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## Towards a Conceptual Framework of Corporate Branding in Retailing

Edmund O'Callaghan

*Technological University Dublin, [edmund.ocallaghan@tudublin.ie](mailto:edmund.ocallaghan@tudublin.ie)*

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Edmund B. O'Callaghan

*Dublin Institute of Technology*, [edmund.ocallaghan@dit.ie](mailto:edmund.ocallaghan@dit.ie)

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# **Towards a conceptual framework on corporate branding in retailing**

Edmund O' CALLAGHAN, School of Retail & Services Management, Faculty of Business,  
Dublin Institute of Technology, Aungier St. Dublin 1. Ireland.  
Tel. 00353-1-4027062. Fax 00353-1-4027199. e-mail Edmund.ocallaghan @dit.ie

## **Abstract**

*The view that corporate brand building in retailing is different to any other context (Burt and Sparks, 2002) is predicated in the belief that 'goods' retailers need to manage a range of corporate components, its multiple relationships with customers and its dependence on employees to personify and deliver much of the corporate identity. These differences in operations are perceived as adding a degree of complexity to an already challenging process of corporate brand development. This paper proposes a conceptual framework for the corporate brand building process within an SME retail context. It develops on the work of Hatch & Schultz's (2003) proposed alignment of culture, vision and image as critical for corporate brand building and Abratt's (1989) corporate identity framework which strongly emphasises the key requirement of integrated corporate communications for both internal and external audiences. It proposes that the store experience is not only the result of the alignment of strategic vision and corporate culture, but in itself is the key communications vehicle for corporate image development and the corporate branding process. The model also sees company characteristics as mediating factors in corporate brand development.*

## **Introduction**

The process of corporate brand building has assumed a greater strategic significance in the 21<sup>st</sup> century marketplace, characterised by the proliferation of branded product offerings. This is reflected in the increasing academic attention to the subject in the past decade (Balmer 1995, 1998, 2001; Ind, 1997, 1998; Mitchell, 1999; Daffey & Abratt, 2002; Hatch & Schultz, 2003; Urde, 2003). Undoubtedly the development of a successful corporate brand differentiates the company and transmits an emotional appeal to the target market, although (Hatch & Schultz, 2003) suggest that corporate branding is about belonging to an organization:

‘a corporate brand attracts and orients relevant audiences, stakeholders and constituencies around the recognizable values and symbols that differentiate the organization. But corporate branding is not only about differentiation, it is about belonging’

The importance of the corporate brand is not disputed, but very little consensus exists as to its exact meaning (Ind,1997); words such as ‘values’, ‘identity’, ‘image’ and ‘communication’ are equated with the concept of the corporate brand. There are clear links to work on brand development (de Chernatony & McDonald, 1992; de Chernatony, 1997; de Chernatony & Dall’Olmo Riley, 1998 a/b) and brand management (de Chernatony, 1999) as well as work on corporate image and corporate identity (Balmer & Gray, 2003) and corporate reputation and responsibility (Bickerton, 2000). Balmer (1995) equates the corporate brand with corporate identity, a view seen as potentially misleading in that the corporate brand might be interpreted purely in terms of design and logos, while ignoring the importance of substance in the development of the corporate brand (Ind, 1997:2). Similarly, de Chernatony & Segal Horn (2001) view the corporate brand construct as encapsulating the core values of an organisation and the embodiment of all stakeholder relationships, while Inskip (2004) defines a corporate brand as *what a company stands for*. The congruity between organisational values, their communication and the stakeholder experience is vital to success (Ind, 1997; de Chernatony & Segal-Horn, 2002), a view that has particular significance in a retail context. Closely following on a definition by Van Riel (2001), Einwiller & Will (2002) define the corporate brand as

...a systematically planned and implemented process of creating and maintaining favourable images and consequently a favourable reputation of the company as a whole by sending signals to all stakeholders by managing behaviour, communication and symbolism.

Historically, product branding studies have dominated the branding literature (Burt and Sparks, 2002). The Oxford English dictionary traces the development of the word 'brand' from the Germanic word '*brandr*' which referred to the mark made by burning with a hot iron, a usage first noted in 1552. The concept of brand as differentiator is common. In one of the first academic papers on branding published in 1955 by Burleigh Gardner and Sidney Levy, in the *Harvard Business Review*, products and brands are differentiated and a statement of market orientation is clearly evident in the definition of a brand

A brand is more than a label employed to differentiate among the manufacturers of a product. It is a complex symbol that represents a variety of ideas and attributes. It tells the consumer many things, not only about the way it sounds (and its literal meaning if it has one) but more important via the body of associations it has built up and acquired as a public object over a period of time.....The net result is a public image, a character or personality that may be more important for the overall status (and sales) of the brand than many technical facts about the product

(Gardner & Levy, 1955:35)

This early definition of a product brand resonates with many of the principles associated with a corporate brand. It introduces the idea that a brand represents more than just the physical attributes, that a brand like people is more than the sum of its parts and that a brand has a personality, values and a relationship with customers. Steve Gilman, international director of B&Q, the British DIY operator, emphasises the emotional aspect of a brand when he states that

Branding is principally an emotional relationship with our customers because you can copy a store and you can copy the product range but you cannot copy the emotional relationship with the customer.

(Howard, 2004:224).

Distinctive characteristics have been attributed to the corporate brand. Ind (1997:3-12) postulates that corporate brand attributes differ markedly from product brand attributes in terms of their degree of

- Intangibility (but receives a degree of tangibility through the messages it transmits and stakeholder relationships it develops),
- Complexity (chiefly because of numerous relationships at different levels)
- Responsibility for corporate brand development, focusing on the role of people in delivering consistent brand messages.

In the past two decades retailers have exhibited a degree of sophistication in their overall branding activities that was hitherto unseen. Product branding in food stores moved from generics to premium own brands (Laaksonen & Reynolds, 1994), store fascias were developed in the fashion sector for varying consumer segments (Burt, Dawson & Larke, 2006) and multi store formats were developed in the retail food sector for changing shopping requirements (Dawson, Larke & Chui Choi, 2006), allied to corporate brand relationship building across the sector (Mitchell, 1999).

Several authors note the paucity of corporate branding studies in a services context (Ind, 1997; de Chernatony, 1999; McDonald et al, 2001; Balmer, 2001); fewer still are specific to corporate retail branding (Burt and Sparks, 2002). Roper & Parker (2006) state that they found two SME branding studies (Inskip, 2004; Kapferer, 2002), but were unable to uncover a single retail focused SME study. Inskip (2004) found an *almost silence* about

corporate branding in or for SME B2B companies. This lack of in-depth analysis in the corporate branding literature to both retailers and SMEs is somewhat surprising given the fact that many retailers might be regarded as exemplars of the corporate brand, having developed strong corporate brands in both national and international markets, allied to the vital strategic importance of SMEs to most economies. While much of the corporate branding literature illustrate by way of retail examples (McDonald et al, 2001; de Chernatony, 1999; Mitchell, 1999), the concept of the corporate brand development has not been comprehensively examined with reference to the activities of retail companies. Burt and Sparks (2002) contend that the retail approach to corporate branding may provide different lessons from practice in other sectors and also for academic theorising on the subject, while Wong and Merrilees, (2005) argue that the apparent lack of literature on SME branding leaves us agnostic about the subject. Echoing a similar view, Roper & Parker (2006) state that most of the retail branding literature has developed from the study of multiple retailers (subtext for large), not independent ones (subtext for SMEs).

The view that corporate branding in retailing is different to any other context (Burt and Sparks, 2002) is predicated in the belief that 'goods' retailers need to manage a range of corporate components, its multiple relationships with customers and its dependence on employees to personify and deliver much of the corporate identity. These differences in operations complicate the management of the corporate retail branding process. They point to pressures on the ability of the retailer to maintain consistency and coherence of the brand, a view that has resonance in the general services literature. These pressures include:-

- A reliance on employees at the store level to portray the requisite identity and values of the business.
- The identity and values must be delivered across potentially hundreds of stores, in various shopping settings, within different store sizes and formats.
- The belief system and vision at the corporate level has to be delivered to customers and employees on a scale not required in other industries
- Scale and external assessment by institutional investors and analysts requires consistent and comprehensive approaches to the media, institutions and other stakeholders

These differences complicate the corporate branding process, in particular, by placing pressure on the consistency and coherence of the brand. In reviewing the corporate branding, retailing and SME literatures, this paper proposes a framework that conceptualises the development of a corporate brand within a retailing SME context. An examination of the inherent differences between retailer and other business sectors and small and large organisations may pose unique challenges for corporate brand building and present some key questions for brand building, which when refined may provide new insights into the area. The paper begins with a discussion of the strategic importance of corporate retail brand building in the development of a national retail sector and the role of the small firm within that context. It continues by discussing conceptual developments within the corporate branding, retailing and small business literatures. Following on from this, in the main body of the paper, a conceptual framework is presented to illustrate



corporate brand building in a retail SME context. The paper concludes with a summary of the possible directions for future theoretical and empirical research into the area of corporate branding in retail SMEs.

## **Retail SMEs: Definition, Characteristics and role in national retail development**

### ***Rationale for SME Focus***

From a macro perspective, the development of multiple perspectives on how to build successful corporate retail brands could be viewed as being of significant strategic value to the development of any national retail sector. In an Irish context, the economic and social benefits of developing a strong indigenous retail sector have been recognised in many reports (Foley, 1998; Forfas, 1999; Goodbody, 2000). Motives for national retail development can be viewed as either pro-active or reactive. In a pro-active context, the potential to develop strong corporate brands, compete effectively with international companies and offer the consumer greater choice is clearly important. Alternatively, and from an SME perspective, the building of the corporate retail brand may have a strategic significance to the development of the business, perhaps unrivalled by any other. It may inevitably have survival implications for many individual business owners into the future. Therefore, a greater understanding of the process of corporate brand building and what facilitates and/or inhibits the process is of significant strategic national value.

### ***Defining the Retail SME***

Historically, definitions of SMEs tended to have a manufacturing bias and proved problematical. This has often inhibited international comparative research on SME sectors. The view that small firms are easier to describe than define rings true. Beaver

(2002:3) expresses the view that a ‘panoply’ of definitions of SMEs emerge from a comprehensive review of the small business literature that are justified by their users on their basis of their value to particular projects. In 2005, the European Union adopted a standardised definition of SMEs. This was used for funding and development purposes and to facilitate comparative data for member states. A threefold SME classification was created on the basis of number of employees, turnover and balance sheet totals (as shown in Table 1). These statistical measures have their limitations; Deakins & Freel (2006:28) , commenting on the recommendations of the Bolton Committee<sup>1</sup> in the UK, recognise the fact that number of employees may be appropriate for classifying small firms in certain sectors, while turnover or assets may be more relevant to others. For example, within a manufacturing context, a threshold number of employees might be appropriate whereas, for retailing, a turnover figure might be more relevant (Beaver, 2002:2).

**Table 1**

<b>Enterprise Category</b>	<b>Headcount</b>	<b>Turnover</b>	<b>Balance Sheet Total</b>
Medium-Sized	51-250	≤ €50m	≤ €43m
Small	11-49	≤ €10m	≤ €10m
Micro	<10	≤ €2m	≤ €2m

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<sup>1</sup> The Bolton Committee or Enquiry in to Small Business in 1971

It is widely accepted that small firms have different characteristics from larger companies and many argue that the crucial difference between large and small firms is not size related but the presence of objectives, management style and marketing activity (Carson, 1985; Colleran, 1985). Schollhammer & Kuriloff (1979:179) summarise qualitative characteristics of small businesses as:-

- Scope of Operations—local and regional rather than national and international
- Scale of operations—Market Share not significant within their given industry
- Ownership----ownership in a small number of hands and managed directly by one of the owners
- Independence—not part of a complex enterprise system
- Management Style—Managed in a personalised style/ participate in all aspects of managing the business

Similarly, but from a marketing perspective, Carson (1985) defines a small firm in terms of constraints on marketing and identifies them as limited resources (finance, marketing knowledge, time), lack of specialist expertise in the business discipline (especially marketing) and limited impact on the marketplace. Shuman & Seeger (1986) state that smaller businesses are not smaller versions of big businesses, rather smaller businesses deal with unique size-related issues and behave differently in their analysis of, and interaction with their environment.

## Literature Overview

### Strategic Vision

Top management's aspirations of the company into the future is a common theme among the definitions of strategic vision (Collins & Porras, 1994, Hatch & Schultz, 2001), which Hatch & Schultz (2003) argue *must connect authentically with the heritage of the company*. Such aspirations require a *strategic clarity* (Ind, 1997) necessary for business success based on strong convictions about where the business ought to go and the requisite competences to get there (Ibid). This strategic clarity is highlighted in differentiating retail companies. In their text entitled '*From Trading to Brand Leadership*', Wileman and Jary (1997) differentiate retailers who are effective and efficient traders, but who lack strategic vision in the development of the corporate brand, as distinct from those retailers that are both effective traders and corporate brand builders. This imperative of building the corporate brand in retailing for sustainable competitive advantage and the challenge facing many SME retailers in the constant tension between short term gain and long term survival, is illustrated by the following quotation.

A retail business that loses its trading edge, disregarding the need for short term sales and profit, is a business at risk that may not survive to reap the benefits of long term brand building. But a retail business that has no long term branded building strategy and instincts will never build defensible competitive advantage, and will always be vulnerable to competitive attack.

(Wileman & Jary, 1997: 56)

This is particularly appropriate in an SME context where the convictions and belief of the founder are often what define the values and consequently the culture of the organisation (Schein 1985: 273). Similarly, Inship (2004) states that in an SME context, that sometimes the personality and vision of the CEO defines the corporate brand without recourse to the process of corporate branding in a large company, where such a

programme usually involves consultation throughout the organisation, concept generation, research agreement by all stakeholders, execution of the concept, followed by manifestation in all visual and verbal areas of the business. She found that a strategic focus was an essential prerequisite for marketing and branding activities to become central and that a different approach was necessary to the standard branding model used for large organisations. (Ibid)

### **Corporate Culture**

There is a universal view of that culture represents core values and beliefs within an organisation. Papsolomou & Vrontis (2006) view corporate culture as:-

‘defining the core organisational values and subsequently encourages and endorses preferred forms of staff behaviour that will allow them to become ‘brand builders’

Similarly, Hatch & Scultz (2003) define culture as:-

the internal values and beliefs and basic assumptions that embody the heritage of the company and communicate its meanings to its members

They also equate culture with organisational identity and state that this identity must not only support and understand the strategic vision of the company, but also deliver the desired image. Similarly, Ind (1997:44/45) sees the history, beliefs, philosophy, ownership, personality of its leaders as formative factors in organisational identity, described as the *core of an organisation’s existence* (Ibid). Abratt (1989) argues that ‘Despite the voluminous literature, the concepts remain unclear and ambiguous as no

universally accepted definitions have emerged’ Many writers (Balmer and Wilkinson, 1991, Ind, 1992; Olins, 1978; Van Riel & Balmer, 1997) share Abratt’s (1989) view of the lack clarity in the lexicon surrounding the business identity construct. In discussing organisational identity, the core values that are seen as the glue or the common thread in the brand building process must reflect reality rather than invention (Urde, 2003) and therefore cannot be changed quickly or easily, and can inhibit the process of brand building (Ind, 1997:45). Substance over invention is reflected in a common view that the goal is for the organization to live its core values, and thus its brand (Balmer and Wilkenson, 1991; Balmer, 1995; Harris and deChernatony, 2001; Urde, 1999).

In the past, a dominant, clear and coherent culture proved to be an essential quality of ‘excellent’ companies (Peters and Waterman, 1982) in that employees at all levels of the organisation knew what was expected of them from all the stakeholders. From a management perspective, the alignment of employee’s values and behaviours and commitment to corporate brand values is seen as critical for consistent and cohesive communications (Harris and de Chernatony, 2001).

### **Brand Orientation**

The brand orientation link with culture becomes a reality when the brand becomes symbolic of the organization as a whole. Macrae (1996) states that brands acquire an emotional and symbolic value for their organizations, in which employees essentially begin to live the brand. When an organization grows from a position in which the

mission, vision and organizational values are brought together in the form of core values, a vital step on the road towards high-level brand orientation has been taken (Urde, 1999).

Brand orientation acknowledges the strategic importance of brands. It is an approach in which the processes of the organization revolve around the creation, development, and protection of brand identity in an ongoing interaction with target customers with the aim of achieving lasting competitive advantages in the form of brands (Urde, 1999). While the focus of a market orientation will also be competitive advantage for the company, Hunt and Morgan, (1995:6) emphasise customer needs and the role of research in aiding marketing decision making when they define market orientation as

‘the organisationwide generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across departments, and organisationwide responsiveness to it’

The focus in brand orientation on the primacy of the brand contrasts with a market orientation’s focus on customers and competitors, with brand questions reduced to second order issues (Urde, 1999). This view on the necessity of brand orientation for strategic success (Gumesson, 1998) is somewhat surprising given the significance of the marketing concept. Gumesson (1998) argued that while Levitt’s myopia was concerned with inward-focused managers (marketing myopia 1); there was also danger from ‘marketing Myopia 2 ‘ie the risk firms faced blindly following customers. This view is encapsulated in the following quotation

‘...what is demanded by customers at any given moment is not necessarily the same as that which will strengthen the brand as a strategic resource..... A person like a brand—who allows himself to be steered by the opinions of others and who constantly adopts whatever position is the most popular does not hold our credibility for long’

Several authors support this stakeholder perspective (Wong & Saunders, 1993; Mitchell, 1999; Gumesson, 1998; Urde, 1999) where it is proposed that customer needs and wants, while not ignored, should not be allowed to unilaterally steer the development of the brand and determine its identity. Wong and Saunders (1993) found that reference to customers alone is a poor guide to long term corporate strategy and the best performance came from companies which combined internal and external orientations. Similarly, Greenley and Foxall (1997) reported that the interests of multiple stakeholders should be pursued for organizational success.

A branding orientation is evident within the corporate branding literature, where there is general agreement on the importance of a stakeholder perspective (Xie & Boggs, 2006; Balmer, 2001; Hatch & Schultz, 2001), and this is seen as deepening the relationship between the company, employees and the customer. This stakeholder perspective is further emphasised (Ind, 1997:31) who states that companies 'need to act as brands that meet the needs of consumers, investors, legislators and employees'.

### **Corporate Image**

Ind (1997) emphasises the uncontrollable nature of the company/stakeholder relationship and states that the aim for any organisation is to exert as much credible influence over the relationship as possible, so that the corporate image is clear and consistent, appropriate to the company, supported by corporate culture and relevant to the corporate strategy.

Similar to many concepts surrounding the corporate brand construct, Hatch & Schultz



(1997) highlight two alternate views to the conceptualisation of corporate image. One views corporate image from the internal construction of public impressions ie how staff believe external stakeholders view the organisation (Dutton et al, 1994) or the way staff would like external stakeholders to view the organisation (Whetten et al, 1992). The other emphasises the external nature of corporate image (Gioia et al, 2000; Hatch & Schultz, 1997) and advocates the collection of external stakeholder viewpoints to determine corporate image (Fombrun, 1997; Hatch & Schultz, 2003). In a retail context, some of the early work on image carried out ( Martineau, 1958; Kunkel & Berry,1968; Linqvist, 1974) emphasised the external interpretation of image in determining the personality of the store and moved beyond seeing store image in purely functional terms. This view that the more intangible and symbolic characteristics of corporate image is common (Kennedy, 1977; Plummer, 1984; Padgett & Allen, 1997; Hatch & Schultz, 2003). The challenge for retailers is to manage a coherent corporate image across potentially a multitude of location types and hundreds of stores, both nationally and internationally (Burt & Sparks, 2002), with employee's interaction with stakeholders a key determinant of customers' attitudes and beliefs (Zeithaml & Bitner, 2003), all increase the complexity of the image management task with the store experience at the heart of the image management process. For example, it is suggested that the main determinant of image for a service provider such as Virgin was the quality of its employees' (Ind, 1997:66) as was also suggested for Nordstrom and Marks & Spencer (Ibid: 83).

The role of employees is crucial (Ind, 1997:41; Harris and de Chernatony, 2001; de Chernatony & Segal-Horn, 2003). Ind, (1997:41) emphasise not only the importance of

staff knowing the nature of company strategy, but also point to the requirement of staff being able to translate it into workable terms. Otherwise, they suggest that the strategy ‘will simply grind into oblivion somewhere in the offices of senior management’. Long term commitment by the organisation to well designed induction and training programmes are seen as creating greater staff commitment and the alignment of staff values with the values of the organisation. Fanning (2006) captures this sentiment when he states that

Living the brand requires more than a few internal training courses and away days—it often requires a change in culture, especially from the top, and this is where the problem lies

(Fanning, 2006:198)

The logic of viewing employees as ‘internal customers’ is that by satisfying the needs of internal customers, a firm should be in a better position to deliver the quality desired by external customers (Papasolomou & Vrontis, 2006)

### **Corporate Communications: Balanced Internal and External Orientation**

Communications in all its forms is the critical element in corporate brand building (Merilees and Fry, 2002). While the development of a successful services brand draws on some of the principles of product-based branding (de Chernatony & Dall’Olmo Riley, 1999), there are differences in the greater points of contact with stakeholders, necessitating greater attention to coherent communication, both internally and externally (de Chernatony & Segal-Horn, 2003). Traditionally marketing encouraged a customer centred approach, yet the importance of staff to the development of a service brand suggests that this be balanced with an internal orientation. Staff can better understand their role as brand builder if there is effective communication about the service vision,

the brand promise and consumer expectations (de Chernatony & Segal-Horn, 2003). Success emanates from organisations with a balanced internal and external orientation (de Chernatony et al, 2002), good internal and external communications for relationship building (de Chernatony and Segal Horn, 2003; Cleaver, 1999), with developed internal systems to design consistent value delivery processes, a culture that educates staff about their brand values and supports staff in enacting those brand values (Harris & Ogbonna, 2000; de Chernatony, 2001). Culture cannot be seen in the context of policies, procedures and structures (Aaker, 1996:342/3) but its role in influencing behaviour is seen as critical (de Chernatony and Segal-Horn, 2003), for sustainable competitive advantage Aaker (1996:342/3). Cross functional teams that work together are also seen as essential for coherent communications of the corporate brand (Einwiller & Will, 2002)

### **Branding Models**

De Chernatony, Drury and Segal Horn (2002) state that brand building is by nature fluid, loose and emergent rather than something that can be confined to steps in a process model. While this view is accepted, a number of models have been developed for brand building that may provide insights towards a model of brand building in a retailing context. These models are briefly outlined in table 2.

**Table 2 Models of Corporate Brand Building**

<b>Aaker (1996) Brand Identity Planning Model</b>
This postulates a process beginning with strategic brand analysis of customers, competitors and self. Brand identity developed and managed via development and execution of a brand position. Goods Focused
<b>Kapferer (1997) Hexagonal brand identity prism model</b>
Facets—physique, personality, culture, relationship, reflection and self-image---which helps structure the brand building process. Gives little guidance about brand progression. Goods focused.
<b>Ind (1997)</b>
the best way to develop a brand 'is to ensure that the employees of an organisation understand and believe in the values of an organisation'.....argues that it is more valuable to concentrate on the process of brand definition
<b>Davies (2000) Brand Asset Management Model</b>

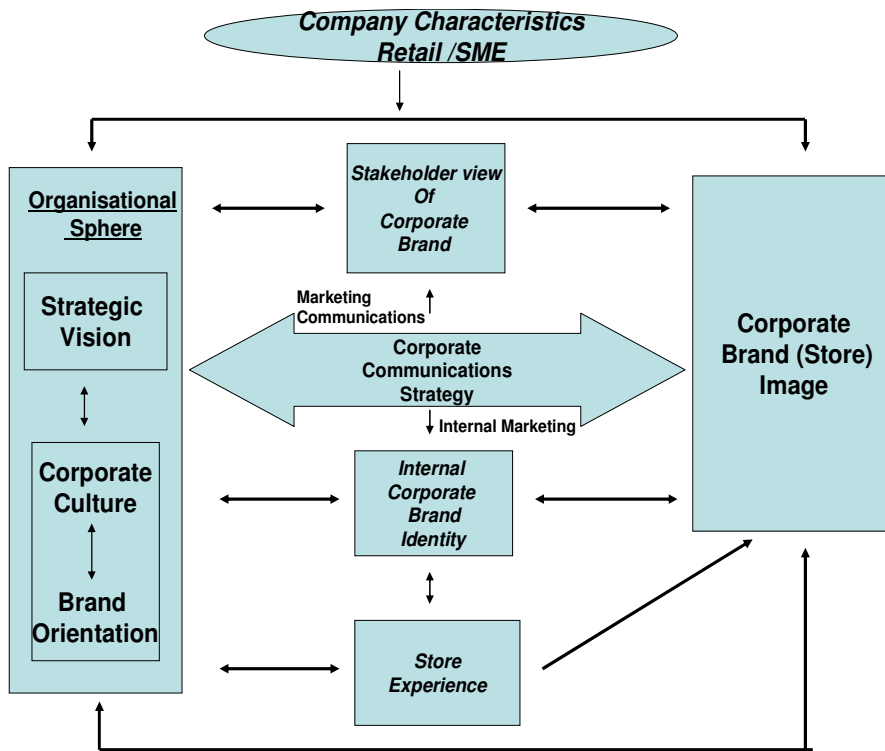
Davies proposes a four phase brand asset management model which some believe(de Chernatony et al, 2002) could be useful in the services sector in that it adopts both an internal and external orientation
<p><b>Kunde (2000) Brand Religion model</b></p> <p>Focus on building brands through making their brand values stronger and more relevant for consumers. Emphasises the importance of values in a sequential brand transformation process. It has resonance for services because the brand metamorphosis depends on engendering staff belief and commitment, two factors critical to the delivery of consistent quality services brands (Browning, 1998)</p> <p>The power of this model is that it adopts a balanced internal and external perspective. Encourages managers to empower employees to deliver coherent brand supporting behaviour through believing in values that make a genuine difference.</p>
<p><b>De Chernatony (2001) The Process of Building and Sustaining Brands</b></p> <p>Proposed a strategic process to build integrated brands which adopts a balanced internal and external perspective. It argues for well defined brand vision, reinforced by an organisational culture enabling a well defined brand essence to be delivered by committed and capable staff</p>
<p><b>DeChernatony, Drury and Segal Horn (2002) Development process of a successful services Brand</b></p> <p>Identified stages in building a successful services brand as</p> <ul style="list-style-type: none"> <li>• Identify external opportunities</li> <li>• Identify internal capabilities</li> <li>• Define the brand and develop brand concept</li> <li>• Consider feasibility of brand</li> <li>• Ensure internal commitment</li> <li>• Position and differentiate the brand</li> <li>• Structure organisational resources</li> <li>• Market Testing</li> <li>• Operationalisation</li> </ul> <p>Then back to first phase</p>
<p><b>Hatch &amp; Schultz (2003) Corporate Branding Framework</b></p> <p>Proposed a framework for understanding corporate branding as underpinned by processes linking:-</p> <ul style="list-style-type: none"> <li>• Strategic vision (top management's aspirations as to what the company will achieve)</li> <li>• Organisational culture (internal values and beliefs and basic assumptions that embody the heritage of the company)</li> <li>• Corporate images ( stakeholders-customers, shareholders, media , the public)</li> </ul>

Aaker (1996:342/3) states that firms that are good at developing strong brands usually have a strong brand-building culture, including clearly defined values, norms and organisational symbols. Top management visibly supports the brands and actions that put brands at risk are questioned as a matter of course.

### **A Framework for considering the development of the corporate brand in a retail context**

From the themes arising from the preceding literature review, a conceptual framework is now presented to illustrate the critical issues relating to corporate brand building in a retail context. The figure below illustrates this framework emphasising a balanced view of the role of both employees and external stakeholders in the process of brand building.

The store experience, as experienced by all stakeholders encapsulates organisational sphere elements and the degree of alignment with the core values of the company and how they are communicated



*Fig.1 Conceptual Framework for corporate branding in retail SMEs*

From this framework, and the literature overview, a number of propositions relating to corporate brand building in a retail SME context may be formulated.

## **Research Propositions**

### **Proposition 1**

The ability of CEOs to clearly articulate the company's strategic vision/ mission, traditions, beliefs, values and norms (culture) is a key requirement in the corporate brand building process in retail SMEs.

### **Proposition 2**

A clear understanding of the strategic significance of brand orientation at CEO level is a key requirement in the corporate brand building process in retail SMEs.

### **Proposition 3**

Cross functional responsibility is necessary for effective corporate brand building in retail SMEs.

### **Proposition 4**

A balanced internal and external orientation is essential for effective corporate brand building

### **Proposition 5**

The alignment of strategic vision, corporate culture and stakeholder image is critical to successful corporate brand building.

### **Proposition 6**

A positive store experience for all stakeholders, in line with corporate communications strategy, is critical for successful corporate brand building in retail

### **Proposition 7**

Retailer Characteristics are mediating factors in corporate brand building in Retail SMEs

## **Conclusion**

The view that corporate branding in retailing is different to any other context (Burt and Sparks, 2002) is predicated in the belief that 'goods' retailers need to manage a range of corporate components, its multiple relationships with customers and its dependence on employees to personify and deliver much of the corporate identity. These differences in operations complicate the management of the corporate retail branding process. It is clear that research into the corporate branding process is a neglected area with corporate branding, SME and retailing literatures. This is surprising given the importance of the services sector, and in particular the small firm sector to many economies, especially the Irish economy. The necessity of the alignment of strategic vision, internal culture, external image culminating in a positive store experience that re-enforces these brand building variables are seen as critical to corporate brand building in a retail context. The conceptual model proposed develops on the work of Hatch & Schultz's (2003) alignment of culture, vision and image as critical for corporate brand building and Abratt's (1989) corporate identity framework, which strongly emphasises the key requirement of integrated corporate communications for both internal and external audiences. It proposes that the store experience is not only the result of the alignment of strategic vision and corporate culture, but in itself is the key communications vehicle for corporate image development and the corporate branding process. The model also sees company characteristics as mediating factors in corporate brand building in retail SMEs.

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