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Role of Corporate Brand Identity and Corporate Identity in Corporate Brand Management

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Abstract: Today's modern companies are struggling to differentiate themselves from their competitors. The identity based approach aids in propagating corporate brand identity (CBI) and examining the internal and external components that contribute to formation of a strong corporate brand identity. Corporate brand identity (CBI) is a valuable and useful tool for achieving competitive advantage. Corporate Brand identity plays a crucial role in conveying the brand identity to its stakeholders. The concept of corporate brand identity and corporate identity have been used to communicate the identity of a company to its stakeholders. Though both the concepts overlap, but there is a need to differentiate corporate brand identity from corporate identity and how they are interdependent on each other in order to establish a strong corporate brand. This research aims at developing a conceptual understanding of the role corporate brand identity and corporate identity in managing a corporate brand.

Keyword: corporate brand identity, corporate identity, corporate brand, competitive advantage

INTRODUCTION

The identity concept is significant for an array of management disciplines and offers a new, additional lens through which an organisation's important characteristics can be understood, created and managed. (Balmer 2001). The identity perspective is of more relevance to modern companies, as the organisations are working towards establishing an identity which expresses what the organization is, its values, and mission and how it helps to achieve organizational objectives. The concept of "corporate identity management" as compared to "corporate brand management" have a certain amount of overlap. Corporate marketing literature has both the concepts, but both the concepts are measured through different constructs, though both aim at creating a promising corporate brand image and reputation, which would help in developing good relationship between the company and its stakeholders (Balmer 1995, Harris & de Chernatony, 2001). This paper aims

at bringing out conceptual clarity between corporate brand identity and corporate identity and also represent how they are interdependent on each other.

LITERATURE REVIEW

Corporate Brand Identity (CBI)

The concept of corporate brand identity has its genesis from the various identity concepts like brand identity, corporate identity or organizational identity, among others. Brand identity has been reviewed from various lens. Multidisciplinary approach has led to various definition and frameworks that indicate multidimensional aspects of brand identity. Brand identity not only captures the essence of the brand but also provides a sense of direction.

CBI management can be realized by taking into account the various dimensions that are to be managed internally and restrained by the company (Simões, Dibb, & Fisk, 2005). Employees act as a link between the internal and external environment and have an influence on customer's attitudes towards the brand and the company. (Balmer and Wilkinson, 1991). Employees play a crucial role in brand building process and their behaviour can help in reinforcing a brand's advertised value. It is important to look inside, how employee's values and behaviour can be aligned with a brand's desired values. In order to be a successful corporate brand, brand identity should be consistent and standard delivery across all stakeholder group will lead to a favourable brand reputation. (Abratt, 1989 as cited in Harris and DeChernatony 2001).

The previous brand identity frameworks provide the basis for emergence of corporate brand identity. The brand identity framework by Aaker (1996), Kapferer (2004) and De Chernatony (2010) have been discussed below, to develop a better understanding of CBI.

Aaker (1996) defines brand identity as "what strategist want the brand to be perceived". The study has identified 12 dimensions to explain the brand identity , they have grouped them into four perspectives :brand as a product , brand as a person , brand as an organisation , Brand as a symbol.

Kapferer (2004) in his Identity prism model defines brand identity through various aspects like personality, culture, self-image, reflection, relationship and physique.

De Chernatony (2010) has defined brand identity as "the distinct or central idea of a brand and how the brand communicates this idea to its stakeholders" (P. 45). Based on their various work they consider vision, culture, positioning, personality, relationships and presentation as factors of brand identity.

CBI emerges from a process that relates the firms' characteristics with the overall company brand. CBI is a multifaceted concept which incorporates external/internal drivers for feature selection. It is an amalgamation of individual identity , corporate identity and marketing strategy. (Blombäck & Ramírez Pasillas, 2012). Individual identity and corporate identity play a role in corporate brand identity formation (Melewar 2003, Balmer 2008).

Corporate identity explains "what we are" and corporate brand identity states "what we want others to think about us". CBI plays a key role in making decisions regarding association and positioning and conveying the corporate identity elements that differentiate the firm through effective communication. (Aaker 2004). CBI is assessed through a process which highlight the key characteristics of the company,

which leads to the formation of corporate brand image. CBI is generally expressed through, though not restricted to corporate name, market offer, logotypes, slogans, employee behaviour and various mediums of communication. (Aaker 2004, Balmer 2001, Balmer and Gray 2003).

AC⁴ID framework takes into consideration seven identity types that make up the corporate brand constellation. These identity types should be aligned with covenanted corporate brand identity. This framework is a diagnostic tool for corporate brand management . It is based on the concept that brand identity should be in line with the covenanted corporate brand identity. The seven identity types are given below:-

1. Actual identity -corporate identity
2. Communicated corporate brand identity-corporate communication
3. Conceived corporate brand identity -corporate image
4. Covenanted corporate brand identity -corporate brand
5. Cultural Corporate Brand identity -Corporate Brand culture
6. Ideal Corporate Brand identity - Corporate Brand strategy.
7. Desired corporate brand identity –corporate brand vision. (Balmer 2012)

Scholars have studied how communication is important for transmitting the corporate brand identity to stakeholders be it internal or external. (Christine Vallaster, 2006; Harris & de Chernatony, 2001). The need for an efficient external and internal communication is stressed on (Harris & de Chernatony, 2001). A well designed communication strategy and effective policies for external brand building,(Melewar 2003). Leaders play a very important role in articulating and constantly describing the corporate brand identity (Christine Vallaster, 2006). Prior research has focused at studying the CBI management from perspective of brand managers , consultants and marketing experts. Few studies have studied the key role employees play in improving the brand performance and studying CBI from employee perspective ((Coleman, de Chernatony, & Christodoulides, 2011), Buil, I. *et al.* 2015). Internal brand building can be supported through brand – consistent employee behaviour to achieve the coveted brand identity (Punjasiri and Wilson 2007). That firms should focus on the corporate brand identity management as, it has influence on the employee commitment as well brand performance and satisfaction. (Buil, I. *et al.*, 2015). CBI forms the basis for projecting brand image and reputation.

Corporate identity

Corporate identity forms the foundation for corporate brand identity, it states how a company can and ought to distinguish itself through behaviour and communication. There is a need to identify the core features of the company, before transferring the identity to its stakeholders. The top management needs to have a clear understanding of what the company's core vision and mission. Corporate identity is crucial as it represents the core characteristics of the company. Balmer (2008, p. 886) states that “Corporate identity provides the central platform on which the corporate communication policies are developed, corporate reputations are built, and corporate image is formed”. The above statement implies that organisations should focus on corporate identity while making decisions regarding corporate brand identity that is choosing what to emphasize on and assure in planned communications. Strategy forms the basis for corporate identity,

as a company expresses its corporate philosophy through its mission, values and goal. Corporate Identity is defined as the “set of meanings by which a company allows itself to be known and through which it allows people to describe, remember and relate to it” (T. C. Melewar, 2003). The workforce of an organisations can relate to brand identity better if they act in a consistent way, which increases and enables the organization to take up activities which helps in meeting the desired identity. Establishing a corporate brand requires the firms to focus on internal resources i. e. employees for projecting the intended brand identity to the stakeholders. Employees who have similar values should be put together, organisations should work on achieving greater consistency among brand teams and other functional teams (Harris and De Chernatony 2001).

Abratt & Kleyn define corporate identity “as an organisation’s strategic choices and its expression there of”. This statement implies that company are able to establish their identity through twoways, firstly by making Strategic choices which means having a clear vision, mission, values and corporate culture. Secondly, conveying the identity through visual identity, brand promise, brand personality and effective communication policies. (Abratt & Kleyn, 2012).

There are many models which conceptualize corporate identity (Balmer 2008, Balmer and Greyser 2002; Cornelissen *et al.* 2007; Melewar 2003). There is negligible amount of empirical research (Knox and Bickerton 2003, Balmer 2008) and need for research on translation of corporate identity to actual formulation of corporate brand identity is encouraged (Van Reil and Balmer 1997).

Balmer and Soenen (1999) have listed down the elements of business identity:

1. Soul –values held by staff, how it is expressed through sub –culture and mix of identity types.
2. The mind-organisational value,ethos, vision, strategy and product performance.
3. The voice-the way information is disseminated internally /externally to stakeholdersgroup, networks i. e. total corporate communication. (Balmer and Geysler 1999).

The corporate identity mix which includes communication, symbols and behaviour are usually used to express the way the companies expose their identity (Van Reil and Balmer 1997). This mix point out to the communication effects of an organization’s behavior, communication policies and visual symbolism . This mix is important, as it exhibits how the corporate identity is conveyed rather than just focusing on corporate visual identity alone(Balmer, 2001). An organisation’s brand values are derived from corporate identity from a firm’s purpose, values,activities, quality standards (Balmer 1995, 2001c). Corporate identities shape CBI. CI provides valuable insights about corporate performance, product &service quality, institutional behaviour, corporate style.

Now that we have a clear understanding of how CI and CBI are different from each other in terms of what they stand for , their process and management. It is also important to understand how both the concepts are interdependent on each other. The relationship between CI and CBI can understood as the birth of one concept from another. CBI is considered to be an offshoot of corporate identity (Balmer 2001). The multiple identity types of a firm are broken down into parts which can be clearly defined and how their relationship with each other can be understood. The company’s values, behaviour become closely associated with corporate name. This leads to the formation of CBI. Once CBI is established, it has a value of its own. CBI can form a separate identity type by detaching itself from CI. In order for the companies to deliver their brand promise, corporate identity needs to be aligned with covenanted CBI.

CONCLUSION

The concept of corporate brand identity and corporate identity are very important for managing the brand image, enhancing corporate reputation and competitive advantage. The interdependent relationship between CBI and CI helps in establishing a strong corporate brand with which the stakeholders can identify. To effectively manage CBI, it is important to study the different identity dimensions which focus our attention on important dimensions that help in creation and maintenance of corporate brand.

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