Branding Processes and Brand / Marketing Strategy Alignment – The Case of Two B2B Industries in Australia

Submitted in fulfillment of the requirement for the degree of

Doctor of Philosophy in Marketing and Management

William Harry Cater

B.Com. (Econs) Hons (University of Newcastle)

Newcastle Business School
Faculty of Business and Law
University of Newcastle
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Declaration of Original Authorship

The thesis contains no material which has been accepted for the award of any other degree or diploma in any university or other tertiary institution and, to the best of my knowledge and belief, contains no material previously published or written by another person, except where due reference has been made in the text. I give consent to this copy of my thesis, when deposited in the University Library, being made available for loan and photocopying subject to the provisions of the Copyright Act 1968.

Signed: ...........................................................
Dedication

This thesis is dedicated to the attainment of wisdom which may be thought of as:
1. An accumulated philosophic or scientific body of information made up of knowledge, insight and judgement. Knowledge can be defined as an ability to discern inner qualities and relationships. Insight can be defined as good sense.
2. Judgement as a wise attitude or course of action.
3. The teachings of the ancient wise men.

Philosophy may be thought of as the love and pursuit of wisdom.

To the One who gives wisdom, God the Eternal Father - the Lord who gives skilful and godly wisdom and from whose mouth comes knowledge and understanding (Proverbs 2:6). To the One who has declared that wisdom is the reverential and worshipful fear of the Lord which is also the beginning of wisdom, that is, its starting point and its essence (Proverbs 1:28), and who has declared that to depart from evil is understanding (Job 28:28). Him I acknowledge as Lord of my Life.

To those who have contributed to my journey on the secular pathway to my quest to obtain wisdom, I salute you.

First is the late Jack Shields, who as a mathematics high school teacher, exemplified the performance of the skilful art of teaching. In patience, insight and encouragement he created in me a love of learning and an example to follow regarding how to teach in my role as University Tutor. It has been said that a teacher is only as good as his worst student, Jack defied that statement in my case,

Others followed, including the late Professor Warren Hogan, Professor of Economics who practiced his profession in the field of banking and brought a practical application to the teaching of economics through his worldwide experience as an economist. Another was Neil Dickinson who used to ‘pencil’ for bookmakers but was a competent teacher. Others have contributed, but none as much as my current Supervisors, Associate Professor Guilherme Pires and Dr. Philip J. Rosenberger III, who took a rag-tag, battered, bruised but yet successful business man and academic who had been seduced into embarking on this thesis by Professor Bill Merrilles, who said that the universities needed as academics, men of business. “Why don’t you do
a PhD?” My accepting of this suggestion proved how lacking in wisdom I was, as the quest was to solve the dilemma of how to adapt business methods and practice into academic processes. To these my mentors, I give unstinted praise.

Teaching is an art form requiring many skills. The greatest of which, I suggest, is reading the student, assessing academically where he has been, where he is now and where he wants to be. From that point, lecturers and teachers are able to reach down to the student to teach, explain, encourage, use kind words, refrain from denigrating the student’s efforts and lead by example. Associate Professor Guilherme Pires and Dr. Philip J. Rosenberger III exemplify the skills of teaching at the highest level of university education in their patience, and encouragement, not to mention their professional knowledge.

Any success I attain, I owe to them and the collection of those who have helped along the way. Without you all, I am the more impoverished. To my family and especially Nathan Cater my son, who is following in my business and academic footsteps and is at times my harshest [but exacting] and most exacting/or/but most accurate academic critic, without you all I am nothing, but with you all I have everything. You have all contributed to my knowledge and wisdom.
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EXECUTIVE SUMMARY

Branding is an issue for many businesses and as such has been the focus of academic research for over 30 years. The focus of this thesis is an area of branding known as Business-to-Business (B2B) branding. While it has not received the attention of Business-to-Consumer (B2C) branding it is still considered of relevance and importance to companies operating in B2B markets. B2B branding is recognised as an important contributor to competitive advantage for businesses engaged in B2B marketing.

An extensive literature review indicates a scarcity of empirical data relating to the way brand strategies are chosen by companies involved in B2B marketing, particularly in an Australian industry context. Is it a deliberately chosen process by management? Can the process be identified? What brand elements are considered important? Why are they important? Are they considered as equally important to each firm in a particular industry environment? The extant literature does not tell us. The research of this thesis looks to address the gap in the literature.

The approach to branding described in B2B brand literature concentrates on only parts of brand element grouping with little indication they are or even can be linked to marketing strategies. Yet, firms that are established in a given industry are proof that what ever their operating processes may be, they have been sufficient for that firm to continue to exist and for their competitive advantage to be sufficient for their continued existence.

Whether they offer an opportunity for continued growth in a global economy when they are exposed to global companies becoming locally based competition to existing
local companies, should capture executive and marketing operatives’ attention. Attention to the brand is one area of opportunity.

The purpose of this thesis was to undertake research into this important area of branding in an Australian B2B marketing environment and to report on observations of B2B branding activity, or lack of it, as practised by Australian firms.

Through the careful choice of two industries, namely the Bread Manufacturing Industry and the Corporate Travel Industry, the anticipated outcome was that the knowledge gap would be addressed. Both industries offered a situation where one of two major players tended to dominate the industry, with several SMEs competing with them. As such, several areas of investigation could be conducted at the same time. One was the area of how B2B businesses conduct branding and if they have processes in place to produce a brand strategy formula. A second was the area of activities of large firms and SMEs, where a comparison of these two groups would offer insights into their brand related activities.

A multiple-case-study approach applying a semi-structured interview protocol supplemented by observations and documents was the basis for collecting data from thirteen firms in the two nominated industry sectors. Within-case study analyses were conducted between each firm in the one industry, as well as a more widely constructed analysis of the two industries side-by-side. The key findings from the research identified differences in the practice of B2B branding between industries and between firms, some of which was in conflict with the academic literature, thereby providing incentives for further research.

The results of the research were not entirely unexpected. Most firms, if not all, were of the mind-set that a brand is a stylised name or logo with or without a slogan
attached. Although it was observed in the corporate travel industry, some rudiments of a basic, if intuitive, recognition that there could be more to a brand and that it could incorporate company attributes. However, irrespective of any involvement or association the CEO, MD (managing director) or owner-entrepreneur had with their brand, processes and included developing a brand strategy vision that enabled a brand strategy to be executed were not observed in most cases.

The longevity of the firms in their respective industries gave testimony to the success, in varying degrees, of the effectiveness of their marketing strategies. What was found interesting was that a few firms categorise their marketing strategies loosely into such groups as presented in the academic literature. Areas such as organisational buyer behaviour, customer value and relationship between the buyer and the seller are examples. However, when the eight areas of marketing strategy were presented to each firm in the nominated industries in the information rich interview proceedings, participants were able to identify with them, as not only being part of their marketing strategies to a greater or lesser degree, but when questioned, agreed that brand strategies could be linked to them.

Based on the findings of the research, it was concluded that within the firms studied, little was known about a marketing strategy process or for that matter, a brand strategy formula process. The observation was that strategies emerged from a management belief that certain things worked and others did not. It could be said that almost entirely, executives participating in the interviews had no formal training in marketing or branding. That is not to say that they did not have practical training, particularly in marketing. Emerging from the academic literature was the identification that there was a scarcity of frameworks available and structures to guide brand managers. As a result, the brand strategy formula model developed for this thesis is
presented as a framework to give more enlightened knowledge of the processes of brand strategy formulation development and is designed to address this deficiency.