainstorming)</td>
<td>Discussions with friends and family regarding the major issues at SMB Habitat.</td>
</tr>
<tr>
<td><strong>Problem identification</strong>&lt;br&gt;(Ishikawa diagram)</td>
<td>Identify and visualize the possible reasons of the problem (poor brand awareness) as a result of the three interviews and brainstorming.</td>
</tr>
<tr>
<td><strong>Literature review</strong>&lt;br&gt;(Completed at the same time as the interviews)</td>
<td>Review the literature about BA and CSR; and establish the relationship between BA and CSR.</td>
</tr>
<tr>
<td><strong>Survey 1</strong>&lt;br&gt;SMB Habitat’s brand awareness in Pau compared to other real estate agencies</td>
<td>The survey was exclusively sent to people who live in Pau as the main objective was to measure SMB Habitat’s brand awareness in Pau and compare it with other real estate agencies in Pau (benchmarking analysis).</td>
</tr>
<tr>
<td><strong>Survey 2</strong>&lt;br&gt;SMB habitat’s customer feedback assessing customer satisfaction and the impact of CSR initiative (the donation) on the business.</td>
<td>Collect customer feedback with regards to “the 10% of the agency fees to a charity” initiative; evaluate if it influenced customer’s choices about SMB Habitat and if they knew about this donation before using SMB Habitat services. Get customer suggestions. Measure customer satisfaction and evaluate whether the existing customers would recommend the brand or not.</td>
</tr>
<tr>
<td><strong>Analysis of the findings</strong>&lt;br&gt;(Using Nvivo)</td>
<td>Analyse the findings (surveys results) using Nvivo software. Establish if the findings confirm or contradict the research about CSR and brand awareness.</td>
</tr>
<tr>
<td><strong>Recommendations</strong></td>
<td>Make some recommendations on the basis of the findings. Provide SMB Habitat with concrete solutions in order to attract more customers, increase their brand awareness and generate more revenue.</td>
</tr>
</tbody>
</table>

The findings are split into with the first part labelled survey 1 capturing elements of real estate Brand awareness in Pau. The second part labelled survey 2 was related to customer feedback on their satisfaction as a result of SMB Habitat’s CSR activities.

The first survey’s objective was to measure SMB Habitat’s brand awareness in Pau, as well as the Brand awareness of its main competitors. In this first survey there were forty respondents, whose responses, especially to questions 5-10, are reported in this section.

This was an unaided brand awareness question and respondents were asked to type their answers. In response to question 5 (what brands come to mind in Pau’s real estate), only 5 percent of the respondents answered SMB Habitat, which compares to the highest mention for Orpi by an astonishing 90 percent of respondents (see Table 2). Other agencies such as Century21 (60 percent of responses) and Immo64 (75 percent) also received impressive mention by respondents. The responses are illustrated in word cloud in Figure 3.
Table 2: Which of the following brands have you heard of in Pau?

<table>
<thead>
<tr>
<th>Answer Options</th>
<th>Response Percent</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>SMB habitat</td>
<td>5.0%</td>
<td>2</td>
</tr>
<tr>
<td>Laforêt</td>
<td>50.0%</td>
<td>20</td>
</tr>
<tr>
<td>Century 21</td>
<td>60.0%</td>
<td>24</td>
</tr>
<tr>
<td>Immo 64</td>
<td>75.0%</td>
<td>30</td>
</tr>
<tr>
<td>Orpi</td>
<td>90.0%</td>
<td>36</td>
</tr>
<tr>
<td>Cofim</td>
<td>45.0%</td>
<td>18</td>
</tr>
<tr>
<td>Agence Barreyat</td>
<td>32.5%</td>
<td>13</td>
</tr>
<tr>
<td>Stephane Plaza immobilier</td>
<td>15.0%</td>
<td>6</td>
</tr>
<tr>
<td>Guy Hoquet</td>
<td>80.0%</td>
<td>32</td>
</tr>
<tr>
<td>Cabinet Casalis</td>
<td>10.0%</td>
<td>4</td>
</tr>
<tr>
<td>Libre Immo</td>
<td>25.0%</td>
<td>10</td>
</tr>
</tbody>
</table>

answered question 40

skipped question 0

In this question, the respondents had to select real estate companies from a given list. The results of this question are linked to the findings of Q5 since the same percentage of respondents answered SMB Habitat (5 percent). However, there were more answers towards Orpi and other real estate agencies. This is probably because it was an aided brand awareness question which helped respondents to remember the brands.

Three other questions – i.e. Question 8 (How familiar are you with SMB Habitat?), Question 9 (When did you first hear of SMB Habitat?) and Question 10 (In the first three months where have you seen or heard about SMB Habitat?) show consistent findings with almost 80 percent of the respondents having pointed out that they had never heard of SMB Habitat.

Figure 3: Word cloud Question 5, survey 1

The objective of this question was to measure the power of SMB Habitat’s logo. The findings (Figure 4) indicate that less than 20 percent of the 40 respondents had seen SMB Habitat’s logo before.

In relation to the second part, the survey was sent to SMB Habitat’s customers and 15 responses were collected – 100 percent response rate, which is not unusual for mini-surveys of this kind. When asked to select words to describe SMB Habitat, 9 respondents selected “reliable”, 8 selected “high quality” 2 picked “socially responsible”, and 1 selected philanthropist; which may indicate that the company’s CSR efforts (along with their professionalism) have helped them to create an image of a reliable company providing high quality services (see Table 3).
Table 3: Findings question 4, survey 2

<table>
<thead>
<tr>
<th>Answer Options</th>
<th>Response Percent</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reliable</td>
<td>60.0%</td>
<td>9</td>
</tr>
<tr>
<td>High quality</td>
<td>53.3%</td>
<td>8</td>
</tr>
<tr>
<td>Useful</td>
<td>13.3%</td>
<td>2</td>
</tr>
<tr>
<td>Unique</td>
<td>6.7%</td>
<td>1</td>
</tr>
<tr>
<td>Good value for money</td>
<td>40.0%</td>
<td>6</td>
</tr>
<tr>
<td>Overpriced</td>
<td>0.0%</td>
<td>0</td>
</tr>
<tr>
<td>Socially responsible</td>
<td>13.3%</td>
<td>2</td>
</tr>
<tr>
<td>Philanthropist</td>
<td>6.7%</td>
<td>1</td>
</tr>
<tr>
<td>Different</td>
<td>6.7%</td>
<td>1</td>
</tr>
<tr>
<td>Ineffective</td>
<td>0.0%</td>
<td>0</td>
</tr>
<tr>
<td>Poor quality</td>
<td>0.0%</td>
<td>0</td>
</tr>
<tr>
<td>Unreliable</td>
<td>0.0%</td>
<td>0</td>
</tr>
<tr>
<td><strong>answered question</strong></td>
<td></td>
<td>15</td>
</tr>
<tr>
<td><strong>skipped question</strong></td>
<td></td>
<td>0</td>
</tr>
</tbody>
</table>

As far as the question of SMB habitat’s donations are concerned (see Q7 and 8), 60 percent of SMB customers knew about the donation before using SMB Habitat services and 40 percent of the respondents answered yes when asked if the donation (10 percent of the agency fees donated to a chosen charity) influenced them to choose SMB Habitat over another real estate company (see table 4).
Table 4: Findings question 7, survey 2

<table>
<thead>
<tr>
<th>Answer Options</th>
<th>Response Percent</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>60.0%</td>
<td>9</td>
</tr>
<tr>
<td>No</td>
<td>40.0%</td>
<td>6</td>
</tr>
</tbody>
</table>

answered question 15
skipped question 0

Table 5: Findings question 8, survey 2

<table>
<thead>
<tr>
<th>Answer Options</th>
<th>Response Percent</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>40.0%</td>
<td>6</td>
</tr>
<tr>
<td>No</td>
<td>60.0%</td>
<td>9</td>
</tr>
</tbody>
</table>

answered question 15
skipped question 0

In response to the question, “How likely is it that you would recommend SMB Habitat to a friend or colleague?” however, just over half of the respondents (8 respondents out of 15) answered extremely likely (10) on a scale of 1-10; the other answers vary from 9 to 6 (with ‘6’ being slightly above average).

**Conclusion and recommendations**

Although the CSR initiatives have been somewhat beneficial (enhanced customer satisfaction and strengthened brand image); as suggested by Angshuman (cf. literature review) it is difficult to measure the return on investment, and its effect on the profit and loss of SMB Habitat. Furthermore, the findings are moderated by the sample size. Indeed, the sample size was relatively small for the second survey (40 contacts were provided by SMB Habitat) and only fifteen people answered it. Moreover, brand awareness and corporate social responsibility are a too broad topic to explore within such limited amount of words. Thus, some relevant information might have been overlooked. Finally, four people work at SMB Habitat.

However, Valérie Cayron was my only contact in the company and therefore, she was the only person interviewed which may limit the accuracy of the results. Based on the previous findings, I have made the following recommendations (see Table 6 for a summary of these). When companies decide to enter a saturated market, having a compelling strategy is crucial. CSR initiatives have had a positive effect on SMB Habitat’s performance but not as much as I was expecting when I first started this project. It is necessary to “look at the bigger picture” and SMB Habitat should adopt a long-term perspective when initiating CSR actions. Furthermore, CSR activities can help to strengthen a brand but only to some extent.

According to the study’s findings, it seems that SMB Habitat’s CSR initiative has had a positive impact on the (existing) customers’ perception towards the brand but has not helped them to build awareness amongst consumers (i.e. potential customers). SMB Habitat should focus on promotion and advertising in order to build awareness and reinforce the brand. These recommendations are the result of our analysis i.e. first survey (measure of brand awareness), second survey (customer feedback) and interviews (problem identification). They are simple but necessary for SMB Habitat in order to build awareness, attract customers and generate more revenue.
It must be pointed out that this study does not claim to have provided SMB Habitat with innovative solutions, but it is the author’s belief that this project has helped the company to gather relevant data and identify areas of improvement. The solutions are concrete rather than theoretical. This was the first company’s analysis as SMB Habitat never assessed their brand awareness and customer satisfaction prior to this study – and as a result the findings may be of immense use going forward.

Table 6. Recommendations for SMB Habitat

<table>
<thead>
<tr>
<th>Recommendations</th>
<th>Explanations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improve SEO (search engine optimization) and ranking</td>
<td>A way to measure BA is to look at a company’s website traffic. SMB Habitat has a poor traffic rank (9, 195, 275 Alexa Traffic Rank). This is mainly due to their SEO as the company only appears on the third page when searching for “real estate companies in Pau”. Thus, the company should improve their SEO and ranking in order to attract customers.</td>
</tr>
<tr>
<td>Change website: layout and tabs</td>
<td>SMB Habitat’s website design is not “attractive” and the company should consider changing it. I have been in contact with a web design company on behalf of SMB Habitat and the company sent a quote to SMB Habitat for a new website and SEO (cf. Appendix 3). SMB Habitat hasn’t accepted the offer yet. Also, they could have an icon specifying if the property is suitable for disabled people or not (this would make the company more socially responsible).</td>
</tr>
<tr>
<td>Change logo (wording and pixels)</td>
<td>SMB Habitat should change its logo and slogan “L’immobilier solidaire” as the French word “solidaire” is often associated to charities and volunteering. We have suggested to change the slogan to “L’immobilier équitable”. This could help SMB Habitat to increase its brand recognition.</td>
</tr>
</tbody>
</table>
| Targeted marketing | SMB Habitat doesn’t target a particular segment market. However, they have three types/profiles of customers:
- Single or divorced people looking for a flat with a budget between 120K and 160K €
- Young people (20 to 25 years old) with small budget who want to buy their first flat or house
- Others (include different profiles except young people)

It is advisable for SMB Habitat to target these customer profiles more effectively. They could for example have a tab in their website including all the flats and houses for people with small budget. They should also communicate more in social media and organize local events with charities. |
| Do some benchmarking analysis and measure customer satisfaction | Analyse other real estate agencies’ CSR such as Foxtons. Implement some changes and measure BA and customer perception of the brand in a couple of months (by asking, for example: How has your perception of our brand changed in the past three months?). |
| Long-term CSR actions | SMB Habitat should embrace a long-term strategy when initiating CSR actions. Indeed, as discussed earlier, short-terms actions are not sufficient to build a strong brand image and improve BA. |
| Refurnish the office | During our first interview with Valérie Cayron, I asked her to send me some pictures of the office. I noticed that there was no logo displayed in the office. Further, there were only two small desks. The second survey allowed us to gather feedback from customers. One respondent mentioned the lack of office’s decoration and furniture (Q.11 survey 2). I therefore suggest to change the office’s decoration and furniture and add some posters with SMB Habitat’s logo. |
References

About the Author:

Anaïs Cornuault is an MBA student at the University of Northampton and moved to London in 2014. Prior to studying at the University of Northampton, she obtained an integrated degree in Bordeaux (France). As part of this degree, she completed a dissertation, which focused on customer satisfaction at the Customer Service Department of Orange – the telecommunications giant.
Brand associations at Disney

Mary Westre

London School of Business and Management, UK

Brand association is the way people think of a particular product and/or brand when they think of a particular activity associated with the product. The ultimate goal of any brand manager is to increase brand equity of the company and create a group of loyal customers. Brand equity can be increased with better brand association. Brand association is affected by many parameters, such as brand familiarity, brand awareness, brand credibility, brand culture, and brand image. Disney is one of the most successful brands in the world. It is able to successfully create and enhance familiarity and awareness of its products through advertisements and collaborations. Mickey, the fun face of the Walt Disney brand, remains the brand icon of the company even after almost 90 years. The company was able to establish a brand image of ‘magic’ and ‘fun’ through its high quality and innovative product offerings. In recent years, Disney has grown substantially by acquiring other brands and companies. So far Disney has been able to successfully preserve its core brand value and customer associations. However, in the future, it needs to be more cautious and manage brands more carefully as the new generation of millennials may not associate themselves with Mickey as readily as the previous generation.

Keywords: Brand Association, Disney, Mickey Mouse

Introduction and Background

In the early days of marketing, a brand was marketed by showcasing the product attributes, features and description. However, since the birth of brand marketing, the overall marketing strategies have witnessed a paradigm shift. Branding is now more than a list of attributes from an organisation; it is a promise to the customer. Brand marketing is generally used to promise a unique benefit to customers. When customers think of a brand, they are likely to think of a set of associations linked with the brand (Anderson, 2011). This literature review seeks to discover and address, various methods and theories existent for obtaining brand associations from customers. Figure 1 illustrates the key authors in this literature review and their themes/concepts. The end goal of any organisation is to increase its brand equity. Therefore, it is important to understand the concept of brand equity to understand the role of brand association (Chen, 2013). Aaker, in 1991, introduced a brand equity model (Figure 2), which was the building block in this area for many modern-day research. Aaker identified five brand equity components (Aaker, 1991): Brand Loyalty; Brand Awareness; Perceived Quality; Brand Association; and Other proprietary assets.

Each of these components has its own brand equity value. Brand loyalty increases trade leverage, reduces marketing cost and helps attract new customers. Brand awareness, on the other hand, increases familiarity and helps customers decide which brands are to be considered in their purchasing process (Aaker, 1991). Perceived quality provides the customers with a reason to buy. It also helps in product extensions. Brand association helps create a positive attitude for the brand (Wang, 2015). Other proprietary assets such as licenses and patents can create competitive advantage. These five components enhance value to customers as well as to the firm. As Aaker points out, if any one or all the components are improved, then brand equity will be enhanced.

However, Aaker’s 1991 model did not provide any insight into which of the five components has higher impact on brand equity. Chen, in his 2013 study, showed that all five parameters directly or indirectly influence each other.
Figure 1. Brand Association Mind-Map

Figure 2 Aaker's Brand Equity Model

Source: Aaker (1991, p.1)
Keller’s Brand Knowledge Model

As illustrated by Figure 3, Keller, in 1993, came up with another model for brand equity known as ‘Dimensions of Brand Knowledge’. Unlike Aaker, Keller did not try to figure out the factors affecting brand equity, as it was too complex to come up with a causal relationship. Keller wanted to find out how Brand Knowledge among customers can be increased. Keller’s model suggests that brand association and brand awareness are positively correlated to Brand Knowledge (Keller, 1993). Keller stated that brand awareness affects brand recall and brand recognition among customers. It can also be seen through Figure 3 that, brand association can be defined using three components Attributes; Benefits; and Attitudes (Keller, 1993).

Attributes define a product’s image and relationship to price, quality and packaging. Benefits associate the functional, symbolic and experiential aspects of the product with the customer. While, brand attitudes are the overall evaluation of a brand by the customers (Keller, 1993).

The main problem with Aaker’s Brand Equity model and Keller’s Brand knowledge model was their lack of empirical validation in the marketplace in the 1990s. Most of the parameters were not easily measurable (Monai and Rached, 2013). However, in 2000, Yoo and Donthu came up with an empirical model and indirect measuring techniques to validate Aaker’s model. Among all the five parameters, it was observed that brand association and brand awareness had the highest positive correlation with brand equity (Yoo and Donthu, 2000).

Figure 3. Keller's Dimensions of Brand Knowledge

Role of Brand familiarity in Brand Association

When Yoo and Donthu were trying to validate Aaker’s model, Lamb and Low (2000) were trying to evaluate the validity of Keller’s model. Specifically, Lamb and Low were trying to find out if brand association parameters were consistent across a product category. As portrayed by Figure 4, their research validated that brand image, perceived quality and brand attitude were the three most dominant components of brand association as modelled by Keller.

However, the experiment found that not only did the three components significantly influence each other, but they were also dependent on two external factors. First, brand familiarity, and second, product
and/or product category (see Low and Lamb, 2000). The correlation between brand association components and brand equity varied considerably based on brand familiarity and product.

**Figure 4. Brand Association Dimensions**

![Diagram of Brand Association Dimensions](Low and Lamb, 2000, p.353)

**Impact on Consumer Choice**

Until the 1990s, brand association and brand equity models were more conceptual than practical. However, as illustrated by Figure 5, in the early 2000s after many researches showed that customer buying behaviour is highly influenced by brand association components, many more scholars started conducting research into how brand association directly impacts on choice and purchase.

While conducting an analysis of the purchasing process, as can be seen by Figure 5, Korchia (2001) knew due to Lamb and Low's research in 2000 that the brand management process started off with brand familiarity. Korchia's hypothesis was to find out which components of brand association have no impact on subjective knowledge. The results showed that none do, but rather they have a significant impact on brand equity and interest. The final results also supported the hypothesis that brand association is the most important parameter for improving brand equity through the enhancement of consumer preference (Korchia, 2001).

By 2003, it was clear that the brand association process is highly influenced by brand familiarity. Keller and Campbell (2003) improved upon the earlier Keller model and included brand familiarity as a component. Their experiment revealed an interesting factor.

It was observed that if a brand has lower familiarity, then brand association exercises (advertisements) are less effective than brands that have higher brand familiarity (Keller and Campbell, 2003). For example, a repetitive advertisement for Apple will increase the brand recall for Apple products more effectively than it would for a lesser-known brand, such as Kiel or Sterlite (Broitman, 2008). Therefore, it is important to focus on brand familiarity first before starting any brand association exercise.
Ehrenberg’s stochastic approach

Andrew Ehrenberg’s stochastic theory (1996) took a completely different approach to brand association than Aaker and Keller. Ehrenberg suggested that every time customers associate themselves with a brand, the customer does it probabilistically. Therefore, according to Ehrenberg, the concept of brand association is unstable and unpredictable. However, Andrew Ehrenberg received little support from fellow scholars. Rossiter, in 2009, in an extensive research among Australian consumers found that brand positioning and association have a stable outcome among customers and it does not change easily over time. In fact, some of the brand association parameters such as attitude and quality perception were found to be extremely stable over time in customers’ minds (Rossiter, 2009). Rossiter concluded that companies would require a sustained effort to create positive brand association, but once created, companies can benefit from it for a longer period of time.

Discussion

From the above literature review, it is clear that for a brand to have value, the customer must first value it. Brand equity is built through a combination of emotional and rational elements. These emotional and rational elements are expressed as brand awareness and brand association. From almost all the research findings, it is evident that brand association can enhance the buying and consumption process. Brand association affects both head and heart. Successful brand managers blend product features and performance with product imagery to create a varied, rich and complementary consumer response for the brand (Belén, Vázquez, and Iglesias, 2001). Brand association is the single most important thing in the whole brand management process. However, without brand familiarity, effectiveness of brand association can come down significantly.
Brand association models so far have been considered as linear. However, with close association between brand equity parameters such as loyalty, association, image and awareness, it is almost impossible to think that those are connected linearly. In fact, as presented by Figure 6, through recent research, there is a strong indication that brand association mental maps are much more complex than the ones described by Aaker and Keller (Lee and Chieng, 2011). Figure 6 shows that there is no linear relationship between brand association, brand perceived quality (image), brand loyalty and brand awareness. The relationships between these factors are circular in nature. Improvement in any one of these can positively influence others and vice versa.

Brand managers want consumers to recommend their brands to others. For that to happen, it is important that customers associate and advertise the brand with positive imagery and personal identification. Positive brand associations such as status and personal identification fuel growth, whereas social identification improves profitability (Gensler, 2013). As discussed, brand association parameters, such as attitude, attribute and benefit also influence other brand equity factors, such as loyalty, awareness, perception and brand culture (DeRosia, 2000). Therefore, brand association cannot be analysed in an isolated fashion. Analysis should be undertaken at a brand equity level so that all parameters that influence brand equity, including brand association, are taken into account.

Figure 6. Mental Map of Brand Equity

A firm, which is planning to extend its brand to newer areas and/or to newer product categories, should pay special attention to brand associations linked to functions of awareness, credibility, image, culture and social identification. Disney did all of this in its expansion. Thus, following this literature review on brand association an insight into the Disney brand: an appraisal on Disney's performance, will be undertaken followed by some tentative conclusions and future research directions.

Walt Disney: The Brand

Walter Elias Disney was an entrepreneur, cartoonist, voice actor, producer, and animator. He, along with his brother Roy O. Henry, started The Walt Disney Company. Mickey Mouse, which was introduced as a cartoon character in 1928 (see Figure A-1), completely transformed the fate of the company. Immediately after the first feature film release, Disney brothers trademarked the mouse and started marketing the mouse as a ‘kindhearted happy go lucky mouse’ who was able to grab the attention of the family audience (Francoeur, 2004). In subsequent years, Disney expanded its business into other areas such as television, music and live-action filming. Even during the process of expansion, Disney
was able to keep its primary brand image as a family oriented animation maker. The Disney brand not only appeals to children, but also appeals to the child within all of us.

**Brand Image and Perception**

The purchase of a Disney product ensures high quality family oriented forms of entertainment. Disney customers think that the benefit of availing a Disney brand product is a guarantee that the experience will be fun, magical and happy. Disney customers view Disney as a magical, fun-filled family oriented entertainment brand (brand attitude) (Forward, 2013). As can be seen by Figure 7, a study conducted amongst visitors to the Disney theme parks, revealed that consumers viewed Disney as an expensive brand, but of high quality (perception).

**Figure 7. Disney Theme Parks Customer Perceptual Map**

![Perceptual Map](source)

Source: Parekh (2013, p.9)

**Figure 8. Disney Brand Hierarchy**

![Brand Hierarchy](source)
Credibility and Awareness

Walt Disney presently manages a complex brand portfolio. As portrayed by Figure 8, Disney has many brands and sub-brands. Under the corporate level brand of ‘Walt Disney’, the company is divided into three distinct family brands; Disney, ABC, and Pixar (Robbins, 2014). Under each of those three family level brands, there are several sub-brands. Apart from the three main brands, Disney manages other brands, such as Touchstone pictures and ESPN among others (Robbins, 2014). Brand awareness from the very beginning was the top priority for Disney, which portrays its brand image as fun, family and fantasy (dream). Following the success of Mickey Mouse animation in 1928, Disney collaborated with different big apparel, toys and restaurant brands to spread the awareness of its product, and still does, partnering with brands that share similar characteristics. For example, Disney has partnered with McDonalds to launch its movies and sell some of its toys (see Figures 9a, 9b). As McDonald is also a brand that promotes family fun, it was a perfect brand collaboration through which both brands benefitted (Parekh, 2013).

Brand Associations and Positioning

In its initial years, the brand management at Disney was relatively easy. Disney wanted to be associated with its customers as a fun, family friendly, happy, youthful and magical (a brand that creates magic) brand. As the only family brands associated with Walt Disney at that time were Disney Animation Studios, Disney production house, and Disneyland, the brand positioning was relatively straightforward and Disney did a great job of establishing the brand as a high quality, fun and family friendly brand (Forward, 2013).

However, when Disney started growing through the acquisition of other brands such as ESPN, Touchstone Pictures, Pixar Animation Studios, Disney for the first time felt the need for brand separation. Pixar and Disney Animation Studios were operating in the same segment and directly competing against each other – and were the two most established brands in the animation industry. Merging Pixar into the Disney parent brand could have eroded the brand value of Pixar, and Disney could have lost many loyal Pixar customers who were associated with the Pixar brand, and not with the Disney brand.

Disney kept the two brands independent and created two different brand positionings. Disney Animation Studios continued to produce movies that mainly focused on fantasy and targeted a family audience. On the other hand, Pixar Studios established itself as an animation brand that is youthful, futuristic, modern and provokes thought (Forward, 2013). Disney used similar brand separation strategies for its other brands such as ESPN (Entertainment and Sports Programming Network, a US-based global cable and satellite television channel), Touchstone Pictures and Miramax.

Disney ‘Magical’ Culture

There are many other brands that can be associated with fun and family, but ‘magic’ is a unique brand culture of Disney that sets it apart from its rivals. Disney has not only established itself as a fun and fantasy brand by creating animation movies, but also has enhanced its customers’ experience through its theme parks (Jones, 2014). The out of the world, wonderland experience is considered magical by its customers and this has helped Disney create a unique ‘magical’ brand association with its customers.

Disney has not only advertised its brand using conventional media such as print, TV and radio, but has also collaborated with partners from various industries to promote its brand. Starting from a shoe brand like Vans (Figure 9c) to a bicycle brand like BMX (see Figure 9d), Disney has virtually collaborated with hundreds of companies to successfully create brand familiarity and awareness, which is a necessity for effective brand associations. Overall, Disney has one of the most loyal customer bases, and Disneyland members are one of the most loyal among all brands.
Figure 9a. Mickey Mouse in the first feature of “Steamboat Willie” in 1928
Source: Parekh (2013)

Figure 9b. McDonald and Disney Collaboration
Source: Flickriver (2009)
Figure 9c. Vans and Disney Collection


Figure 9d. BMX and Disney Collaboration

Source: BMX Racing Group (2012)
Conclusion and Recommendations

Over the decades, companies have spent heavily to increase their brand equity. Brand association is one of the major parameters to influence brand equity positively. Brand attitudes, product attributes and benefits define brand awareness. However, the brand equity mental map clearly shows that the factors influencing brand awareness are not linear, but circular in nature. Factors, such as brand awareness, credibility and brand culture positively help customers form associations with a brand. Disney is one of the most well respected brands across the world. It is perceived as a fun, family oriented and magical brand. Over the years, through its delivery of superior quality product attributes and benefits for its customers, Disney has been able to create a strong association with its consumer base. In recent years, Disney has increased its portfolio of products.

However, if the products are unrelated to the umbrella brand, then Disney has managed them separately. For example, ESPN, ABC, Disney and Pixar are managed as separate brands within Walt Disney. Disney continues to do a great job in terms of brand association. However, in the future, Disney needs to improve its brand association from fun, family and magic to fun, magic and dynamic. As one of the leading global brands, as far as creating a positive brand association is concerned, Disney is well-positioned to continue increasing its brand equity. Over the years, it has taken measures to improve its brand awareness and familiarity and create the building blocks of brand association through advertisements and collaborations. Disney was able to create an image of fun, magic and family by delivering products catering to and exceeding the expectation of its customers. Although Disney is doing most things well, the company can make a few changes (five of these are suggested in this paper) in order to further enhance its brand association.

Create a more robust conceptual model – There is no strong, exact model available to clearly isolate the primary independent variables from the secondary independent variables of brand association that impact brand equity. Researchers such as Khan and Rehman (2015) and Taylor (2014) have tried to create a multiple order model for brand equity, but so far the work done in this area is negligible. In recent years, the number of empirical studies has increased in comparison to conceptual studies. However, it is important to first create a more robust conceptual model for brand equity and brand association before conducting empirical studies.

Merging Disney Characters into one portfolio (Expanding brand associations) – Disney is a brand that often sparks memories of the past among consumers. Disney has a well-defined heritage. However, it is important for Disney to continuously expand its product portfolio to keep the brand fresh. As exhibited by Figure 10, Mickey and Donald probably will remain as the core brand ambassadors for many more years, but slowly introducing new characters in the mix will also attract and retain millennials who grew up in the post Mickey-Donald generation.

Focus on the service industry – So far most of the brand association studies have been limited to products. Brand association of services is an area that lacks research. With increased importance of the service industry, relevance and information of brand association in the service industry will expand and will require more research for brand managers to understand customer behaviour.
Further geographical research – Brand association studies and empirical evidences come from few countries. A more geographically diverse research on this topic may extract newer information and components of brand equity and association that have not been explored nor discovered.

Maintain Pixar as a separate brand now – Corporate brand is not an issue presently and Disney is managing different brands within its portfolio well. However, as Disney continues to grow inorganically, brand associations may start conflicting with each other. If that happens, Disney may quickly lose many customers. Disney should continuously evaluate its family and sub family brands and see which ones can be merged and which ones should remain as independent brands separate from Walt Disney. For example, merging the Pixar brand immediately within the Walt Disney umbrella brand will do more harm to the company than good.

If newly acquired brands are taken within the Disney portfolio and the newly acquired products fail to live up to the Disney brand expectation, it will impact the umbrella brand directly. On the other hand, high performing brands can help enhance Disney’s brand association. Therefore, in the future if Disney slowly integrates Pixar inside its umbrella brand, then Disney will be able to change the image of the umbrella brand from a traditional animation brand to a more modern and dynamic brand.

References


Monai, M. and Rached, K.S. (2013), Developing and Validating a Multidimensional Consumer Based Brand Equity Scale, China USA Business Research, 52 (April), 1-14


Yoo, B., Donthu N. and Lee S. (2000), An Examination of Selected Marketing Mix Elements and Brand Equity, Journal of the Academy of Marketing Science, 28 (April), 195-211
Marshall Bruce Mathers III, aka Eminem, is known by many, but understood by only few. This person brand audit seeks to provide some understanding of the artist's life story. It undertakes a brand inventory as well as a brand exploratory to highlight the person brand. Notably, Eminem's brand positioning is mapped against one of his major rivals, Shawn Corey Carter, aka Jay-Z. In discussing the perception of fans of the Eminem brand, a mental map following Keller's brand equity model will be applied to recognise the sources of brand equity. The Eminem person brand has been recognised as having a relatively high brand resonance especially on social media and digital music services, such as Spotify.

**Keywords:** Marshall Bruce Mathers, Person Brand, Brand Audit

**Introduction**

According to the American Marketing Association, a brand is a “name, term, design, symbol, or any other feature that identifies one seller’s good or service as distinct from those of other sellers” (AMA, 2015). A brand is an identity; it is the unique personality of a product/service, which distinguishes one product from another. According to Kotler and Levy (1969) people can be considered as a brand as the traditional marketing activities utilised for products and services, can be applied to persons and ideas. (Kotler & Levy, 1969). People, as well as products, can be associated with a logo, symbols as well as values, ideas, or recent activities and comments that create a specific brand image in consumers’ minds. A brand image is made of perceptions and judgements that consumers have about their individual experience of the brand (Keller, *et al.*, 2012). Through an accumulation of experiences, consumers memorise brand attributes and components, which can evoke and reflect emotions and desires (Keller, 1993).

As with product brand, personal brand needs to be clear and consistent with the activities as the brand identity depends on these aspects. Person brand identity is based on the internal characteristics of the
person and the external elements that create the uniqueness of the individual in relation to its target market (Khedher, 2015).

Eminem was born in 1972 in St. Joseph, USA. In his teens, he settled down in Detroit, which became his hometown. He is also known by his alter ego Slim Shady, is an American rapper, record producer, songwriter and actor (ShadyRecord, 2015). Eminem had a turbulent childhood and a wandering lifestyle, which have left a huge impact on his personality. However, this has formed one of his strengths of character and style, which enabled him to actively engage his fans and create brand resonance. (Keller, et al., 2012).

The purpose of this study is to conduct a brand audit in order to examine and assess the health of the Eminem brand, reveal sources of brand equity and finally suggest ways of maintaining and improving its equity. This study aims to present a framework of the elements needed to create and maintain a person brand equity such as Eminem.

**Internal Audit**

The internal audit will consider the internal situation of the brand in question, including sources of brand audit, financial performance evaluation and tactical review. According to Keller the brand inventory will present how the brand has been marketed. Eminem started rapping at the age of 14 with a friend from high school adopting the name of “M&M”, which soon transformed into Eminem. Under this name, he began participating in rap battles, whereby rappers were improvising rap lyrics (BiographyEditors, 2015).

Initially, the audience, predominantly African-American, did not welcome him, but soon his skills at verbal sparring, gained the rapper the reputation as the most respected character in rap scene. Eminem soon became one of the best-selling artists of the 2000s and in the world. He has been ranked as one of the best artists of all time by many magazines (examples include Rolling Stone magazine). The rapper has achieved several number-one albums on the Billboard 200 (see Table 1). Eminem has sold more than 49.1 million albums in the US and 100 million albums worldwide (ShadyRecord, 2015). The rapper is rapid, fluid, unpredictable and capable of delivering long-form narrative and pulling off withering riff.

<table>
<thead>
<tr>
<th>Year</th>
<th>Album</th>
<th>Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>The Slim Shady LP</td>
<td>Eminem gained popularity and won his first Grammy Awards for “Best Rap Album”</td>
</tr>
<tr>
<td>2000</td>
<td>The Marshall Mathers LP</td>
<td>Grammy Award for Best Rap Album</td>
</tr>
<tr>
<td>2002</td>
<td>The Eminem show</td>
<td>Grammy Award for Best Rap Album and best-selling album worldwide. (Eminem became the first artist to win three consecutive awards for Best Rap Album.)</td>
</tr>
<tr>
<td>2004</td>
<td>Encore</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>Relapse</td>
<td>Grammy Award for Best Rap Album</td>
</tr>
<tr>
<td>2010</td>
<td>Recovery</td>
<td>Grammy Award for Best Rap Album and it was an international success, being named the best-selling album of 2010</td>
</tr>
<tr>
<td>2013</td>
<td>The Marshall Mathers LP2</td>
<td></td>
</tr>
</tbody>
</table>

Source: ShadyRecord (2015).

Thanks to his mentor and producer, Andre Romelle Young (aka Dr. Dre), who provided music able to match the violent style and satirical fantasies, Eminem capitalised the pop cultural world by garnering both critical respect and sales (Billboard, 2015). Eminem won a total of 13 Grammy Awards in his career.
including albums and single tracks (ShadyRecord, 2015). The artist has diversified himself by opening other ventures, including: (i) radio channel, Shade 45, the uncensored hip-hop channel created by Eminem and other rappers, such as Lil’ Wayne, Snoop Dogg, Dr. Dre and 50 Cent, and (ii) his own record label, Shady Records, opened with his manager Paul Rosenberg.

In 2002, Eminem crossed over onto the big screen, beginning his acting career with 8 Mile. The movie, directed by Curtis Hanson, fictionalised the drama of Eminem’s pre-fame life. Eminem earned praise for his performance and with the soundtrack “Lose Yourself” won The Academy Award for Best Original Song, making him the first rapper to win such an award (ShadyRecord, 2015).

From the beginning, Eminem’s career has been successful and profitable. The total number of albums sold worldwide amounts to 172,000,000. (StatisticBrain, 2015). According to several magazines, including The Richest, Eminem’s net worth is £137 million – including financial metrics such as yearly salaries, contracts and other earnings (TheRichest, 2015). Since 2009, when Eminem returned to the rap scene with the album Relapse, selling 5 million copies worldwide, his earnings have continued to rise, from £10 million to £20 million in 2015 (TheRichest, 2015). The increase in Eminem’s profitability over the years shows that fans supported him and have grown in number since his first appearance with The Slim Shady LP (first album of the artist released in 1999). Maintaining a focus on the brand mantra (Authentic and Sharp Rap), Eminem has been able to maintain his style and brand image, although reaching maturity over the years.

During his career Eminem has used various tactical moves to enrich his brand image and gain a competitive advantage in the hip-hop world. In order to send the message, Eminem has utilised various techniques. Examples include: the rapper has used several platforms to approach a greater audience, such as YouTube, Spotify, iTunes but also TV commercials. An example would be the spot created in 2011 with the car manufacturer Chrysler. The spot was powerful and genuine, creating a feeling of attachment because of the connection between the artist and his hometown, Detroit.

Eminem has also partnered with the videogame “Call of Duty: Ghosts”. The videogame is extremely successful and people are passionate about it. The videogame is about aggression and the core image of the game suits the brand image of Eminem. The rapper first integrated his music to the game and then developed a music video “Survival” in 2013. The partnership has been strengthened and played a valuable role for both brands (Ugwu, 2013). Ultimately, Eminem has chosen his collaborations with other artists very carefully. The collaboration with Rihanna should be considered as it was one of the most successful, especially with the song “I love the way you lie” released in 2010. Both artists wanted to address a very sensitive topic: domestic violence. The song occupied the No.1 position on the “Billboard Hot 100” for seven weeks, from July to September 2010 (Mackie, 2015).

It should be remembered the duet with Sir Elton John at the Grammy Awards in 2001, was instrumental in tackling the “homophobe” (such criticism came from many of the rapper’s lyrics) label, which was ascribed to Eminem prior to the duet (see Basham, 2001). Although, he continues to use offensive language towards the gay community, the rapper has defended himself repeatedly in various interviews saying that he does not have any problem with gay people and underling the fact that the language used in his lyrics are just thrown around because of the style of the music, especially when rap-battling (Hiatt, 2013).

**External Audit**

The brand audit will analyse the external current situation for Eminem brand, brand positioning, competition and customer’s perception. Brand positioning is about “…creating a unique place for a brand in consumers’ mind. […] A strong position is essential to build brand equity because it sends a message to the target market.” (Khedher, 2015, p. 120). When it comes to personal branding, positioning arises through the self-presentation of the individual. The communication between the brand and the target market occurs through verbal disclosures as well as actions (performance, appearance, manner). (Khedher, 2015). The aforesaid elements shape others’ perceptions and determine points-of-parity and points-of-difference with competitors.
The brand mantra, defined as the essence of the brand, stands for the core brand promised. It helps the brand and its target market to create mental filters and identify what the brand stands for, and so its position in the market (Keller, 2012). Eminem’s brand mantra helped the artist to create a value proposition that is communicated to the target market and demonstrate the competitive advantage (Khedher, 2015). The brand mantra is expressed via a short phrase that captures the essence of the brand positioning. Eminem's brand mantra would be "fans can experience the sharp reality of the street life through an authentic and genuine way of doing rap” (see Figure 1). Eminem has approached his target market (mostly teenagers, but also mature people with similar issues, hip-hop followers) by showing his identity through magazines interviews, fashion style, but mainly through his lyrics. In the hip-hop environment, many artists share an unstable childhood, which in turn inspired them in writing their lyrics and gain so much success.

Figure 1. Brand modifiers at a glance

One of Eminem’s major rivals is Jay-Z (rapper and hip-hop entrepreneur, he is known for his music talent, his own record label and for marrying the famous singer Beyoncé). The main points-of-parity and points-of-difference between Eminem and Jay-Z are illustrated in Table 2. In addition, some figures about sales and awards gained by the two artists are expressed in Figure 2.

Table 2. Eminem/ Jay Z Points-of-Parity/ Difference

<table>
<thead>
<tr>
<th>Points of Parity</th>
<th>Points of Difference</th>
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<tbody>
<tr>
<td>• Difficult childhood and family problems which left a mark on their personalities and styles.</td>
<td>• Lyrics style different; Eminem is straightforward, quick, and most of the time irreverent.</td>
</tr>
<tr>
<td>• Both artists have their own Record Company: Eminem with Shady Records and Jay-Z with Roc-A-Fella Records.</td>
<td>• The artist is able to express his feelings and opinions through a variety of words. According to the Daily Mail, Eminem is the artist who has used the most words in his songs. (8818 words in 100 songs) (Parry, 2015).</td>
</tr>
<tr>
<td>• Eminem and Jay-Z have their own merchandise brand related to their person brands.</td>
<td>• Eminem is a powerful communicator and he is able to leave a mark, whether it is negative or positive, to those who are listening to him.</td>
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The brand exploratory highlights the strength and uniqueness of brand associations and the elements distinguishing customers’ brand knowledge. They play a key role in determining the brand recognition and brand awareness, which in turn will make up the brand equity (Keller, 1993). In order to understand the strength of Eminem’s brand equity, a mental map will be utilised to understand what fans think and
feel about the artist. Eminem has used his story as the main driver of his brand communication, and brand equity – in addition to having been credited for writing his own lyrics. Figure 3 shows a hypothetical Eminem mental map, which will help the brand in interpreting the brand associations and determining the differential response to the marketing activities.

Figure 2. Eminem Technical Superiority

The concept of brand equity is based on shaping what customers think and feel about the brand by delivering the right type of experience so that customers can develop positive thoughts, feelings, opinions and perception (Keller, 1993). The most important aspect to be considered is the overall brand attitudes. These can affect the brand image and therefore consumers’ brand perception and response to pricing and other marketing activities (distribution, promotion). High levels of brand awareness and a positive brand image should create greater consumer loyalty (Keller, et al., 2012).

The customer-based brand equity for Eminem is equally strong on both sides of the CBBE Pyramid, as he has focused on the attributes of his music and lyrics, and the feelings and emotions associated with listening to his music. In Table 3 the main aspects of Eminem’s brand equity is highlighted alongside the key elements of the CBBE model. In table 4 a summary one-page brand plan of Eminem is provided.
Figure 3. Eminem’s frame of reference

Table 3. Elements of Eminem’s brand equity

<table>
<thead>
<tr>
<th>Elements of the CBBE Pyramid</th>
<th>Applied to Eminem</th>
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<tbody>
<tr>
<td>Salience</td>
<td>High awareness of the artist. Most commonly recalled as irreverent, violent, angry, drug issues.</td>
</tr>
<tr>
<td>Performance</td>
<td>Original and genuine. The rapper has been awarded with eleven Grammy Awards for the Best Rap Album and also won an Oscar for the Best Original Song.</td>
</tr>
<tr>
<td>Imagery</td>
<td>Rebellion and achievement image as coming from a turbulent childhood he was able to use his talent and become successful. Most of his tracks talk about his personal life.</td>
</tr>
<tr>
<td>Judgements</td>
<td>High quality of performance in regards to his lyrics and style. He is said to be fluid, powerful, direct, versatile.</td>
</tr>
<tr>
<td>Feelings</td>
<td>Fans by listening to Eminem's songs can see themselves by sharing feelings and experiences. A sense of self-introspection raises and feelings of loneliness diminish.</td>
</tr>
<tr>
<td>Resonance</td>
<td>High rate of repeat purchase of concert tickets, track-downloads and albums. High rate of followers. E.g. on Spotify Eminem is ranked 44th in the world by the number of followers (4,629,877 followers).</td>
</tr>
</tbody>
</table>
Table 4. A Summary Brand Audit for Eminem

<table>
<thead>
<tr>
<th>Situational Analysis</th>
<th>Objectives and Strategies</th>
<th>Implementation Plan</th>
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<tbody>
<tr>
<td><strong>Strengths</strong></td>
<td></td>
<td></td>
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<tr>
<td>• Life story</td>
<td></td>
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<tr>
<td>• Movie (8-Mile)</td>
<td></td>
<td></td>
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<tr>
<td>• Collaboration with other artists (Dr. Dre, Dido, Rihanna, Elton John, Snoop Dogg)</td>
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<tr>
<td><strong>Weaknesses</strong></td>
<td></td>
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<tr>
<td>• Scandals (drugs, alcohol, suicide attempt)</td>
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<td></td>
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<tr>
<td>• Considered offensive</td>
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<tr>
<td><strong>Opportunities</strong></td>
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</tr>
<tr>
<td>• New merchandise</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• New collaboration (Gwen Stefani)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Strategic Brand Challenges</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Who is the target market? Can it be expanded?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• How do we increase brand awareness?</td>
<td></td>
<td></td>
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<tr>
<td><strong>Objectives</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Increasing followers on Spotify: 20% in one year</td>
<td></td>
<td></td>
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<tr>
<td>• Achieving 30% of brand awareness by the end of 2017</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Increasing retention rate to 25% of fans/followers on social media</td>
<td></td>
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<tr>
<td><strong>Brand positioning</strong></td>
<td>FUNCTIONAL BRAND VALUE</td>
<td></td>
</tr>
<tr>
<td>Listen to music to get away from issues and frustration. In addition, music associated with image can help to get distracted.</td>
<td></td>
<td></td>
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<tr>
<td><strong>EMOTIONAL BRAND VALUE</strong></td>
<td>Pour out feelings such as anger, frustration. Energising in concerts.</td>
<td></td>
</tr>
<tr>
<td><strong>ESSENCE</strong></td>
<td>Anger, sadness and other feelings relief, easy to listen and follow through social media</td>
<td></td>
</tr>
<tr>
<td><strong>Marketing Mix</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>PRODUCTS</strong>: music, lyrics, clothing.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>PRICE</strong>: affordable to reflect the positioning and industry. Include higher price range for hoodies. High price for concert tickets.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>DISTRIBUTION</strong>: internet, radio, TV, magazines, music shops.</td>
<td></td>
<td></td>
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<tr>
<td><strong>PROMOTION</strong>: website, advertising, email campaign subscription, social media, iTunes</td>
<td></td>
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<tr>
<td><strong>PEOPLE</strong>: new collaboration with other artists, such as Gwen Stefani. Additionally, collaborating with other person brand such as Michael Jordan.</td>
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**Action Schedule**

<table>
<thead>
<tr>
<th>Marketing Act</th>
<th>J F M A M J J A S O N D</th>
</tr>
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<tbody>
<tr>
<td>• New Album</td>
<td>---</td>
</tr>
<tr>
<td>• Concert Tour 2016</td>
<td>---</td>
</tr>
<tr>
<td>• Loyalty Program</td>
<td>---</td>
</tr>
<tr>
<td>• Website Redesign</td>
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<table>
<thead>
<tr>
<th>P&amp;L Forecast</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Turnover (albums sold) (£m)</td>
<td>(137)</td>
</tr>
<tr>
<td>Gross Margin (%)</td>
<td>(20)</td>
</tr>
<tr>
<td>Gross Profit (£m)</td>
<td>(31)</td>
</tr>
<tr>
<td>Net Profit (£m)</td>
<td>(20)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Marketing Budget</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>New Album</td>
<td>(30)</td>
</tr>
<tr>
<td>Concert</td>
<td>(50)</td>
</tr>
<tr>
<td>Loyalty programme</td>
<td>(35)</td>
</tr>
<tr>
<td>Website redesign</td>
<td>(15)</td>
</tr>
<tr>
<td>Contingency Plan</td>
<td>(20)</td>
</tr>
<tr>
<td>Total (£000)</td>
<td>(150)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Control</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Contingency plan in place given by the continuous investigation and market trends research.</td>
<td></td>
</tr>
<tr>
<td>• Monthly control comparing results with objectives.</td>
<td></td>
</tr>
</tbody>
</table>
— notably the reinvention of Eminem to resonate with his target audience, especially in the fluid environment of the music industry. Indeed, his collaboration with Elton John, a voice for the LGBT community is a demonstration of winning back equality and diversity conscious audiences with a view to enhancing his long-term brand equity. For brand audits, however, there are two levels of analysis that form the basis for practical recommendations at two distinct levels – strategic and tactical. At the strategic level, Eminem would need to consolidate on his “duets” (i.e. collaborations) especially with the likes of Gwen Stefani who is less controversial than Eminem in order to woo her fans over and, thereby, extend his own fan base (see Jaffries, 2015).

There are other opportunities that go beyond music collaborations such as the brand association with sports personalities – notably Michael Jordan, the face of Nike, who has the necessary ability to launch Eminem into basketball following – with increased potential for co-branding deals and/or contracts between Eminem and the sporting world of basketball in particular, and sports in general. Evidently such initiatives would enhance the brand’s prospects to appeal to a much wider audience beyond “gangsta rap” — and especially branching out to the retail and fashion brand markets following in the steps of many other artistes— e.g. Sean Puffy Combs (aka P. Diddy and his Sean Jean Clothing), Jennifer Lopez (aka J-lo), and Victoria Beckham of the Spice Girls amongst others.

Although the above recommendations might be more pragmatic approaches to the reinvention of the “Eminem Brand,” there are limitations on how much of this ground has been covered in the course of this study. First and foremost, and for the purposes of the original brand audit on Eminem, initially submitted as a part of an undergraduate assessment in the 2015/2016 academic year, the comparison with rapper Jay Z, might not be akin to a like-for-like comparison. Arguably, the closest benchmark (i.e. point-of-parity vis-à-vis point-of-difference in branding terms) might have been Dr. Dre, who did not only share the same label with Eminem (i.e. Deathrow Records), but was also instrumental in the launch of the brand.

Overall, this study, with hindsight, acknowledges some key limitations, in recognition of the valuable comments of the anonymous reviewers for this working paper series — notably the absence of benchmarking with artists such as Dr. Dre – mastermind of the Beats Headphone that has captured the interest of the tech giant Apple (see Gbadamosi and Madichie, 2014), and who was instrumental in the launch of “Brand Eminem.” There are equally others such as Kanye West, who has been explored alongside Jay Z, in a documentary analysis of an “unconventional course launch – English 2169: Jay-Z and Kanye West,” at the University of Missouri (see Gbadamosi and Madichie, 2014), and how this might be a plausible addition to the armoury of exploring a hip-hop brand equity and its engagement with target audiences (see Madichie, 2011).

However, enlarging the target market and increasing the brand awareness might be considered as brand challenges; therefore, continuous strategic market investigations should be conducted as they will allow Eminem to understand the demand and music trends, and how these can affect his person brand. In conclusion, the study has discussed and described what is happening to the Eminem brand as well as the reasons as to why it is happening. In order to maintain and maximise his long-term brand equity, Eminem has set some objectives such as increasing levels of brand awareness and the number of followers on Spotify.

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The CEO Brand – A Tale of Halo Effects

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London School of Business and Management, UK

Abstract
This working paper draws upon two CEO’s whose organizations, different as they are, have leveraged the leadership and personality traits of their captains – the late Steve Jobs, co-founder of Apple; and Sir Alex Ferguson, former Manchester United Football Club boss. Both firms are well established brands and likewise are the people behind the brands. This working paper is positioned upon two streams of literature: First, David Rae’s (2005) conceptual framework on entrepreneurial learning as a triadic model consisting of: (i) personal and social emergence; (ii) contextual learning; and (iii) the negotiated enterprise is evaluated and applied to the first firm – Apple and its co-founder, Steve Jobs. This is consistent with Rae’s (2005, p. 331) conclusions that “there is scope for wider application of the model in theoretical, educational and practical ways beyond the context of the case studies and the creative media industry.” Second, the leadership attributes of CEOs, is applied to Sir Alex Ferguson, who has exhibited the CEO brand attribute that goes with success crowned by a knighthood and a case study in the Harvard Business Review – even though he never went with the title of CEO at Manchester United Football Club (an established brand with a stock listing).

Keywords: The CEO Brand, Leadership attributes, Halo Effect, Entrepreneurial learning

Introduction
First identified in the 1920s by American psychologist, Edward Thorndike, the concept of Halo Effect describes how an overall impression may shape specific judgments about firms, institutions or even governments. In the former situation, a firm’s overall performance, which is usually defined by tangible financial results (global outreach and stock listing), tends to shape our evaluation of other less tangible (or non-financial) measures (e.g. winning ways in terms of trophies in sports).

As highlighted by Rosenweig (2007, p. 24) in the example of Cisco Systems, the firm was admired for its customer focus, efficient organization and charismatic CEO, but when performance slipped, it was criticized for the exact same reasons. Indeed, it seems rather obvious that in the business world, firms that have been successful in terms of financial performance have tended to arouse our general positive perception towards every other aspect of the company by such attributes as innovation, social responsibility and product quality, as was once conferred upon the coffee giant – Starbucks (exaggerating our perception of the company as the most admired at a time). The same applies to the likes of Facebook (more recently with its audacious IPO listing on NASDAQ), Apple and Wal-Mart (both documented in The Economist, 2011).

Sometimes judging the performance of a brand based on the likeability of the CEO (a brand in itself) can set a dangerous precedent, as a particular category under the brand name may not be as good as others. Notable examples in these circumstances include the below par performance of the Mercedes A Class, as well as the Toyota’s hybrids at some point in their product life cycles.

In the case of innovation giant, Apple, the firm’s iMage (iPods, iPhones and iPads) also warrant a rethink in the light of this phenomenon. Key questions of particular relevance to the thrust of this working paper include:

(i) Did the entrepreneurial mind-set of Steve Jobs, Apple co-founder spread across the entire firm?
(ii) Did the CEO brand attribute permeate the entire firm?

(iii) Was this sustained after the CEO's exit?

The same question can be posed in the case of the second success story on the field of football – Sir Alex Ferguson (who was not a CEO, but still exuded the traits of one along the lines of the success of Apple under Steve Jobs). In this situation the questions may include:

(i) what CEO brand traits of Sir Alex Ferguson spill over to the Manchester United rubric?

(ii) Is this sustainable after his May 2013 retirement?

(iii) How has the success and performance of the team enhanced its brand equity?

This working paper presents, on the one hand, the past, present and future of Apple’s “iMage” in the context of entrepreneurial learning – with implications for the CEO brand and its attendant halo effects. On the other hand, similar concerns are raised over the future of Manchester United in the post-Ferguson era drawing upon the leadership theory, but still towing the “halo effect” concept and its impact on the firm he managed. Indeed, while Sir Alex Ferguson was by no means emblazoned with the title of CEO, he was undoubtedly fully in charge of the Manchester United brand. This has happened against all odds, from the friction with the Glazers to the squabble with the people's darling, David Beckham (another brand in his own right).

Entrepreneurial Learning in Organisations

Entrepreneurial learning is an important area of enquiry, which is not well understood in either the academic study of entrepreneurship or the practical development of new entrepreneurs (see Rae, 2005, p. 323). In his almost a decade old paper, David Rae posed two very important questions worthy of consideration in the current decade – first, how do people learn to work in entrepreneurial ways – are there significant processes and experiences in their learning, which can be related to existing learning theories? Second, can a useful framework to understand entrepreneurial learning be developed and applied both in entrepreneurial practice and conceptually by educators?

In tackling these questions, Rae went on and proposed a conceptual framework of entrepreneurial learning as a triadic model consisting of: (i) personal and social emergence; (ii) contextual learning; and (iii) the negotiated enterprise. In this article the triadic model is applied in the context of Apple as the enterprise and the personal emergence of its founder Steve Jobs. This is consistent with Rae’s (2005, p. 331) conclusions in his seminal paper that “there is scope for wider application of the model in theoretical, educational and practical ways beyond the context of the case studies and the creative media industry.”

It must also be added that the first element in Rae’s (2005) triad had been previously elaborated upon by Cope and Watts (2000) in their study on the impact of critical incidents from an individual perspective and their role within entrepreneurial learning. These latter authors found complexity in the concept of “critical incident” that demonstrated that entrepreneurs often faced prolonged and traumatic critical periods or episodes, illustrating the emotionally-laden nature of these events. The same can be said for Steve Jobs, founder and former CEO of the US technology firm, from when he first founded the firm, to when he got kicked out it, and was brought back (as a separate firm) into it. Through his battle with pancreatic cancer forcing him to take backstage and resign (a number of times, which corresponded with the stock price of the firm, until his death on 5 October 2011 at the age of 56 years, this month marks the fifth year anniversary of his death and the legacy he leaves behind.
CEO Brand attributes – the case of Steve Jobs

One important question to kick-start this section is whether entrepreneurial learning ever existed at Apple? The answer to this question seems better stated in the affirmative considering that its founder, Mr. Jobs, had been a major or a dominant force in the industry for nearly half of his life—an industry that hardly existed before he became a force within it, and which has, over that quarter-century or so, become a primary driving force in our economy, our society, and our daily lives. As was not too long ago reported in a Wall Street Journal blog “his effect, direct or indirect, on our lives and our way of life is incalculable.”

Under the banner of Mr. Jobs, Apple has initiated change after change in our technological world. Some changes might be properly characterised as innovations that were his vision carried out by the company; some others as innovations emerging from the company in line with his vision; and some as innovations originally entirely unrelated, but picked up by Apple and implemented in a way that captured that moment.

However, the experience of the Apple iMage collectives – i.e. iPod, iPhone and the iPad, is indicative of the limitations of entrepreneurial learning at the firm level – for wallowing in the “halo effect” attributable to its founder, and key spokesperson (see Figure 1) – whose genius seems to be rubbing off on the firm and/ or brand. Consumers who know a firm is highly profitable are more likely to believe its products are high-quality and its advertising honest. That helps build loyalty among customers, making companies more resistant to competition – the central proposition being that “if you love a company’s products, it is natural to conclude that it has also has superior management” – and vice versa, some would argue.

Figure 1. Steve Jobs - Undisputable CEO Brand*

*INote: The image in figure 1 was selected out of the available millions for its political message.

Apple is good at creating markets with sales estimated at an all-time high of something in the region of US$13.4billion in the second quarter of 2010. Steve Jobs was the visionary leader responsible for identifying and developing products like the iPod and the iMac. Indeed, the iPod, a must-have gadget, has revolutionized popular youth culture and turned out to be the biggest trend in the music market since the launch of the Sony Walkman. In addition to having changed or “disrupted” how we listen to music, the iPod is renowned for having rescued Apple’s fortunes.
As marketing guru David Jobber documented in one of his textbooks, “the design enabled the iPod to become highly differentiated from other high-tech consumer products that have a tendency to be overloaded with buttons, switches and numerous other functions that only a few dedicated users ever manage to understand and, ultimately, use.” Indeed, Steve Jobs has been quoted as saying ‘most people make the mistake of thinking design is just a veneer’, but at Apple designers are interested in how a design works for the user, as well as what a product looks and feels like.

The iPod nano’s introduction in September 2005 saw sales of the company’s music player rise sharply. During its first quarter, iPod sales increased from 8.7 million in the third quarter of the year to more than 14 million, never dropping below 8 million in any succeeding quarter – until the second quarter of 2011, as the product category fell out of favour with buyers in favour of the iPhone and iPad (see The Guardian, 16 November 2011).

In his quest for the next world-beating product, Mr. Jobs turned to another mobile high-tech product – the iPhone. Launched at the Macworld Expo in 2007, the iPhone had captured 1.8 percent of the US mobile phone market by July 2007 – nearly double the sales goal set for the period, and was reported to be the best-selling Smartphone model on the market at the time.

Not too long after, the iPad (Apple’s tablet computer) went on sale in the US in April 2010 to world acclaim. It was a huge success – a major sell-out attributable to the marketing strategy adopted (which further reinforces the creativity of Steve Jobs, the individual) and entrepreneurial learning at Apple (at the firm level). On the back of an initial PR (public relations – i.e. the “discovery” of the unreleased iPhone specimen in the lavatory of a Californian Bar – a “buzz marketing” stunt with www.Gizmodo.com – a supposed technology opinion leader as accomplice) in early 2010, to the actual launch of the iPad (another must-have gadget), even Hollywood A-listers would “go green with envy.”

Unlike the Oscars drought suffered by the well buzzed about Avatar, which awaits a second-life at a futuristic Oscars, having failed to impress in 2010, the iPad has been a runaway success. It has even paved the way for a launch of its sibling brands the second generation iPhone (plus six new products - including the possibility of an overhauled Apple TV – a product that allows Mac and PC users to take content “off the internet” and their computers and display them on widescreen TVs).

As David Rae described it, the concept of the negotiated enterprise is that the business venture is not enacted by one person alone, but through negotiated relationships with others (Rae, 2005). The ideas and aspirations of individuals, such as Steve Jobs, are realised through interactive processes of exchange with others within and around the enterprise, including customers, investors and co-actors such as partners or employees – especially Steve Wozniak.

However, just as the iPod fell out of favour to the iPhone and iPad, the latter now seems to have also fallen out of favour with buyers (in the first quarter of 2012) in the UK and Australia in particular. While the UK Advertising Standards Authority (ASA) only recently investigated and won assurances from Apple that its “deceptive” advertising would change, Apple has offered to refund Australian customers who felt misled about the 4G capabilities of the new iPad following the country’s consumer watchdog court filing against the technology behemoth over false advertising – understandably the tablet computer does not work on Australia’s 4G network (BBC News, 28 March 2012).

Moreover, while most Apple products did thrive on unlimited broadband services, Steve Wozniak, Apple’s co-founder doesn’t even have broadband at home. His confession poses a threat to the state of learning at the firm, “I, Steve Wozniak, don’t have broadband at home...” (The Guardian, 12 May 2012). According to recent reports, without Mr. Jobs, Apple will slide into mediocrity just as Sony did after the death of founder Akio Morita (The Guardian, 30 April 2012) – perhaps not quite there yet, but maybe not too far away?

CEO Brand attributes – Insights from Sir Alex Ferguson

A high impact case study published in the Harvard Business Review on Sir Alex Ferguson’s leadership traits and his consequent transformation of a world-class football team, Manchester United, identified
eight leadership attributes, the most pertinent being “never, ever to lose (cede) control” (see Elberse, 2013). This rather surprising trait (especially for those that have a preference for softer leadership styles) goes to highlight, or perhaps reiterate the leadership lessons that can be garnered from football and applied to business (Haskin, 2013). While delegation of authority enables leaders to better ‘observe’ the performance of teams, it may equally be important to remain in full control or assertive in nature.

In another British Broadcasting Corporation (BBC) article, the same words were used to describe Sir Alex Ferguson – loyalty, control, discipline (see Robson, 2013). According to that article, Ferguson was “the greatest living Briton.” These ascriptions coincided with the launch of his autobiography. Even though Ferguson was not the official CEO, he was still the boss of a successful brand, Manchester United. According to Robson (2013):

I went along to Fergie’s news conference to ask the man known simply as ‘the boss’ whether the qualities that make a great leader on and off the pitch can be transferred to other fields and, in particular, to politics.

According to Ferguson, what leaders have to do, is to create loyalty in their staff, transmit their philosophy (CEO brand attributes for the purpose of this working paper) and exert control and discipline. Leadership is a quality which allows your personality to transfer to everyone. The advice was clear and is a theme of this book – “the minute they threaten your control, you have to get rid of them” (see Robson, 2013). This raised an interesting question as to how a leader inspires loyalty, maintains control and instils discipline – all at the same time.

Before highlighting the details of the leadership traits of Sir Alex Ferguson and the CEO brand allusions attributed to this, it is worth first highlighting the performance record of the man that forms the bases of his knighthood and brand status (see Figure 2 for an illustration of his calmness). Some call him the greatest coach in history. Before retiring in May 2013, Sir Alex Ferguson spent 26 seasons as the manager of Manchester United, the English football (soccer) club that ranks among the most successful and valuable franchises in sports. During that time the club won 13 English league titles along with 25 other domestic and international trophies giving him an overall haul nearly double that of the next-most-successful English club manager.

Figure 2. Sir Alex Ferguson – CEO Brand

Source: Elberse, A. (2013) Ferguson’s Formula - HBR Case study

Alex Ferguson has also been described as far more than a coach. He played a central role in the organization, managing not just the first team but the entire club. As Manchester United’s former chief executive David Gill once stated (Elberse, 2013) “Steve Jobs was Apple; Sir Alex Ferguson is Manchester United.” Sir Alex Ferguson retired in May 2013 after his 1500th match in charge, which finished in an incredible 5-5 draw at West Bromwich Albion. Under his leadership, Manchester United have scored 2,769 goals in all competitions under Ferguson and their last ever 5-5 draw was against
Lincoln in 1895 (see BBC News, 19 May 2013). The team are also 13-time premier league champions, 10-time Community Shield champions, 5-time FA Cup winners and twice Champions league winners (see table 1).

Table 1. Ferguson’s Man United trophies (by number of wins)

<table>
<thead>
<tr>
<th>Competition (No of wins)</th>
<th>Winning years/ seasons</th>
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<tbody>
<tr>
<td>FIFA Club World Cup</td>
<td>2008</td>
</tr>
<tr>
<td>UEFA Super Cup</td>
<td>1992</td>
</tr>
<tr>
<td>Inter-Continental Cup</td>
<td>1999</td>
</tr>
<tr>
<td>Cup Winners Cup</td>
<td>1991</td>
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</table>

Source: McNulty (BBC Sport, 22 October 2013)

Sir Alex Ferguson – A Brand behind the Brand

During what turned out to be his final season in charge, my former student Tom Dye and I conducted a series of in-depth interviews with Ferguson about his leadership methods and watched him in action at United’s training ground and at its famed stadium, Old Trafford, where a nine-foot bronze statue of the former manager now looms outside. We spoke with many of the people Ferguson worked with, from David Gill to the club’s assistant coaches, kit manager, and players.

That was how Anita Elberse introduced her Harvard Business Review case study. It also seemed to confer upon Sir Alex Ferguson the characteristics of a CEO – or perhaps a CEO Brand who has successfully managed a global football brand, Manchester United. Furthermore, in a recent interview with BBC’s sports editor, David Bond, Sir Alex Ferguson described Manchester United as a brand. In return David Bond writes about “how hard it was to let go of football management after more than a quarter of a century at the highest level of the game” (see Bond, 2013).

The first thought of 99 percent of newly appointed managers is to make sure they win to survive. So they bring experienced players in. That’s simply because we’re in a results-driven industry. At some clubs, you need only to lose three games in a row, and you’re fired. In today’s football world, with a new breed of directors and owners, it remains unclear as to how many football clubs would have the patience to wait for a manager to build a team over a four-year period.

In the mid-1990s, Ferguson became the first manager to field teams with a large number of young players in the relatively less prestigious League Cup—a practice that initially caused outrage but now is common among Premier League clubs (the Premier League consists of the country’s top 20 teams). He was also the first to let four top centre forwards spend a season battling for two positions on his roster, a strategy that many outsiders deemed unmanageable but that was key to the great 1998–1999 season, in which United won the Treble: The Premier League, the FA (Football Association) Cup, and the UEFA (Union of European Football Associations) Champions League. Harvard Business School Professor Anita Elberse had a unique opportunity to examine Ferguson’s management approach and developed a case study around it in 2012. According to Anita Elberse:

Success and staying power like Sir Alex Ferguson’s demand study—and not just by football fans. How did he do it? Can one identify habits that enabled his success and principles that guided it?

From extensive interviews with the man (see Figure 2) and those around him, she identified and reported eight leadership traits (Table 2) that could arguably be applied both on and off the football pitch. In her exact words:
Ferguson and I discussed eight leadership lessons that capture crucial elements of his approach. Although I’ve tried not to push the angle too hard, many of them can certainly be applied more broadly, to business and to life.

These traits include: (1). Start with the Foundation; (2). Dare to Rebuild Your Team; (3). Set High Standards and Hold Everyone to Them; (4). Never, Ever Cede Control; (5). Match the Message to the Moment; (6). Prepare to Win; (7). Rely on the Power of Observation; and (8). Never Stop Adapting. Key elements of each of these traits (see Table 2) have also been captured and applied to how Sir Alex Ferguson managed a gargantuan brand composed of multi-millionaires in their ranks.

Table 2. The Fergie Formula for the Journey to Greatness

<table>
<thead>
<tr>
<th>Key Traits</th>
<th>Brief Descriptions</th>
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<tbody>
<tr>
<td>1. Start with the Foundation</td>
<td>You could say it was brave, but fortune favours the brave… Winning a game is only a short-term gain—you can lose the next game. Building a club brings stability and consistency. You don’t ever want to take your eyes off the first team, but our youth development efforts ended up leading to our many successes in the 1990s and early 2000s. The young players really became the spirit of the club.</td>
</tr>
<tr>
<td>2. Dare to Rebuild Your Team</td>
<td>Analysing player transfer data reveals Ferguson to be a uniquely effective “portfolio manager” of talent. He is strategic, rational, and systematic.</td>
</tr>
<tr>
<td>3. Set High Standards—and Hold Everyone to Them</td>
<td>His intense desire to win stemmed in part from his own experiences as a player. After success at several small Scottish clubs, he signed with a top club, Rangers—the team he had supported as a boy—but soon fell out of favour with the new manager. He left Rangers three years later with only a Scottish Cup Final runner-up’s medal to show for his time there. “The adversity gave me a sense of determination that has shaped my life,” he told us. “I made up my mind that I would never give in.”</td>
</tr>
<tr>
<td>4. Never, Ever Cede Control</td>
<td>Before I came to United, I told myself I wasn’t going to allow anyone to be stronger than I was. Your personality has to be bigger than theirs. That is vital.</td>
</tr>
<tr>
<td>5. Match the Message to the Moment</td>
<td>As I’ve gotten older, I’ve come to see that showing your anger all the time doesn’t work. You have to pick your moments. As a manager, you play different roles at different times. Sometimes you have to be a doctor, or a teacher, or a father.</td>
</tr>
<tr>
<td>6. Prepare to Win</td>
<td>I am a gambler—a risk taker—and you can see that in how we played in the late stages of matches. If we were down at halftime, the message was simple: Don’t panic. Just concentrate on getting the task done. If we were still down—say, 1–2—with 15 minutes to go, I was ready to take more risks. I was perfectly happy to lose 1–3 if it meant we’d given ourselves a good chance to draw or to win. So in those last 15 minutes, we’d go for it. We’d put in an extra attacking player and worry less about defence. We knew that if we ended up winning 3–2, it would be a fantastic feeling. And if we lost 1–3, we’d been losing anyway.</td>
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<td>7. Rely on the Power of Observation</td>
<td>I delegated the training to him, and it was the best thing I ever did. It didn’t take away my control. My presence and ability to supervise were always there, and what you can pick up by watching is incredibly valuable. Once I stepped out of the bubble, I became more aware of a range of details, and my performance level jumped.</td>
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<td>8. Never Stop Adapting</td>
<td>In Ferguson’s quarter of a century at United, the world of football changed dramatically, from the financial stakes involved (with both positive and negative consequences) to the science behind what makes players better. Responding to change is never easy, and it is perhaps even harder when one is on top for so long. Yet evidence of Ferguson’s willingness to change is everywhere. As David Gill described it to me, Ferguson has “demonstrated a tremendous capacity to adapt as the game has changed.”</td>
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Source: Adapted from Elberse, A. (2013) Ferguson’s Formula - HBR Case study (October).
Conclusions

The aura of cool that Steve Jobs has cast over Apple’s products had turned customers into religious believers, many of whom, according to Jason Zweig, undoubtedly use their iMacs or iPads to buy the company’s stock, and their iPhones to check the share price. Steve Jobs’ brilliant design sense makes Apple’s products (including the stock price) seem attractive. The iMage (caps deliberate) of Apple is very well known:

- the iPod changed our relationship with music;
- the iTunes music store transformed at least one industry;
- the rounded plastic jelly aesthetic of the iMac all but deleted the desktop from our memory;
- the iPhone became the standard of a new kind of must-have object;
- the iPad went immediately from “butt of menstrual jokes to emblem of technological hipness;”

Love it or loathe it, the fact that Steve Jobs has been a transformative figure in “consumer electronics” and “mobile digital devices” for the last quarter-century is uncontroversial. Steve Jobs was on the side of history more often than not, and where he has gone, the world seemed to have tagged along (BBC News, 22 February 2012) – except the enterprise which he founded. While it’s not too clear whether the halo effect (described by psychologist as a quirk of the human mind, where one powerful impression spills over onto our other judgments of a situation) associated Mr Jobs and the Apple dynasty have had successors. The key question is whether there is still any semblance of entrepreneurialism at Apple and whether the learning that comes with this is still in existence.

With the legal battles in China, Australia and the UK ranging from trademark disputes in China (Shenzhen Proview Technology); to allegations of false claims over the 4G capabilities of the new iPad (in both Australia and the UK); and the latest revelation (thanks to the BBC), about the Kings Langley (a small town just outside central London) based firm, Imagination Technologies, described as the real brains behind graphics technology in most smartphones or tablet PC. This inconspicuous firm (i.e. Imagination Technologies) designs and manufactures the computer chip technology that drives the graphics for mobile devices like the iPhone and tablet computers and licenses its designs to the likes of Intel and Samsung, who then incorporate Imagination technology into their computer chips.

As one ponders David Rae’s conceptualisation of entrepreneurial learning and its applicability to the Apple context, be advised that only recently a Yahoo! blog has declared that “… Steve Jobs had dreamed of creating an iCar – which was planned to give the automotive industry (especially in the US) the shake-up it required – before his sad demise in October last year after a prolonged battle with pancreatic cancer.” (Emphasis added). Details of this breaking news can be accessed by an online search of “Speaking at a Fast Company conference” and “Mickey Drexler” – now that’s a learning point or is it?

In a recently edited book on the subject, the first of its kind, Fetscherin (2015a) highlighted that “the impact and relationships the CEO brand has for companies,” is of critical importance. Specifically, why, where and how the CEO brand impacts financial (e.g. firm performance, profits, stock returns) and non-financial aspects (e.g. job retention, trust of financial industry and analysts) of corporations is solicited. In the first case Steve Jobs demonstrated what the CEO brand epitomized for the Apple brand portfolio. Similarly, Sir Alex Ferguson and his consistent performance on and off the football pitch – from the cache of trophies to the development of the Manchester United brand and ultimate knighthood – are very illustrative of CEO success, and especially so for their respective successors, Steve Wozniak and David Moyes before now being under the charge of The Special One – Jose Mourinho.

References


