CHAPTER 1

THE BRAND

In a literal sense, Brand Design consists of the concepts brand and design. The meaning and application of *design* does not seem to be a point of heated contention within the field, although a distinction can be made between product design (consider the iMac and products by Alessi) and brand design (consider all expressions by Coca-Cola or McDonald's). I will come back to this in Chapter 3. Sometimes, the concept of *brand* is a point of discussion. What is the correct definition of a brand? What types of brands can be distinguished? What is brand identity and does it differ from brand personality? What is the difference between a brand image and a figurative mark? Reasons aplenty to first consider the brand before we talk about Brand Design.

In this chapter, the following subjects are discussed successively:
1.1 History of the brand
1.2 Definitions of the brand
1.3 Types of brands
1.4 Functions of the brand
1.5 Concepts related to the brand
1.6 Developments in marketing

Finally, I will summarise the chapter in five lessons.

1.1 HISTORY OF THE BRAND

As a symbol, the brand has a rich history. The ancient Egyptians marked their livestock with a brand (hence the word 'branding') to distinguish them from their neighbours' animals. And in Greek and Roman times people used a sign for their 'shops' with references to the product on offer. Since there were many illiterate people at the time, the signs often showed clear product images, such as sandals, fruit or bread. In Mesopotamia, around 2300 BC, cylinder seals were also used. To authenticate the writings on them, they were certified using cuneiform writing. Later on, the cylinder seal was replaced by the wax seal with the imprint of an image using a signet ring.

An important historical basis for the development of the brand as a beacon of recognition is the family coat of arms during the Middle Ages in Europe. Heraldry (the tradition of armorial bearings) teaches that every self-respecting family had its own (house) coat of arms. This often featured symbolic elements such as lions and dragons as a sign of strength, authority, and invincibility. In addition to these family coats of arms, there were also regional coats of arms for certain

cities, for areas, and for countries. The current Dutch and Flemish lions also originated from these coats of arms.

European family coats of arms can be considered the predecessors of our current brands. (Source: various historical books)

Another variation of the family coats of arms took place in Scotland. Each clan (family) had its own tartan with a specific colour scheme and checked pattern. Based on a man's kilt, you could immediately decide whether you were going to have a glass of Scotch whisky together or whether you should fight.

In addition to the person-oriented family arms, product-related 'arms' (marks) were also created in the form of master's marks and guild marks. The master's marks were often applied to the bottom of plates and vases as the designer's or studio's signature. You can still find the mark of 'De Porceleyne Fles' from 1653 on the bottom of authentic Delft blue pottery.

Coins also had master marks on them, such as the little fish belonging to mint master Dr. J.W.A. van Hengel. It was used on the guilder coins from 1945 to 1969 in combination with the mercurial caduceus mark, which has been used on our coins since 1816 as the mark of the Royal Dutch Mint. The current Dutch euros also have a master's mark. Since 2017 that is the Sint Servaas Bridge belonging to mint master Stephan Satijn (born in Maastricht).

In addition to the master marks, guild marks arose as craftsmen began to organise themselves in guilds. They were the forerunners of the later product boards and trade unions. They distinguished themselves by using their own guild mark, a kind of medieval KEMA quality mark. It guaranteed a certain level of professional quality in a specific craft, industry, or guild, such as those of silversmiths, farriers, and bakers.

Later on, quality marks were created that were not industry-specific. An example is the quality mark by the Dutch Association of Housewives (NVVH), which was

introduced in 1926. Currently, many quality marks are used, such as the FSC (Forest Stewardship Council for paper and cardboard from sustainable forest management) or MSC (Marine Stewardship Council for sustainably caught fish) quality mark, the 'Beter Leven' (Better Life) quality mark by the 'Dierenbescherming' (Animal Protection's quality mark for organic food) and the Fair Trade quality mark.

Master's marks and quality marks provide additional security. (Source: museum.royaldelft.com, nvvh.nl and eko-keurmerk.nl)

One of the first real brands in the Netherlands was Bols, which dates back to 1575. Pieter Jacobsz Bulsius distilled his first drinks in ''t Lootsje' on the Rozengracht in Amsterdam. His son Lucas continued the company under the name that, over the years, has changed to 'Bols'. During the nearly four and a half centuries that followed, the brand developed into a household name in hotel bars around the world. In the early 1990s, as a brand manager for Bols Young Genever, I presented the brand history as a distinctive element in various sales promotion activities. In addition to a good story, heritage can also give the brand extra weight (context).

In the nineteenth century, during and after the industrial revolution, improved infrastructure led to the creation of many new brands. Items that were previously only sold locally could now be transported across the country by train and by boat. These 'rural' products had to distinguish themselves from the local products sold by the many grocers. So, they were provided with a name, sometimes a logo and often a (transport) packaging.

Most brand names were surnames or abbreviations (or acronyms), many of which still exist today. Great Dutch examples are HEMA ('Hollandse Eenheidsprijs Maatschappij Amsterdam'; English: Dutch unit price company Amsterdam), ETOS ('Eendracht, Toewijding, Overleg en Samenwerking'; English: unity, dedication,

consultation, and cooperation), DELA ('Draagt Elkanders Lasten'; English: carry each other's burdens) and KING ('Kwaliteit In Niets Geëvenaard'; English: quality not equalled by anything). International examples that, nowadays, you only know by their abbreviation include DHL (Adrian Daisey, Larry Hillblom and Robert Lynn), 3M (Minnesota Mining and Manufacturing Company) and IBM (International Business Machines). For successful brands, the brand name guaranteed constant quality and the right package contents (in weight or pieces). Increasingly, these brands and their products' unique properties were advertised. The premium brand was born.

Brand and company names can originate from five different sources. To illus-trate, you will find some examples from the aviation industry below.

1. Person   Ryanair (from founder Tony Ryan)
2. Description   Air France and Singapore Airlines
3. Abbreviation   SAS (Scandinavian Airlines System) and KLM ('Koninklijke Luchtvaart Maatschappij'; English: Royal Aviation Company)
4. Fantasy   Delta Air and Onur Air (Onur is Turkish for 'honour')
5. Analogy   Virgin Air and easyJet

A negative but very typical example of a historical mark is the swastika. It is an old runic mark that has been seen in various cultures, for example on Buddha statues and in arabesques. Unfortunately, this very powerful mark has also been consistently applied in all expressions and materials that had to do with the Third Reich as Hitler envisioned it. The power and consistent mass application of the swastika created not only a very strong sense of togetherness, but also the foundations for brainwashing soldiers and civilians, ultimately leading to one of the most horrific dramas in history. The swastika still has great significance as a mark and is therefore unfortunately still used by some right-wing extremist groups, which in turn leads to emotional reactions in others.

In recent decades, the influence of the brand has grown. Within companies, it is gaining increasing prominence on the agenda: no longer only for the marketing manager, but also for management and the board of directors. The brand represents a great financial value, so they want to know exactly what is going on when it comes to the brand. The attention and influence given to shareholders within listed companies is also on the rise and, therefore, also their indirect influence on the brand. Yet the value of the brand is not standardly included on the balance sheet, as the exact value of a brand is difficult to determine. Only

once a company has been acquired can the brand value be stated on the balance sheet of the new parent company under the heading 'goodwill'.

Nevertheless, the value of brands is still being measured, for example by the American agency Interbrand who annually present the top 100 of 'Best Global Brands'. For years, Coca-Cola was number 1. In recent years however, the brand has been surpassed by Apple (with an estimated value of $408 billion), Amazon ($249 billion), Microsoft ($210 billion), Google ($196 billion), and Samsung ($75 billion). To determine brand equity, Interbrand analyses financial forecasts, the role of the brand, and the strength of the brand.

01	02	03	04	05
Apple	amazon	Microsoft	Google	SAMSUNG
+26% 408,251 $m	+24% 249,249 $m	+27% 210,191 $m	+19% 196,811 $m	+20% 74,635 $m
06	07	08	09	10
Coca-Cola	Toyota	Mercedes	McDonald's	Disney
+1% 57,488 $m	+5% 54,107 $m	+3% 50,866 $m	+7% 45,865 $m	+8% 44,183 $m
11	12	13	14	15
Nike	BMW	LOUIS VUITTON	TESLA	FACEBOOK
+24% 42,538 $m	+5% 41,631 $m	+16% 36,766 $m	+184% 36,270 $m	+3% 36,248 $m
16	17	18	19	20
CISCO	intel.	IBM	Instagram	SAP
+6% 36,228 $m	-3% 35,761 $m	-5% 33,257 $m	+23% 32,007 $m	+7% 30,090 $m
21	22	23	24	25
Adobe	CHANEL	HERMÈS PARIS	J.P.Morgan	HONDA
+36% 24,832 $m	+4% 22,109 $m	+20% 21,600 $m	+6% 21,401 $m	-2% 21,315 $m

Interbrand – The Best Global Brands 2021. (Source: interbrand.com)

BRAND DESIGN

In addition to 'manufacturer brands' (premium brands), house brands or private labels have also developed strongly since the 1980s. In Dutch supermarkets, the house brands produce about 25 to 30 percent of the shops' turnover; in Europe and especially in the United Kingdom that share is much higher. Initially, the house brands were still copies of the premium brands. By offering these products at a lower price, with a near identical appearance, and a better shelf position, they were able to compete with the major premium brands. Now, they are often fully fledged alternatives for the premium brand, in some cases with a Brand Design that distinguishes itself even better than the design of the premium brand that is right next to it on the shelf. A good example of this is 'Kordaat', Lidl's own beer brand with the appearance and support of a premium brand.

Due to the increasing importance of trade (retail), a growing number of providers of 'fast-moving consumer goods' (FMCG, usually sold in supermarkets) have begun using trade marketing since the 1980s. In trade marketing, the retailer is central and the trade marketer analyses what role the brand can play in the formula of the retailer in question. Questions that arise are:

- What is the formula's positioning and who are their customers (consumers)?
- What is the right product range (shelf plan) for this formula?
- What function can our brand fulfil within this?
- How can we increase the sales of our brand at the formula in question using store promotions?
- What is the best way to present our brand's products?
- How can we jointly optimise the logistics process?
- How can we collaborate in other areas, e.g. with market information?

There is no doubt that the brand is vital for commercial enterprises. In recent years, an increasing number of non-profit organisations as well as the government have also become aware that their activities can be considered a brand. Energy companies, the national government, municipalities and charitable institutions use the brand as the foundation and as an instrument for achieving the company's objectives. This book can also be useful for those organisations within the thinking process regarding the importance of the brand for their activities.

1.2 DEFINITIONS OF THE BRAND

All roads lead to Rome. Likewise, there are many definitions of the brand to be found. It is mainly the creator's perspective that determines which words are

used to define the brand. During my marketing studies, Philip Kotler was my guru. His brand definition (Kotler, 1980) reads:

'A brand is a name, term, sign, symbol or design, or a combination of them, which is intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors.'

Kotler's definition was primarily formulated from the perspective of the brand's provider. That is not surprising, because in the eighties the power of the brand providers was at its maximum and marketing and brands were heavily considered from this position of power.

A definition that is based much more on the importance of a brand to consumers and what it means to them is one by Rik Riezebos (1996):

'A brand is any mark that is able to distinguish the goods or services of a company and that can have a certain meaning for consumers in a material or immaterial sense.'

A brand description that is completely based on the consumer's perspective is one by Giep Franzen (1998):

'A brand only exists in people's brains. It is a network of associations between elements in memory. Those associations are the result of joint, simultaneous processing in space and time of sensory stimuli and of thinking about different phenomena in relation to each other.'

The bottom line of Franzen's description is the concept of an *associative network*, consisting of the following seven components:

1. brand awareness;
2. brand meanings (linking the brand to meaningful images and information);
3. brand feelings (emotional responses to the brand);
4. brand positioning (classifying the brand in relation to other brands);
5. brand attitude (attitude towards the brand, e.g. brand preference);
6. brand behaviour tendency (autonomous tendency to purchase the brand again);
7. brand relationship (brand loyalty and brand engagement).

When thinking of a brand, it is important to not only consider physical products, such as a can of Coca-Cola. Among other things, brands can be linked to:

- a tangible product (bag of liquorice, sports shoes, car, television);
- a service (insurance, telephony, search engine, cleaning company);
- a Point Of Sale (supermarket, department store, specialty shop, e-commerce site);
- an organisation (company, trade union, charity, orchestra);
- a location (residential area, municipality, province, country);
- an event (Olympic Games, music festival, trade fair);
- a person (entertainer, writer, politician, entrepreneur, athlete, influencer);
- an idea or philosophy (ISO 9001, political party, FSC quality mark).

What I am missing in these definitions is my credo for successful brands: that they are relevant, distinctive and credible. So, really making a difference for the target groups, being known and recognisable, and making that come to life in a credible, authentic way within the brand touchpoints (brand expressions).

Also, what does not appear in the brand definitions is that brands radiate energy – energy that leads to added value, energy that you as a recipient, as a consumer, can use and that may also give you energy. The marketer charges the brand with energy, and if done right, the right consumer receives this energy in the appropriate way. We can call this – not very original, but very clear – Brand ENERGY®.

Brand ENERGY®

Three types of energy flows can be distinguished that the brand may exude towards the consumer:

1. Physical brand energy refers to *materialistic* things that a brand is able to offer, e.g. the Unox brand with extra-filled hearty soups (more than 150 grams of vegetables per bowl) to satisfy your hunger.
2. Mental brand energy relates to the *functional* and *emotional* things a brand is able to offer, e.g. Unox's hearty soups enabling you to eat a lot of vegetables, which is healthy choice.
3. Spiritual brand energy refers to the *intuitive* and *subconscious* things a brand is able offer, e.g. that you are a good parent if you feed your children Unox's hearty soup (including vegetables).

BRAND ENERGY MODEL
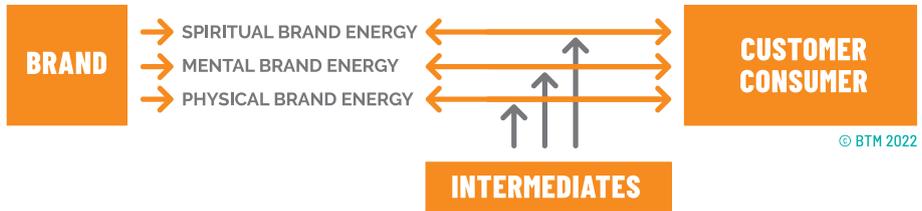
The Brand ENERGY® model maps a brand's energy flows.

A service brand is also able to radiate energy, e.g. in health insurance.
1. Physical brand energy: composition of coverage.
2. Mental brand energy: feeling certain that everything has been taken care of.
3. Spiritual brand energy: being able to lead an active life (because everything is taken care of).

The same goes for business-to-business brands, such as Intersafe with its personal safety products such as helmets, gloves, safety shoes, and goggles.
1. Physical brand energy: e.g. the cut resistance of safety gloves.
2. Mental brand energy: working safely makes you feel safe.
3. Spiritual brand energy: as a manager I take good care of my employees; I am not taking any risks.

The provider (the company) is not the only one who adds energy to its brand. Retailers or intermediaries can also add energy, e.g. by providing different options, warranty, trade-in options, product demonstrations, installation or maintenance contracts.

In addition, customers and consumers themselves add energy to the brand. For example, consider influencers, opinion leaders, and early adopters, whose early purchase can give extra meaning ('approval') to the brand. The followers, the large user group, can also give meaning to the brand by using it, resulting in people seeing the brand increasingly often *('if so many people decide to use it, it must be a good brand'*). An increasing number of successful brands are not just 'sending', but are also strongly focused on 'receiving' from consumers. Just like LEGO is doing by following up on the many suggestions for new products by loyal users.

Purpose marketing has gained popularity in recent years, in which organisations link an authentic and meaningful motivation to the wishes and needs of