Introduction
The process of building and sustaining brands is changing. Until the early 1990s, it was an activity primarily undertaken by junior brand managers, who focussed on tactics, regarded their posts as good training grounds and moved on after a short tenure (Low and Fullerton, 1994). With harsher environments forcing firms to work harder to grow profits, a shift is occurring in the way firms are organized for brand management (George, et al., 1994). Firms are restructuring around customers and the processes that add value to customers’ consumption experiences. This is resulting in brand management becoming more of a team-based activity, managed at more senior levels by people who adopt a more strategic perspective. The strength of this is that a broad spectrum of skills can be richly fused to address the myriad of company-wide issues that need coordinating when implementing brand strategy. However, because of team members’ diverse backgrounds, there is a greater likelihood of differing interpretations about the nature of their brand (Assael, 1992). In these situations firms might not be gaining maximum benefit from harmonizing all the activities across their value chains, since different departments may not be working toward the same goal (cf. Mintzberg and Waters’ (1982) formulated versus realized strategy).

As this paper shows, different categories of brands need managing in different ways. Unless all members of the brand’s team fully appreciate the type of brand they are managing, they may individually be making incorrect assumptions about the work their department should undertake, resulting in suboptimal efficiency. For example, one organization launched a successful drinks brand and a few years later then developed a variant which had a more up-market positioning. The nature of this new brand variant was poorly communicated internally, and because of this, some of the national accounts sales team adopted an inappropriate policy of price discounting to gain distribution through some of the major grocery retailers. When the firm undertook an audit to assess the variant’s poor performance they recognized the need for a brand taxonomy that facilitates internal communication about the nature of their different brands, and which helps develop a more coherent brand strategy.

This paper opens by considering why there may be diverse interpretations between members of the brand’s team. It then reviews several different brand typologies and considers how different categories of brands need different management approaches. The paper concludes by showing a process to enable members of the brand’s team to recognize differences in perceptions, and thus encourage a more coherent approach to brand management.
Why diverse views among the brand’s team?

There are two broad reasons as to why there may be differing views between members of the brand’s team about the nature of their brand. The first relates to the large amount of brand information to which they are exposed. The second can be appreciated from managers’ perceptual processes.

**Brand information deluge**

Managers are presented with large quantities of information about their firm’s brands. These come from a variety of sources, for example brand reviews, market research reports, the salesforce, promotions agencies and distributors. Yet people have finite cognitive capabilities (Steiner and Miner, 1977) and they can only cope with a limited amount of information (Miller, 1956). One of the many ways managers cope, is to simplify, using mental models that contain sufficient information, without all the complex details (Schwenk, 1988). For example, a manager working in a firm with a portfolio of brands might simplify by mentally categorizing the large number of brands into a small number of groups, based on their perceived similarity. Through drawing inferences, based on each group’s characteristics, they are able to appreciate specific brands.

One of the problems is that, because of team members’ different backgrounds, different simplification processes are being used (Larson and Christensen, 1993). While one manager may be categorizing his firm’s brands based on the production processes employed, another may be grouping according to his views about matching the needs of different distribution channels. As a consequence, there is scope for diverse perceptions among the team.

**Managers’ perceptual processes**

A consideration of perceptual processes provides further explanation for diverse views.

The type of information to which managers are exposed affects their views. With the team consisting of individuals from different departments, in addition to external specialist advisors, it is unlikely that everyone has the same access to all the firm’s internal information. In addition, different magazines and trade conferences are attended by different individuals, further affecting their views about their brand.

When reading about their firm’s and competitors’ brand marketing activity, some managers may have become almost conditioned to accepting the historical strategies followed by individual brands. When there are small deviations, for example a competitor’s brand which has always been 10 percent cheaper than their brand, becoming 12 percent cheaper, these changes may be below their threshold of recognition (Assael, 1992). As such, they do not fully register small changes, nor do they give much consideration, compared with other colleagues who form new views about competing brands.

When circulated with brand documentation, different managers are likely to be attentive to different aspects of these. In part, this is due to their personal background (Glaister and Thwaites, 1993). It has also been reported that people are attentive to information that supports their prior beliefs and are dismissive of information that contradicts their beliefs (Brehm, 1956). Thus,
even when the brand’s team are given the same information, individuals focus on particular parts and their interpretations are tinged by their personal biases.

A further hurdle is presented by the differences in comprehension between team members. When marketing, for example, high technology brands, some of the less technically-oriented managers may not wish to ask for clarification of a particular term, and because of selective comprehension (Kiesler and Sproull, 1982) there could be different interpretations. Another instance could be a section of a brand planning document that is ambiguously phrased.

Even if everyone understands all the information in a brand’s documentation, a further problem is presented by differences in memory retention rates. People’s recall of information varies and this further compounds the possibility of different views between managers about the nature of their brand.

Some have argued that the greater the contact between managers, the more likely that diversity in interpretation should be reduced (Porac, et al., 1987). However, because it is not uncommon to see small numbers of managers meeting frequently, for example socially or as working groups, while the brand’s team as a whole meets infrequently, there remains the possibility of different views among the team about the nature of their firm’s brands.

So why worry about different views among the team?
By definition, each brand strives to be different. Furthermore, because successful firms capitalize on their core competences (Hamel and Prahalad, 1994), it is not unusual for a firm to have several different brands satisfying different niches in a market. Unless all the brand’s team appreciate the differential characteristics of each brand in their portfolio, each department’s activities will not be harmonized to reap the full advantage from coherently leveraging their resources and skills across the entire value chain.

In view of the preference people have for simplification, getting managers to learn the nuances of each individual brand may not be very productive. Instead, getting managers to appreciate where their brands fall on simple brand taxonomies may be more helpful. Once there is consensus among the team about how each of their brands is categorized, they should be better able to identify the most appropriate way to direct the activities of their different departments.

Brand taxonomies
There are a variety of ways to categorize brands. For example:

- the extent to which they stress functional or representational needs (de Chernatony and McWilliam, 1990),
- the basis by which they achieved their leadership position (DMB&B, 1994),
- the balance between brand vitality and brand stature (Young & Rubicam, 1994).

The strength of these taxonomies is that they enable managers to appreciate their brands in terms of a low number of dimensions and they facilitate the identification of appropriate strategies either to maintain or change the
brand. The brand taxonomy arising from the functionality-representationality matrix has been explained elsewhere (de Chernatony and McWilliam, 1990), along with empirical validation in low and high involvement sectors (de Chernatony, 1993). Most brands can be characterized by the functionality-representationality matrix. However, there are a minority of brands which have a notable third dimension, i.e. centrality value (Stobart, 1994), for which this matrix is not as appropriate. These brands adopt a strong view about the world, and they are concerned with stressing their opinions. Benetton is a good example of a brand with a notable centrality value which is dedicated to making people aware of social problems (Benetton, 1994).

**New taxonomies**

Refreshingly new taxonomies have recently been devised by two advertising agencies and, in view of their potential power, these will be considered. It needs to be appreciated that the two new taxonomies have been developed on a proprietary basis, to help these agencies produce more effective advertising for their clients, through a better understanding of brands. Without full access to the detailed procedures, it is not possible to critique either of the methodologies. However, both taxonomies are based on a significant amount of qualitative and quantitative research, covering a wide spectrum of sectors. Furthermore, both have been found appropriate for low and high involvement purchasing situations.

**DMB&B’s leadership equity model**

From the PIMS database, it is known that market share and profitability are strongly related. In the quest for high profits, organizations strive for brand leadership. In view of this, DMB&B undertook qualitative and quantitative market research into leading brands in the USA, the UK and Europe (DMB&B, 1994). Their consumer research identified four categories of brands, defined by the type of relationship the brand leader had established with its consumers. The four categories are:

1. “power brands”, inspiring rational trust through excellence in product and service performance,
2. “identity brands”, facilitating character recognition, through associations with the brand’s personality,
3. “explorer brands” enabling consumers personally to develop through challenging them and suggesting possibilities,
4. “icon brands” are the myths that consumers dream about sharing.

This categorization enables the competitive nature of brands in a market to be identified. For example, extending their work, airline brands can be categorized as:

- Lufthansa (power brand),
- Virgin (identity brand),
- Qantas – particularly a few years ago (explorer brand),
- BA (icon brand).

It also enables a firm to understand better its portfolio of brands. For example, it could be argued that for British Airways:

- BA First Class (power brand),
- BA Club World (identity brand),
- BA World Traveller (explorer brand),
- BA Concorde (icon brand).

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**Four categories of brands**
Power brands, for example Fairy Liquid and Duracell, need continual R&D investment and high quality standards to ensure they are always leading in best delivering the required benefit. Communications campaigns center on the “product as hero,” dramatically demonstrating how superior the brand is at satisfying consumers’ rationally evaluated, functional needs. Market research studies focus on regularly tracking competitors’ performance and changes in consumers’ evaluation criteria, to enable fine tuning of the brand’s functional capabilities.

Identity brands, such as Tango, grow through well established brand personalities. They rapidly overcome consumers’ choice dilemmas between functionally similar brands, by enabling consumers to recognize, “this is who I am; I feel much more comfortable with this brand.” American Express, with its campaign “It says a lot about the real me” is an identity brand. These brands thrive when their personalities are subtly updated to reflect societal changes (e.g. Katie in the Oxo brand to the new Oxo family).

Explorer brands strive to be at the edge of social (Nike) and technological (Microsoft and Apple) advances. They are agents of change, supported by very flexible organizational structures that rapidly respond to indicators of new trends (e.g. Swatch). They appeal to early innovators who are attracted by advertising showing how they can personally develop with these brands.

Icon brands have grown through tying themselves to a particular dream. This could be nostalgia (Hovis), culture (e.g. Southern Comfort and Americana), fantasy (e.g. Martini) or moral ideals (e.g. ethical investments at Co-op Bank). Advertising is key in supporting these brands. The challenge for brand strategists is finding ways of extending the dream (e.g. Levi’s ever-creative campaigns) and ensuring functional excellence.

Another useful way to categorize brands is provided by Young & Rubicam (Y&R).

Young and Rubicam BrandAsset Valuator
This brand typology has evolved out of Y&R’s worldwide study to understand how brands are built (Young & Rubicam, 1994). They argue that brands evolve through four stages, i.e. differentiation to relevance then esteem followed by familiarity. Once launched, the primary objective is to differentiate the brand, such that it establishes a distinctive, unique presence to attract new users. To retain consumers, the brand needs to be developed to ensure it is relevant to their needs. In the fight against competitors, work is then needed to build the brand’s esteem, ensuring consumers have high regard for its capabilities. If the brand has successfully overcome these three hurdles, it achieves familiarity through becoming well established.

Applying this to the grocery retailing market, the declining independent retailers are failing to go beyond the differentiation stage. The garage forecourt retailers and 7 Eleven are satisfying consumers through branding at the relevance stage, Gateway is struggling at the esteem stage and Marks & Spencer is thriving at the familiar stage. While this evolutionary typology helps brand strategists think about time-based planning, a more revealing categorization can be devised by considering the relationships between the four phases.
Y&R’s empirical analysis indicated that the strength of a brand, its “brand stature”, is a combination of its esteem and familiarity scores. Its growth potential, or “brand vitality”, can be assessed from its differentiation and relevance scores. Once a brand’s characteristics have been computed on these two dimensions, it can then be plotted on a two-dimensional matrix, as shown in Figure 1. By examining where brands lie on this matrix some of their strategic characteristics can be appreciated, along with guidelines for future actions.

### Brand characteristics

A brand begins life in quadrant A (Figure 1). By building the brand’s differentiation and relevance, it should grow to quadrant B. There are two options for brand owners in this quadrant, i.e. maintenance by establishing themselves as niche brands, or investing in building the brand’s esteem and encouraging growth into quadrant C. The top right-hand quadrant is home to leading brands. By maintaining the brand’s stature and creatively managing its vitality the brand can look forward to a long lifetime. However, without sufficient maintenance of the brand’s vitality, its differentiation and relevance fall, resulting in the brand increasingly selling on price promotions and declining to quadrant D. Some firms then lose confidence, cutting marketing support. This results in familiarity and esteem sinking, ending the life of the brand as it disappears out of quadrant A.

### Brand planning

This categorization can be particularly helpful when brand planning. According to where the brands are positioned, it not only gives insight about the budgets needed, for example by considering whether a maintenance or growth strategy is envisaged, but also helps appreciate which aspects of the brand, e.g. differentiation, relevance, etc., need attention over the short and long term. By plotting competitors’ brands and tracking their movements, it allows strategists to appreciate whether competitors are growing stronger or weaker and thus helps formulate both a defensive and an attacking strategy.

When considering extending the brand into new markets, it provides a succinct analysis of the competitive structure of that market and shows potentially attractive gaps. For example, a 1994 analysis of the UK retail banking market showed the major players as being brands with high brand stature, but low brand vitality. The only financial services brand with any

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*Figure 1. Characterizing competing brands*
potential for growth was First Direct, which appeared to be aiming for the unoccupied top half of the brand vitality dimension. First Direct’s success is partly due to the brand representing a clear set of values which enable consumers to rapidly assess whether they feel comfortable being associated with it. Most financial services brands draw heavily on corporate brand names, yet there has been little work to instil or project a clear set of values at the corporate level.

**Managerial implications**

This paper has shown that there is a distinct possibility that members of a brand’s team may have differing perceptions about the nature of their brand. Since these managers are likely to be directing staff in different departments, it is wise to evaluate any disparity among the brand’s team.

**Review workshop**

One way to surface any diversity is to run a workshop at which there is a review session, reminding managers about the brand taxonomy they adhere to. If there is no accepted taxonomy within the firm, the workshop would first describe some of the taxonomies and, through debate, gain consensus as to which one taxonomy all the managers prefer to employ.

Leaving each manager with an *aide memoire*, explaining the brand categorization process, the team are reminded of the key competing brands and avoiding the problems of “groupthink” (Janis, 1972), they are asked individually to categorize, on a sheet of paper, their brand and competitors’ brands. Key competitors’ brands are included since, due to simplification processes reviewed earlier, some managers find it easier to do this exercise thinking about clusters of brands rather than in isolation. They are then asked to write a few lines stating the strategy for their brand and the way their department is implementing this.

**Summary table**

These sheets are then passed to the chairman, who arranges to have a summary table produced showing, first, the nature of the firm’s brand and the agreed strategy – as in the brand plan, and, second, how each manager (anonymously labeled) perceives the brands and the strategy. With the team together, the summary table is circulated. When managers see these summary tables they are sometimes better able to understand why they have tense working relationships with other departmental heads, since differing brand assumptions are surfaced. Differences in enacting a brand strategy can be recognized from the summary table. Through open discussion, the strengths and weaknesses of alternative brand interpretations can be assessed and an agreed view adopted as to how a more coherent strategy can be implemented.

**Conclusion**

As brand management becomes more of a team-based activity, with senior managers striving to lever assets across their value chain to sustain their brand’s competitive advantage, there is a danger of inconsistent perceptions between team members. Brand taxonomies are becoming more common as a consequence of the way they help managers more speedily appreciate the nature of their brand and the most appropriate strategies. By getting individual managers to categorize their brand and the strategy they are exhorting their departmental colleagues to follow, diversity between team
members can be identified and through greater consultation, a more coherent approach adopted. Having resolved internal issues about the nature of the brand, the brand’s team should then be better prepared to fight the external battle against competing brands.

References
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