BRAND IMAGE IN NATIONAL AND GLOBAL ASPECT

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Abstract: *Both globalization and the increasing competition create the need for specific brands, which base their image on different brand elements. Brand image that is based on differentiation can ensure consumers' satisfaction and thus brand loyalty. The main objective of this paper is to outline the opportunities for practical application of the study of the brand on the activities of businesses. Considering the critical analysis of the previous studies in the field of brand management, this study offers practical guidelines for possible application, considering the specifics of the development, of the Bulgarian market of dairy products. The practical part of the research focuses on the importance of brand elements and brand identity, which create a certain brand image, that in turn ensures customers' loyalty. The obtained results can serve as a starting point for improving the current image of Elena brand and also as an example for similar future studies.*

Keywords*: brand; brand management; brand image; effects; brand satisfaction*

Introduction

Modern companies cannot be successful if they fail to position their product(s) clearly in the minds of consumers. This process aims at creating strong brand associations. In the world of super choice, of the abundance of products with one and the same functionality, of information supersaturation, brand management has a dual task. First - to bring its offer to the ideal expectations of the target audience and second - to distinguish company's proposal of, sometimes hundreds of alternatives, which are offered by the competition.

The challenge the humanity faces in the twenty-first century is to find that optimal combination of economic, social and environmental values in order to uncover new opportunities for the development of business and society. From the viewpoint of the

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business organizations the above mentioned means realization of high added value of the products and services that companies offer that can be achieved by using less raw materials and the least possible negative impact on the planet and society. The prosperity of the ecosystem depends on the welfare of each of its components. All this requires deeper integration between modern business and the environment in the direction of the creation of green innovation, the use of renewable energy sources and development of high technologies. Winning businesses in the XXI century will be those that manage to draw not only economic benefits, but also those of society and nature.

A good example of the above mentioned is the brand Ekover, which organizes its activities on the island of Mallorca as a natural ecosystem that retrieves its components from local biomass waste. Thus the company manufactures products for cleaning in the place they are needed in order to meet the local needs of the tourism business. Taking advantage of the natural cycle of the ecosystem, the brand Ekover makes advantage of a global business opportunity by creating a new line of green products that offer users a completely natural cleaning system, inspired by nature and designed with creativity and developed through the past scientific developments.

Another good example that has to be taken into account is furniture house "West Elm". The furniture house has decided to invest 35 million $ in order to work with 20 artisan cooperatives in 15 countries to prepare new collection of branded home furnishings. Thus the brand is seeking to establish itself as a provider of products that are handmade, preserved cultural heritage of the region in which they are produced and ensure decent payment and safety of its workers, regardless of their location.

The two examples show that studies on the impact of the brands focus on the solutions that businesses make in order to be more environmentally friendly and innovative. This is not chance, since the companies, in their desire to achieve a greater and lasting profit, very often are the engine of various green initiatives. However, the authors of this paper believe that attention should also be paid to another side of the equation, namely – the consumers.

Research methods used to study the impact of the brand on business are not unified and there are many viable options for their structure. For example, depending on their purpose, some studies rely on existing databases for their analyzes and other – collect information directly from private or public sector. This, however, makes it difficult to compare the results of different studies.

Another significant gap of the research in branding filed is that there is no methodology for qualitative and quantitative assessment of the impact of brands on local development and the development of the sector to which they belong. There is no relevant information on research characteristics and their value for achieving local smart and sustainable growth.

I

In today's business one of the strongest assets of a company that can provide a competitive advantage is a recognized and a well-known brand. The advantages from building and developing a strong brand have been proven by the practice of leading companies. These advantages are as follows:

- the established brand influences purchasing decision by automatically excluding similar proposals of competing companies;
- facilitates the selection in the store;
- creates loyalty and long-term relationship with the consumer, leading to long-term revenue for the company, and hence that the brand contributes to economic growth;
- higher market share and hence increased competitiveness;
- higher profit and higher value of company's shares;
- expanding company's sphere of activity;
- improves the company's vision;
- attracts and retains skilled staff;
- reduces consumers' price sensitivity, as they are willing to pay more to obtain their preferred brand;
- development of new types of production;
- increase the vitality of the company.

The above mentioned advantages are only part of the positive sides that brands provide to their consumers. In today's economy in which every advantage, even the most insignificant at first glance, becomes a basis for the competitiveness of the organization – brand management is in the hands of the experts.

The notion of image and image building as significant part ot brand management has been introduced by Sidney Levy in 1955. Image has been a part of both marketing theory and practice ever since.

Image as a term in the marketing literature has appeared in the last 50 years. Most classifications of the term image unite regarding the fact that the image is an intangible element which, together with the physical components, determines customers' perception of the product of a company. Keller (1993, p.10) and Faircloth (2005, p.12) define image as the associations that the customers have with a particular brand and the space it occupies in their minds. Taking into account this definition, it can be concluded that the image is perceived differently by each individual customer, as individuals build different associations with one and the same brand.

Creating and managing a strong image is a difficult task. Many researchers connect successful image of the brand with positive financial results of the organization (Lee et al., 2011, p. 1094). Some scientists (Roy et al., 2011) also found that the size of the company is the main prerequisite for a successful brand image Thus the majority of authors share the opinion that the success of the brand is associated with certain strengths that the organization has, and this is in direct connection with the implementation of modern technologies (Aaker, Keller, 1993).

The attractiveness of a particular market is the major reason for many small companies to try to expand their market shares. In this sense, for such companies the presentation of new products represents a promising strategy for growth. Montoya and Calantone claimed that 35% of the new brands are accepted skeptically (Montoya et al., 1994).

Business and its management directly affect the environment and microclimate, hence proper planning concepts for the operation and use of environmentally friendly

materials are key to achieving a more sustainable environment. When planning sustainable regional structures, several important principles must be observed: building an interdisciplinary team of specialists from different fields; developing the region from the inside out; optimization of the use of existing infrastructure; creating a sufficient number and qualitative public open green spaces; constructing multifunctional zones; using renewable resources. It is necessary to make periodic assessment of the sustainability of the region through the implementation of proven certification systems based on qualitative and quantitative indicators.

With the increasing demand in the modern economy, the need for products that are different from other offerings on the market, and because of their high quality are preferred by buyers, continuously multiplies. A strong and well-positioned brand allows the company to generate sustainable revenues, attract and retain skilled staff, thereby greatly increases the vitality of the organization.

Innovation is the most important catalyst for the development of brands (see Aaker, 1996) that can create a positive image among customers and thus to reinforce the corporate image as well. The latter is also considered a source of competitive advantage (see Yoo et al., 2001) and an essential element for the success of the business.

It is necessary to distinguish between designing innovation and the usual activity in product design (Панталеева, 2013, p.24). This complicates things if the company has set a goal of building a global brand. In order to succeed in today's highly competitive market, organizations need to take advantage of the consistency and scale of the global brand, and at the same time, should remain close to the local brand and customers' local preferences. Therefore, international companies should encourage local management for specific market factors, and regional or global approach to other market factors.

Brand image can be created as a result of identity or by decoding the information received in the communication, resp. promotion process. The first step in order to shape brand's image is to differentiate it from other offers that are available on the market. Different levels of knowledge about the brand, its personality and associations of the consumers create a certain brand image. Only when the brand meets the expectations of the consumers, it has a positive brand image.

The reason to introduce the concept of brand image is the desire to add a certain identity to a product or service in the global market, that will distinguish this product or service from a large number of substitute goods. Thus consumers may use brand image as a guide through a numerous suggestions of companies, products or services that are very similar to one another.

Corporate image reinforces brand's image (Mudambi et al., 1997), which in turn has a significant influence in saturated markets, where it is difficult to achieve an advantage based on the physical aspects of a product. Brand image also contains the iconic notions, associated with the specified characteristics of the brand (Cretu et al., 2007). A number of brands relatively easy become preferred by a significant number of consumers. This statement is effective mainly for brands whose national character is an integral part of their value, such as fragrances and luxury products. Sometimes the symbolism of a city or region can be extremely profitable as an association with traditional products that come from there. The interaction brings positives in the opposite direction – the loyal consumers of

the goods have more reasons to visit and even to promote the place their favorite brand comes from.

Customers will choose products with better brand image, compared with cheaper products with the same quality. Established brand image can provide companies a significant competitive advantage (see Fatt et al., 2000).

Brand image is mainly a result of the communication and marketing activities. Communication has an important impact on customers' behaviour, their cooperation in the selection process and buying of a given brand.

In fact, Internet, digital television and international traffic largely converge and sometimes even equate the needs of the consumers, but this does not mean that customers from different markets will accept identical products or brands. Globalization largely frees customers from the limitations of choice, allowing them to choose products from different corners of the world. Therefore, consumers have become more demanding than before, and the real challenge for managers, who operate in many markets, is to identify the specific preferences of buyers.

There are *two major trends* among managers, who operate in multiple markets. *The first* lies in the fact that global strategies, such universal product to appeal to all users, will not work even in countries where such schemes have worked before. *The second* trend is that very often, businesses have difficulty to deal with the dilemma of global or local. In order to solve this, companies need the help of the country or regional managers.

There are more and more companies that are trying to meet as many needs of their customers as they can, but the alarming fact is that these companies try to do so by using one and the same brand. Logically, this strategy does not result in success or in the best case – has a very short success.

II

Bi Si Si Handel is a leading producer of dairy products in Bulgaria. The company offers its products on international markets as well (for example England, Greece, etc.). Its brand Elena faces many competing brands that may jeopardize its market position. Besides the already well known brands that are present for years on the Bulgarian market (like Danone, for example), recently on the market of dairy products, several other brands have profiled, which attracts consumers' interest. Also there are brands that have retired on the market in a new design and a range of products. However, because of the brand image that has been built over the years, in the current situation of the competitive offerings, the future of brand Elena cannot be compromised.

In order to overcome its competitors it is necessary for brand Elena to rely on its positive brand image. Elena has to continue its successful management of its brand and brand identity elements, with the aim of keeping its positive image. Positive bands image leads to market success and has an impact on cosumers' satisfaction. Long lasting loyalty is a result of a unique experience and notions that customers attach to a specific brand. And a key factor or surviving in a competitive market environment is having loyal customers. Moreover, with a large number of competing brands consumers expect added value or an interesting story to humour them or such a story they can relate to.

Accordingly, a research was conducted to examine cognitive elements of Elena brand identity in order to find out to what extend the received value meets customers' expectations. The authors of the paper find it necessary to examine the extent to which the current consumers are willing to repeat their purchases and give positive recommendations to friends or family members.

Basic Information for the Research

The first step in the current research process refers to the collection of available data sources that are relevant to the study. Primary data for the research has been gathered from the market through an offline survey, conducted in Bulgaria. It is important to note that this study uses a sample of consumers unlike other studies that examine brands based on student samples.

For the purpose of the research, a survey has been conducted by using a questionnaire. The survey was conducted in the period March to May 2015. Testing was conducted on a random sample of consumers. The survey was properly completed by 226 consumers. Another issue that should be taken into account is that only properly and fully completed surveys were entered for an analysis and data processing.

Interpretation of the Results from the Survey

The questions in the *first part* of the survey are constructed in such a way that consumers can evaluate the elements of Elena's brand identity and define the extent of their satisfaction.

Results show that a greater part of the respondents that have taken part in the survey have expressed their satisfaction with the logo of brand Elena. However, these same consumers have expressed their displeasure with brand's promotional activities on the market. Among the top rated elements were taste and availability in stores.

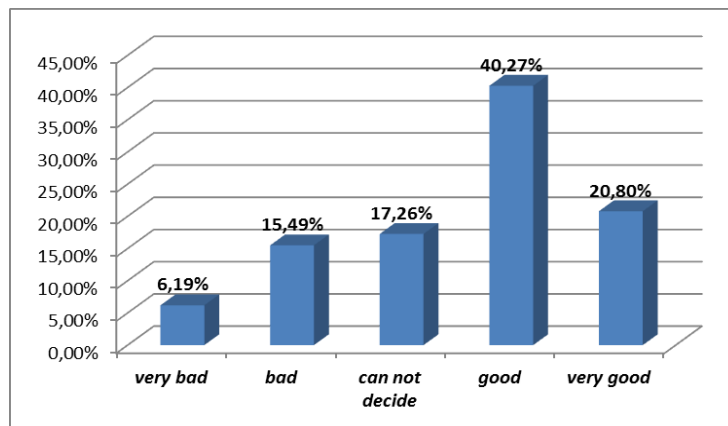**Figure 1. Respondents' satisfaction with Elena's brand design**
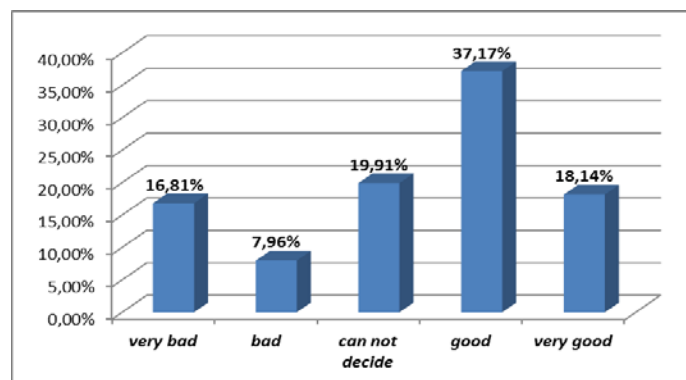
Source: Author's

Analyzing respondents' satisfaction with Elena's brand design, it can be concluded that of 226 respondents, 55.31% have evaluated the design as good or very good. 41(18.14%) of these customers consider Elena's brand design as very good, while 45 (19.91%) of the people that have answered the questions have difficulty deciding whether or not they like the design of the brand. The same trend is also observed when asking the respondents about Elena's brand logo.

Figure 2. Respondents' satisfaction with Elena's brand logo

Source: Author's

From respondents' answers about their satisfaction with Elena's brand logo, it is obvious that 138 (61.07%) of the consumers find the logo good or very good and 21.68 % (49 people) do not like it, while the rest 39 (17.26%) cannot decide.
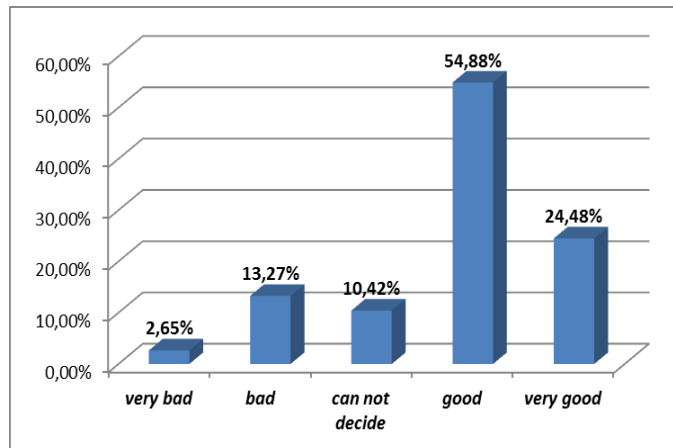
Figure 3. Respondents' satisfaction with Elena's brand promotion

Source: Author's

239
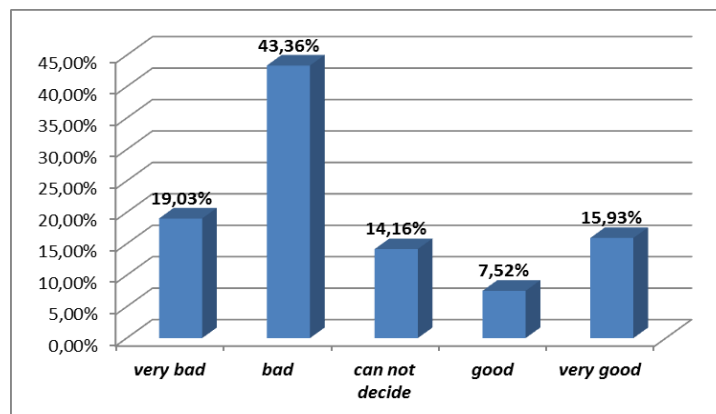
Contrary to visual identity, the promotion of brand Elena has been poorly evaluated (see Figure 3). This conclusion can be drawn from the fact that from 226 respondents, that have taken part in the offline survey, 98 (43.36%) have answered with bad and 43 (19.03%) – with very bad, which means 141 of the respondents are dissatisfied with brand Elena's promotional activities and only 53 (23.45%) are pleased with current brand's promotion, while the rest 32 (14.16%) are neither satisfied, nor disappointed.

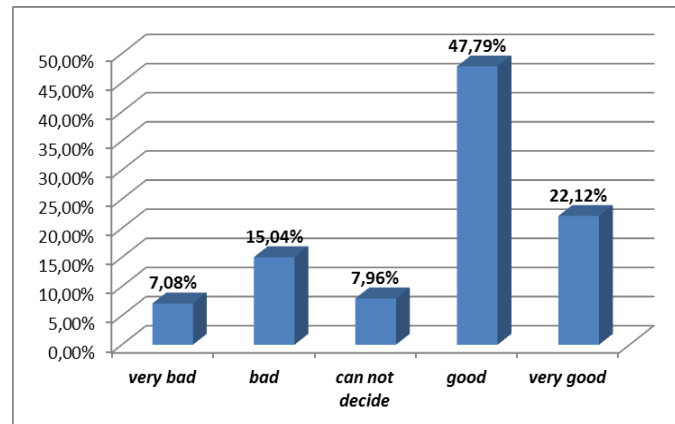**Figure 4. Respondents' satisfaction with Elena's brand differentiation**

Source: Author's

From the analysis of respondents' satisfaction with Elena's brand differentiation (see Figure 4), we can conclude that of all 226 respondents asked 180 (79.36 %) have rated brand's differentiation as good (124 of the consumers asked) or very good (56 of the consumers asked). Taking into account the fact that differentiation is very important for the brand, especially in a highly competitive market, the results from the survey show that there is no reason for any concern as brand Elena is well differentiated on the market. Very few of people that have answered the survey have qualified Elena's brand differentiation as very bad – 6 respondents (2.65%) – and bad – 30 respondents (13.27%). There are only 10 respondents (10.42%) that cannot decide whether or not they differentiate brand Elena among other alternatives that are available on the market.

The questions in the *second part* of the survey were made in a such a way that respondents could evaluate the elements of Elena's brand identity compared to alternative brands that are available on the market. When comparing brand Elena with competitors' brands, a greater part of the consumers have rated Elena's brand promotional activities as bad. Taste, on the other hand was rated as good and very good by the majority of the respondents.
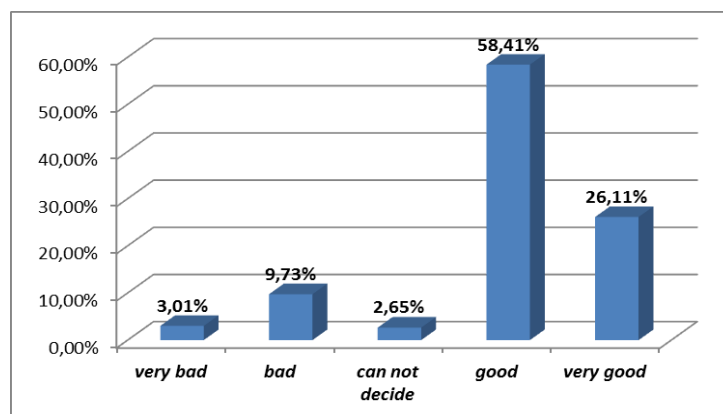

Figure 5. Respondents' satisfaction with Elena's brand design compared to competitive brands

Source: Author's

The analysis of the results of the level of satisfaction with Elena's brand design (see Figure 5) compared to other brands, available on the market, shows that a great percentage rate brand Elena as good 47.79% (108 consumers) and very good 22.12% (50 consumers) compared to its competitors. This result was expected, because of the high estimate of Elena's brand design (see Figure 1). The situation is almost analogous with brand Elena's logo (see Figure 6).
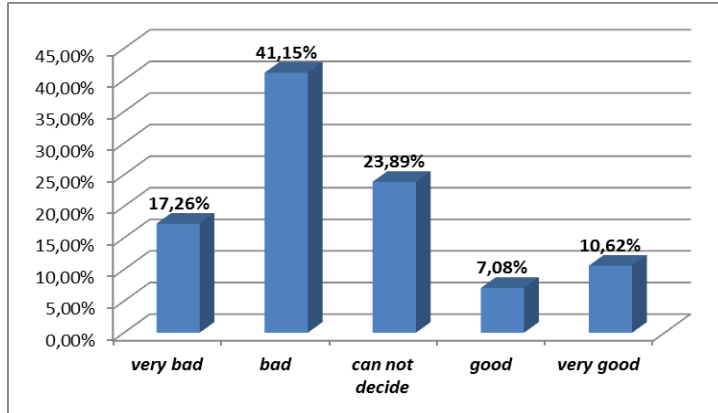
Figure 6. Respondents' satisfaction with Elena's brand logo compared to competitive brands

Source: Author's

As we see form Figure 6, from all 226 respondents 132 (58.41%) rate Elena's brand logo as good and 59 (26.11%) as very good and prefer it to the logos of brand Elena's competitors. A very small percentage – 3.01% (7 respondents) do not like brand Elena's logo over these of its competitors and 6 respondents (2.65%) are not sure about their decision.

241

Figure 7. Respondents' satisfaction with Elena's brand promotion compared to competitive brands

Source: Author's

The analysis of the results of consumers' level of satisfaction with Elena's brand promotion compared to other dairy products' brands (see Figure 7) indicates that 93 respondents (41.15 %) think that brand Elena's promotional activities are worse than these of the competitors and 39 respondents (17.26%) find them much worse. This result was expected, because 43.36% (see Figure 3) of the customers that have participated in the survey have already expressed their disappointment with brand Elena's promotion. On the plus side, 40 respondents (17,70%) consider Elena's brand promotion, compared to competitive brands, as good and very good, while the rest 23.89% (54 respondents) are not sure about their opinion on the matter.

Figure 8. Respondents' satisfaction with Elena's brand taste compared to competitive brands
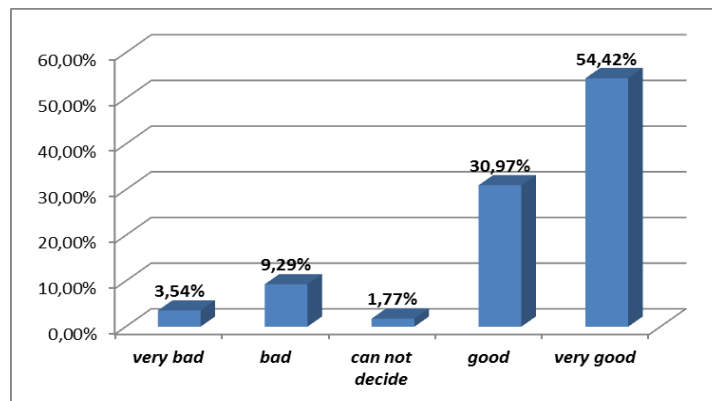
Source: Author's

A positive fact is that the taste of brand Elena has been rated as good 30.97% (70 respondents) and very good 54.42% (123 respondents) than that of other brands available on the market. Of all respondents only 4 people (1.77%) are not sure whether or not they

like brand Elena's taste. The percentage of respondents that prefer the taste of competing brands, and thus define brand Elena's taste as bad or very bad, is 12,83% (29 respondents). It can be concluded that in the current situation with brand Elena taste is a secondary, but important element that provides positive brand image and lasting loyalty.

In a broder sense, this result (see Figure 8) can be interpreted as a positive reaction to what customers expect from the brand. The received data support the statement that Elena brand's taste has been the best evaluated element of its identity.

From the analysis of the survey, it can be concluded that the current brand image of Elena is good. The brand has good visual brand identity. Due to the good design and logo and good differentiation, brand Elena is well known and customers often buy it for personal and family consumption. Yogurt Elena, with its memorable package, can easily compete with Danone.

Considering competing brands that are available on the market, it can be concluded that brand Elena is not compromised by other brands that are available on the market, and, because of its good taste, it can meet current market trends.

Results form the survey that was used for the purposes ot the current study show that customers do not want any significant changes from brand Elena. However, a good decision for brand Elena, in the long term, is to rely more on promotional activities as there are new brands on the market and they are trying to attract customers. Indeed visual identity can be defined as good, but the results of the survey prove that brand Elena's promotion is worse than that of the competitors. In the future taste has to be used in order to produce positive emotions.

Conclusion

The brand quickly convinces the customers in the qualities and benefits of a product among all other alternatives. On the one hand, any organization in the face of strong competition, is obliged to take the necessary care for its brand if the organization wants to survive in the highly competitive market environment. On the other hand, with the development of the economy and communications, every day buyers face a great difficulty – making a purchase decision among a large number of products with similar characteristics.

Brand image is gradually build by emphasizing some brand identity elements as brand's particular value. Thus the brand differentiates itself from other offers in the product category.

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