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Are Distinctive Assets at your service?

An investigation into Distinctive Assets used by brands in service categories

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DECLARATION

I declare that this thesis presents work carried out by myself and does not incorporate without acknowledgement any material previously submitted for a degree or diploma in any university. Nor does it, to the best of my knowledge, contain any materials previously published or written by another person except where due reference is made in the text. All substantive contributions by others to the work presented are clearly acknowledged.

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Abstract

When developing a brand identity, marketers design brand elements to visually and verbally represent the brand (Keller 2005; Wheeler 2003). Brand elements without the brand name, such as logos, colours, characters, and jingles, are referred to as Distinctive Assets (Romaniuk 2018). Distinctive Assets (or *assets*) attract consumers' attention, signal the brand, and enhance brand presence across consumer touchpoints (Romaniuk & Hartnett 2010; Zaichkowsky 2010). However, to reinforce the brand's identity and be effective branding devices, Distinctive Assets should have unique associations (Aaker 2001; Keller 1993). That is, assets should ideally evoke the brand, and no competitors, in consumer memory, such that the brand has mental ownership over the asset. When consumers associate multiple brands to an asset, a brand's ability to be identified in media and purchase environments is hindered (Perry & Wisnom 2003; Romaniuk & Nenycz-Thiel 2014). Hence, asset uniqueness is important when creating a distinctive brand identity.

Depending on the category, consumers demonstrate different buying behaviours that affect how they process brand information (Sharp et al. 2002). For instance, the purchasing of packaged goods (e.g., toothpaste) is typically distributed between multiple brands and made sporadically, whilst for service categories (e.g., insurance) purchase cycles are often longer, more structured, and attributed to one brand. Considering information (e.g., advertising) is filtered out when not relevant or familiar (Celsi & Olson 1988), consumers may be less receptive to category advertising for services as they are purchasing fewer brands, less often, thus engaging in fewer opportunities to reinforce brand knowledge.

Additionally, services are typically intangible (Moeller 2010). For example there is no physical insurance product like there is for toothpaste. Therefore, fewer direct brand touchpoints exist to strengthen consumers' brand knowledge. To create more tangibility for brands, cultivating a strong brand identity is seen as more important for services (Davis 2007; McDonald et al. 2001). A strong brand identity, that is unique, may be easier to achieve for services due to the intangibility and behavioural differences. This research explores the Distinctive Asset types used by service brands, identifies the most unique asset types and compares these results to existing benchmarks for packaged goods.

Study One catalogues 1,358 Distinctive Assets from 12 service categories into asset types, and compares asset type prominence to identify if current Distinctive Asset typology frameworks are

applicable to service brands (e.g., Romaniuk 2018; Ward 2017). Although services have fewer tangible cues, this study finds most Distinctive Asset types used by service brands exist in current frameworks (88% of assets in the data). These include Colour, Shape (logos and symbols), Font, Tagline, Product, Advertising, Audio, and Face-based assets. This is in line with de Chernatony and Riley (1999), who found branding principles to be similar at the conceptual level between services and packaged goods. Among the remaining 12% of assets, two new asset types are documented for service brands: *Access assets* which include employee uniforms, vehicles, stores (physical and virtual), and app icons, and *Promotion assets* including price displays and special offer icons. Aligning with the literature, the presence of these asset types for service brands suggests services have alternative physical cues that are important to leverage in branding (Berry 2000; Bitner 1992; Eggert 2006).

Study Two replicates the method of Ward et al. (2020) for service brands, whereby the *Competitive Intensity* of each asset is calculated to determine the mental sharing between brands for an asset, or ideally, lack thereof. Results are aggregated into asset types and discussed in terms of brand ownership (high brand ownership indicates assets are highly unique to a single brand with few or no competitor associations). This study finds:

- Face-based assets (e.g., characters and spokespeople), App Icons, Logos, and Fonts have the highest level of brand ownership, on average, for service brands. Ward et al. (2020) also found face-based assets, logos, and fonts to have the highest ownability among packaged goods, however, did not investigate app icons. Hence, app icons being one of the most ownable asset types is an original contribution of this research. This finding complements other research, which find logos and fonts to be the most unique asset types (e.g., Fiocchi 2021; Major et al. 2014).
- Taglines have the lowest level of brand ownership of all asset types, on average, for service brands. This aligns with existing literature, which finds poor brand recognition and recall for taglines (Katz & Rose 1969; Kiley 2004; Major et al. 2014; Miller & Berry 1998; Ward et al. 2020).
- Brand ownership differs greatly within asset types, as some individual assets experience intense mental competition, while others are unqiue to one brand. This high variability within asset types is also found in existing research (e.g., Fiocchi 2021; Ward et al. 2020).
- Service brand assets have significiantly higher brand ownership than packaged goods assets, on average. It is anticipated this is due to consumers using fewer brands, using the same brand for longer, and having fewer tangible cues to cause competitive confusion. However, as serivce categories are heterogenous (Zeithaml et al. 1985), further analysis was performed to compare service categories with varying tangibility and behavioural

patterns. For example, insurance is an intangible service where consumers typically purchase one brand annually, while fast food is a tangible service where consumers may make 'random' purchases from various brands. The last two findings refer to this:

- On average, Distinctive Asset brand ownership does not vary between tangible and intangible services.
- In service categories where consumers typically purchase fewer brands, Distinctive Assets have significantly higher brand ownership, compared to service categories where consumers typically purchase more brands, sporadically.

This research contributes needed empirical evidence for brand identity amongst service categories, which is currently under-researched (Krystallis & Chrysochou 2014; Voorhees et al. 2017). It also provides contemporary evidence to the long-standing debate surrounding the differences between service and packaged goods categories, and whether branding principles can be generalised from goods to services (Brodie et al. 2009; Rathmell 1966; Vargo & Lusch 2004b). The findings provide a selection of asset types for service marketers to consider when creating a brand identity, highlighting which types to prioritise when uniqueness is the goal. Notably, the higher level of asset ownership for service brands suggests that Distinctive Assets are more likely to signal the brand (not competitors) in service categories, compared to packaged goods categories. However, this higher uniqueness also suggests a lack of competitor brand knowledge being established in memory. For service marketers, this implies building brand knowledge amongst non-brand buyers may be a greater challenge. This complements existing research finding service brands struggle to be thought of as a purchase option, compared to packaged goods which are more often considered, yet struggle to actually be purchased (Fuller et al. 2023).

The findings of this research pose new research avenues. For instance, Distinctive Asset ownership research can be extended into more categories such as durables. Alternatively, the sources of brand ownership differences within asset types (e.g., tagline differences) could be explored. Additionally, future research could analyse app icons in a branding context given on average, they have high brand ownership (e.g., investigate which design features increase memorability).