

## Section 2

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# **BRANDS AND INDUSTRIAL MARKETS**

# CHAPTER 2

## THE AWARENESS AND ASSOCIATIONS OF A BRAND



### Brand awareness

Psychologists tell us that the memory is extremely durable so that once information is stored there, its strength of associations decays very slowly. The potency of the brand in the memory is brand awareness. Even though prohibition closed all breweries in America in 1920, Budweiser was able to return to its leading position as "King of Beers" after repeal in 1933. For many years now the Midlands based engineering company, Ackles & Pollock has been defunct and yet its name still rings a bell in the minds of people over the age of 55. The company's quite modest programme of adverts in the London tube implanted the brand in thousands of people's minds where it now sits without purpose. In the same way that there are still many people whose brains say Marathon when they look at a Snickers bar, some buyers of industrial wire will say British Ropes when they see the name Bridon, even though the British Ropes name has been defunct for over 20 years.

We can recognise three levels of awareness:

- 1 Aware of name only, but know little or nothing about it.
- 2 Aware of the company and know quite a lot about it, but have never used it.
- 3 Aware of the company through having used it.

We will examine each of these in more detail. At some stage, every company is unknown to us. And, if it is unknown, it clearly cannot be considered as a potential supplier. Creating a basic level of awareness is the first requirement of branding.

## **The first stage of awareness - knowing the name only**

Over time we learn about companies, a complicated process which is later hard to unravel, especially if it took place some time past. This is because we forget the first encounter with the name and, in any case, awareness is built up as one exposure reinforces another.

The sources which help build awareness of a company are:

- sight of the company's products in daily use
- a representative of the company
- adverts in magazines, the press or television (the latter being an unlikely choice for industrial companies whose target audiences are small)
- literature through the post
- comment on the company in editorials in magazines or the press
- colleagues or friends
- sight of the company's vans, trucks or buildings
- exhibitions
- videos
- sponsorship.

Through any one of these means a first stage of awareness is created but, if nothing else is known about the company, there will be no special interest, no trust and no reasons to buy. However, there could be some perceptions, no matter how vague. The name itself may produce a warm or cold feeling or offer a clue as to its origins.

## **The second stage of awareness is knowing the company and something about it**

Within this second stage of awareness, people could have many different levels of knowledge on a company

ranging from a vague appreciation of what it does through to a depth of understanding about its product range and prices. Also, perhaps, there will be some preconceptions about "softer" concerns such as manufacturing quality, dealings with customers, after-sales back-up etc.

This awareness of a company and what it does may not always be correct. Wrong messages may be picked up from not fully reading an advert or selectively taking in some of its communications. Early stages of awareness involve picking up partial knowledge and the mind fills in any gaps by supposition. The result can be misconceptions about what the company does and what it stands for and which subsequently influence attitudes to a company as a supplier.

### **The third stage of awareness is knowing and using the company**

In general, the greatest level of awareness is held by those who know a company as a supplier. People who have experienced a company's products and services are best able to comment on its prices and the service levels and, since they will have had first hand experience of its products, they will be able to comment more authoritatively than others on their quality and reliability.

People absorb information on subjects of interest. The more people know about a company, the more their interest is raised. This means that once a company has achieved the status of being supplier, it will be able to engage buyers' interest more readily with its adverts and promotional messages. Buyers are more willing to see the representatives of companies they know and use than those they do not. It is a perversion of marketing that sales efforts and promotions have more impact on customers than they have on potential customers and yet it is often at the latter group they are aimed.



### **Brand recall**

Brand recall is the ability to think of the name of a brand or supplier. Think about all the consumer brands you know over just a couple of minutes and before you know it your mind will lock into clusters of products such as cars, cigarettes or types of food. You will be able to list a few brands within each genre until your recall dries

up and you flit to another group. Your list will be made up of twenty to thirty big brands, household names, interspersed with lesser known names which surprise you for being on the list.

Ask a buyer to name suppliers of a particular product and you will be told with a sigh "*there are hundreds, where do you want me to begin?*". When pressed to name a few, it is remarkable how quickly the names dwindle; "*There is another one, its name begins with B, you know the one I mean.*"

The mind holds far more brands than those which were listed in that two minute exercise; and buyers in industry know more than those which they are able to mention 'off the top of their heads'. However, unless prompted, these names remain locked in the mind. Sometimes a cue is needed to spark the recall. The trigger could be something associated with the company such as its logo or information linked with its products. *Brand recognition is always greater than brand recall.*

Typically, the unprompted recall levels for an industrial company amongst its target audience are between 30 per cent and 60 per cent depending on its domination. However, levels of recognition often rise to around 90 per cent after showing or reading out a list of brand names.

## Brand association

Consider the following list of names. As you look at each one, what thoughts come into your mind?

Albert

Chardonnay

Dominique

Fred

Horace

James

Karl

Michael

Sean

Sid

Some of the names may not raise any emotions, others may make you think of a person of a certain age, appearance, character, warmth, or nationality. The images which come to mind arise from both the conscious and subconscious and emerge as a bundle of feelings; a distillation of all the experiences and knowledge accumulated over the years. Some of these experiences will have been acquired in childhood, perhaps from reading a book or knowing someone at school. Others could be quite recent.

Shakespeare was wrong when he wrote that famous declaration of love by Juliet for Romeo, "*What's in a*

*name? That which we call a rose, by any other name would smell so sweet."* He was wrong because almost certainly Juliet would not have been quite as charmed if the rose had been called a stinkwort. Names develop meanings and associations. The way they scan, their composition, our experiences acquired through knowing them invoke distinct feelings.

In the same way that a person's name raises an association in the mind, so too a company or product name conjures up an image. Look now at the following list of company names and again what comes to mind.

Dentsu

DHL Couriers

Exxon Corporation

Oracle

JP Morgan

RS Components

Some company names offer a clue as to what they do from their name itself. You may not have heard of RS Components but you get the idea that its business is something to do with the supply of components of one kind or another. DHL is obviously a courier. But these suffixes are only partial clues. You would not know from RS Components' name that components it supplies are largely electrical and mechanical bits and pieces.

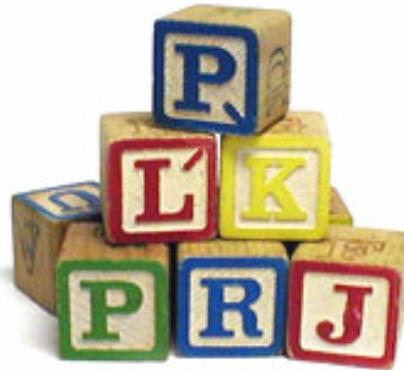
But what of a company which offers no clues at all as to its identity? The gargantuan Exxon Corporation is probably known to most people as the company which markets Esso petroleum. JP Morgan is another large American company with global offshoots, this time a merchant bank. Oracle is one of the biggest brands in the world but how well known is it outside computing circles? Unless a buyer is in the know, the name of Dentsu, offers no clues as to its identity as one of the largest advertising agencies in the world.

Initials are in common use in the titles of industrial firms. For some companies the initials have fused into a mnemonic with more meaning than the original words. IBM and ICI are recognisable names throughout the world and seldom do we wonder what they originally stood for.

Beyond these obvious leads which we get from a company name, what do you *feel* about the companies? If nothing is known about the company then clearly it is difficult to feel anything other than what is created by the syntax of the word. But what of the companies in the list you do know something about? Do the names conjure up facts or raise any emotions? Do you think they are big or small, British or German? Do you feel warm or cold about them? Do you think they are a good company or poor company?

These associations which come to mind, whether hard or soft, whether factual or emotional, are *attributes* of the brand - descriptive features which characterise it. The attributes can be related to the product and by this we

include all the service elements which constitute the offering. This means that the warranty conditions, the after sales service and the price are all part of the product attributes. In addition to these fundamental issues are more intangible attributes which are in the main related to the imagery surrounding the product.



## Building brand associations

Small companies do not have the manifold opportunities through which people can become aware of their names as do giants like IBM or ICI. Thus, for the small company it is all the more important that every occasion is taken to build awareness and communicate a message.

Such is the anonymity of some company names, you would never be able to guess their business. You pass John Williams Ltd's van on the road marked with his address and telephone number. No one will ever write down or remember his number or his address and no one will know what John Williams does from this 'boiler plate' information on the van side. The failure to indicate to people what a company does within its title is a lost opportunity to communicate and it can be easily solved by a short descriptive line underpinning the name. It would be enough for John Williams to under-score his name with a strap line which tells us he is a decorator, a plumber, a printer or whatever. Small companies with anonymous names need to consider every opportunity to tell people what they do whether its from the side of a van, a letterhead, a business card or a compliments slip.

Sometimes a company can gain an advantage simply from the *sound* of its name. Möben Kitchens are made the North of England but the umlaut in its name gives it a Teutonic cache. Similarly the Berghaus range of clothing from Newcastle implies a location nearer the Alps. In the garage equipment market, most of the leading companies are German. An English company seeking some association with this German halo could adopt a Teutonic sounding name. Similarly, the sound of a name can communicate size. Northern Insulations sounds as if it is a much larger company than Crewe Insulations. Going further up the scale of territorial size, a name which features the word 'International', 'British', or 'American' has a ring of authority about it though it should be noted that there are considerable restrictions on a new company adopting such grand titles.

Imagine that the managing director of a small company needs an advertising agent; not one of the largest agencies but a modest sized company in tune with his account. He could look in the Yellow Pages and take pot luck or, more likely, he could consult a colleague for a recommendation. The more trusted the source of the recommendation, the more this trust will attach to the named agency. Word of mouth is, therefore, important as a means of building awareness and association in industrial markets.

Word of mouth takes forever to get around and most companies cannot wait that long. Active rather than passive means have to be used to make the company known. Salesmen are employed to carry the word. Adverts are placed in journals to inform and educate but also to create a feel for the company from their style and tone of voice.

Gifts from the company can reinforce brand associations. A newly launched wire company sent out wire puzzles; an industrial photographic studio mailed intriguing pieces of a jigsaw which built up over a period of five days; a new courier emphasised the care and speed of its service by delivering boxed red roses to potential customers.

### **The role of the logo**

An important accessory to the name of a company in building awareness and creating associations is a logo or symbol. The power of the logo is at its greatest when a company addresses a wide audience as it provides another means of rapid communication but it also has an important part to play in industrial companies facing more limited markets.

An industrial company with only 50 or 100 customers may question the need for a recognition symbol as everyone who needs to know the firm is regularly in communication with it. But as with all aspects of marketing, the logo should not be taken in isolation. It is the accumulation of the impact of the logo with the name and typestyle which creates an image.

Whether large or small, industrial or consumer, all companies have a need to create the right impression. This should be communicated through an image of their choice. It could be modern or traditional, dynamic or solid as a rock, inventive or responsive. The sales force will play an important part in shaping the view of the company but so too will every other signal it puts out from the style of its website through to the quality of the paper it uses for its stationery, its name, the type-style, the logo, the colours in the design etc. A small company needs all these things to work together for it: the clean and clear web site, the smart letterhead, exemplary literature and reps in smart suits will reinforce each other to shout out "*trust us, we are professional*". It is also worth pointing out that a strong visual metaphor, such as a logo, costs very little and yet works disproportionately hard, so taking maximum advantage of the typically small promotional budgets of industrial companies. Logos are not just for big consumer brands.

The logo acts as a memory cue which helps the observer recall the company and what it stands for. There have been fashions for logos and over the years there has been a move away from simple monograms of initials to more stylised pictures of what the company does and represents. Cognitive response theory argues that brands are recalled and retained longer if the observer has to make some effort to understand them. Not so much effort that they abandon their search for any meaning, but sufficient to lodge in their mind.

Most of the communication with a customer is non verbal and therefore relies on the sight of the name and logo style. The name itself has been shown to evoke an image but so too will be the way that the name is portrayed and the support which is provided by a logo. The logo can work in tandem with or apart from the name. For example, it can be used on packaging, on transport and on work-wear.

Because symbols are pictures they are easier to visualise and recall than words. If we turn words into metaphors they are readily understandable and more memorable. A company logo provides the opportunity to communicate a symbolic representation of what the company is about - what it does, what it stands for. In this way Legal & General uses a colourful umbrella as a logo, denoting its role as a provider of cover for its customers. Hammerite, a supplier of metallic paints, leaves people in no doubt as to its business with a logo in the shape of a shield saying “made for metal”. More subtle is Air Products' A which is a stylised version of the alchemist's symbol for air.

The logo need not symbolise the business of the company. It could be just an identification mark which people learn to recognise through constant exposure. Dunlop's flying D was created many years ago to indicate a dynamic company with no reference at all to its business in the rubber industry. ICI's roundel with the initials sat upon waves provides instant recognition but offers only the remotest connection with the chemicals business.

## Summary of chapter 2

There are three levels of brand recognition; awareness of the brand name only, knowledge of products and other features associated with the brand and experience gained through buying the brand. Various marketing techniques can be used effectively to build awareness.

Buyers are exposed to hundreds of brands in their own field but "top of the head" recall is often quite low. Brand recognition, triggered by some stimulus such as the brand logo, is always much higher than brand recall.

Like all proper names, brands have associations; with the products and activities under the brand umbrella but also with many other attributes surrounding the name. Brand association can be positively fostered.

An important dimension of a brand name is its visual representation - the logo. Developing and communicating the logo is an important part of successful brand marketing.