Is Sharing Really Caring?

A Descriptive Investigation of Brand Sharing for Distinctive Asset Types

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Abstract

A "combination of the name, terms, signs, symbols and design", brand identity describes the unique look and feel of a brand that helps to distinguish it from competitors (Kotler, 1991 pg. 442). A cornerstone to visual brand identity, Distinctive Assets are non-brand name identity elements such as colours, logos and taglines, that are used to symbolise the brand (eg. Keller, 2005; Zaichkowsky, 2010). When Distinctive Assets are introduced to the brand they add a layer of rich sensory information that expands the way the brand is encoded and processed in memory (Hartnett et al., 2016; Keller et al., 2008). As such, they can make products easy to find and purchase by acting as mental shortcuts in shopping environments (Gaillard et al., 2005; Olson, 2004).

To promote a strong identity, Distinctive Assets should ideally form unique brand associations in consumer memory (Aaker, 2001; Keller, 1993). When this is the case, the asset will act to reinforce the brand's identity by uniquely evoking the brand name each time it is used. In stark contrast, a weak brand identity will foster Distinctive Assets with low uniqueness to the brand. Where multiple brands are associated with the same asset, any or all of those brands has a probability of being retrieved from consumer memory when it is used. Thus, it can no longer be used to distinguish any individual brand, and dilutes the identity of all associated brands.

Whilst the advantages of unique Distinctive Assets are well-defined, brands principally operate in highly competitive markets where competitor actions limit their ability to develop and maintain uniqueness. This research aims to better understand competition for Distinctive Assets by investigating how different types are owned by individual brands, or inversely shared by competitors. It utilises an empirical approach and investigates brand competition for 1512 Distinctive Assets of 11 different types in 13 categories across 19 countries. The research takes place across two stages, Stage One: Competitive Intensity of Asset Types, and, Stage Two: Consumer Response Types.

Stage One: Competitive Intensity of Asset Types

The overarching aim of Stage One is to describe the prevalence of competitive sharing for different Distinctive Asset types, and reveal whether some types may harbour a better potential for unique ownership. This is achieved by calculating the competitive intensity of 1512 Distinctive Assets using the normalised Herfindahl-Hirschman Index (herein referred to as HHI*). The HHI* is a concentration ratio that, in this context, is adapted to calculate the concentration of uniqueness (or degree of sharing) for an individual Distinctive Asset. Use of the HHI* is considered

advantageous to this thesis as it is highly sensitive to unequal distributions of uniqueness and also allows for easy comparison across Distinctive Asset types.

Once HHI scores are calculated for individual assets, they are aggregated to reveal the average competitive intensity of 11 different Distinctive Asset types. Results demonstrate that on average, characters, logos and fonts are the most unique asset types, whilst colours and ad styles are the most difficult to own. Across all asset types a high degree of variation in individual asset scores was found, suggesting that asset type is not the sole determining factor to unique ownership. Additionally, investigation of economy type as a boundary condition indicates that, generally, Distinctive Assets are easier to own in developed markets when compared to developing markets.

Stage Two: Consumer Response Types

Stage Two continues to research the competitive sharing of Distinctive Asset types by investigating how assets are shared in the memory of individual consumers. This is realised by coding individual consumer responses to reflect whether a single brand, or multiple brands are retrieved when the respondent is presented with an asset. Once aggregated, results reveal that the vast majority of category buyers who give a response, elicit only a single brand when presented with a Distinctive Asset. Across consumers the specific brand mentioned varies, but consumers typically only provide one brand each. The high incidence of single brand responses transpires regardless of the type of asset presented, with single brands accounting for 90% or more of responses on average. Where differences between asset types do exist, it is found to have a strong negative correlation with the competitive intensity (HHI*) of that type. Such that, as an asset type becomes more unique, the proportion of responses containing two or more brands decreases.

Research Contribution

This research has important implications for both marketing theory and industry practice. Broadly, Stage One reinforces existing knowledge that characters, logos and fonts are important components of a brand's identity, by demonstrating that they also offer the best potential for unique association. For this reason, it is recommended that these asset types be prioritised by industry practitioners during the selection process. Contrariwise, the low average uniqueness of colour stipulates that it, as well as ad style, should be considered a supplementary branding device rather than reliable and unique brand prompt. In line with literary agreement, it was also discovered that, on average, developing economies are more competitive than developed economies, emphasising the vital role of well branded and consistent execution of Distinctive Assets in these markets.

In regards to Stage Two, such a high incidence of single brand responses is previously unseen in brand awareness and brand attribute literature. As such, it is suggested that Distinctive Assets are stored differently to other brand attributes in memory and are consequently more likely to be unique. Concerning practical implications, it is denoted that when an asset lacks uniqueness it is because there are more category buyers who each think of a single, yet different brand. Thus, the appropriate strategy to build or reclaim uniqueness is dependent upon two factors: 1) whether or not the mental sharing is based on confusion or a true sharing of the asset, and 2) the proportion of category buyers who do not elicit any brands.

Principally, this thesis contributes by being the first of its kind to compare specific metrics for an extensive range of Distinctive Asset types, spanning 1512 assets of 11 different types in 13 categories and 19 countries. Where prior research typically focuses on only a single, or few asset types in depth, this multi-type thesis helps to break down the silos of type-based asset research and bridge the gap between academic knowledge and industry practice.

Limitations and Future Research

Whilst the contributions of this thesis are emphasised, its limitations and subsequent avenues for future research are also duly noted. Secondary data was utilised for both Stage One and Stage Two of this thesis. Consequently, the researcher had to forgo a certain degree of control over the data collection and quality. Despite this, the use of secondary data allowed for a far greater scope to be achieved than would have been possible with costly and time intensive primary data collection.

Within Stage One: Competitive Intensity of Asset Types, a high degree of variation was seen in the competitive intensity of individual assets across all types. This poses an opportunity for future research to explore within-type variation. Memory theory suggests that familiar information is more readily processed and recalled (Craik & Lockhart, 1972). The influence of brand size and brand usage are therefore key areas for future research; as larger brands have more users, with a greater capacity to retrieve stored brand information than non-users.

Regarding generalisability, future research should consider how alternative methods of data collection may affect the incidence of single versus multiple brand responses. Replication of Stage One and Stage Two across services and durables brands is also a viable means to expand the scope of the findings.