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

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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.

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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.
CHAPTER 1

INTRODUCTION

“Marketers must take a Strategic Approach to Brand Development”

(Lynch and DeChernatony, 2007)

1.1 Background

Brands are considered relevant not only in business-to-consumer (B2C) markets, but also in business-to-business (B2B) markets (Backhaus et al, 2011). The use of branding by companies as a means of differentiation has been the focus of academic researchers for the past thirty years (Saunders and Wright, 1979; Avlonitis, 1982; Keller, 1993; Aaker, 1996; Sinclair and Seward, 1998; Lim and O’Cass, 2001; de Chernatony and McDonald, 2003). While the literature’s focus has been on consumer brands, there is an emerging awareness that industrial branding is important (Sinclair and Seward, 1988; Shipley and Howard, 1993; Thomas, 1993; Mudambi, 1995; Kim et al, 1998; Bendixen et al, 2003; Kotler & Pfoertsch, 2007; Kuhn et al, 2008) as many business-to-business firms recognise that strong brands can be valuable resources in today’s competitive business environment (de Chernatony and Lynch, 2007).

While discussion of brand management has focused generally on B2B marketing (Baum, 2010), the importance of industrial branding has also been recognised (Sinclair and Seward, 1988; Shipley and Howard, 1993; Thomas, 1993; Mudambi, 1995; Kim et al, 1998; Bendixen et al, 2003; Kotler and Pfoertsch, 2007; Kuhn et al, 2008; Keller, 2009; Homburg and Schmidt, 2010; Brown et al, 2011). Yet, just how important is branding to B2B marketers? For most companies in a B2C environment,
developing and maintaining strong brands is a key element in a company’s marketing strategy (Homburg et al, 2010). A strong brand is comprised of customer perceptions that are positive and consistent, then acts as a guarantee of quality that increases customers’ confidence in prospects of their expectations being met. Strong brands reduce decision making uncertainty (Marquardt et al, 2011). In comparison, there is often less strategic emphasis placed on branding amongst companies targeting business customers (Homburg et al, 2010). While the power of branding is widely acknowledged in consumer markets, studies relating to the practice and importance of branding in industrial markets have been slow to emerge in the B2B domain (Brown et al, 2011). There are considerable gaps between theory and practice.

The complex nature of brands gives rise to various interpretations of the term. Brand in one place is defined as a name, term, sign, symbol or design, or combination of them that is intended to identify one seller from another and to differentiate them from other competitors (Kotler, 1991). In another, a brand is described as an intangible, but critical component of everything a company stands for (Davis, 2000). In addition, a brand is reflected in everything a company does (Kotler and Pfoertsch, 2007). Yet, there is more to branding than simply a name or logo (Mudanbi, 1995; Kotler and Pfoertsch, 2007; Murquardt et al, 2011).

Can it be said that B2B companies do not recognise that they need to brand? Based on observed industrial company marketing practices, companies do recognise they need a brand, and what is more, most people think they know what a brand is (Mudambi, 1995). Companies involved in B2B marketing already use brands to differentiate themselves from the competition, and B2B brands are increasingly viewed as offering a crucial point of differentiation and a sustained form of competitive advantage (Low and Blois, 2002; Mudambi, 2002; Lamous, 2005; Beverland, 2005; Beveralnd et al, 2007). The relevance of the branding of business-
to-business companies is demonstrated by the fact that B2B companies, such as Microsoft, IBM, Intel, HP, Dell, Simons, Fed Ex and Boeing, are some of the world’s strongest brands. Given that most operate in B2C segments, their main business operations are nonetheless concentrated in B2B (Kotler and Pfoertsch, 2007).

However, even though brands and their management have dominated the marketing of goods and services to consumers, the idea has been slow to take hold in B2B markets (Bendixen et al, 2003). Hardly any company neglects the importance of brands in B2C, but for some B2B companies B2B branding is not meant to be relevant, because many managers think branding is confined to consumer products and markets, as was the case with Boeing only a few years ago. When a new head of marketing mentioned branding she was challenged and told by a senior executive, “We aren’t a consumer-goods company and we don’t have a brand” (Kotler and Pfoertsch, 2007 p.357). Although the power of branding is widely acknowledged in consumer markets, the nature and importance of branding in industrial markets continues to remain under researched (Kuhn et al, 2008; Leek and Christodoulides, 2011). The literature was examined with a view to providing information as to what makes a brand valuable to B2B practitioners, and how they plan and implement branding strategies in building their brands. It is recognised in the academic literature that a brand provides many benefits. One of these is competitive advantage (Beverland et al, 2007; Ohnemus, 2008; Keller, 2009).

Since brands are recognised as an important potential source of competitive advantage (Shipley and Howard, 1993; Bendixen et al, 2003; Davis et al, 2007; Kotler and Pfoertsch, 2007), a knowledge of branding benefits is important in B2B marketing (Beverland et al, 2007; Keller, 2009; Leek and Christodoulides, 2011). An example of just how important branding is to B2B companies may be judged by an extensive and in-depth exercise by the Dow Corning Company in creating a global
B2B brand that would identify a wide range of silicon based products seen as commodities by customers, but which was the direct opposite of what the Dow Corning brand stands for. Dow Corning developed a brand strategy platform that united all brand action and expressions to develop a new B2B brand called XIAMETER (Rozin, 2003 and Magnusson, 2003).

If branding is recognised as a means of providing benefits to B2B marketers (Leek and Christodoulides, 2011) and is more than a logo or a symbol (Kotler and Pfoertsch, 2007), what components of business marketing activity should be considered in a brand strategy formulation? If branding processes already exist in a company's marketing strategy, what elements are chosen in their branding strategy formulation? It is suggested that branding is not used widely across B2B companies, and that, without a significant body of research knowledge on the subject and a lack of cohesive academic theory, B2B brand managers are eager for guidance as they have few frameworks to inform their practice (Leek and Christodoulides, 2011). Even though the research to date has identified that branding programmes are crucial for corporate performance and enhance corporate reputation while at the same time raising barriers to entry, few authors have considered what attributes business marketers can use to build a strong brand identity (Beverland et al, 2007). The extant literature is yet to explain how B2B companies design their branding strategies and what attributes are important in the design process. Or, in other words: What elements can be used to build a strong brand identity? Currently, a comprehensive and coherent understanding of the use of branding and branding strategy formulation processes in an Australian B2B industry context is lacking. This is the basis for this research.

This chapter is structured as follows. Section 1.2 presents the Purpose of the Research and the Research Question. Section 1.3 presents the Theoretical
Justification, Research Objectives and Practical Importance of the Research. Section 1.4 briefly describes the Research Methodology. Section 1.5 relates to Limitations. Structure of the Thesis is presented in Section 1.6, and Section 1.7 is the Conclusion.

1.2 Purpose of the Study and the Research Question

The purpose of this study is to increase understanding of the practice of B2B branding by B2B firms within the context of two Australian industries engaged in B2B marketing. Accordingly, the research question to be investigated is:

*Do firms engaged in B2B marketing in a given Australian industry context link B2B brand strategies with marketing strategies in a brand strategy formulation process?*

For this thesis, B2B branding is accepted as a process that begins with the recognition that a brand is more than a name or logo and that there is more to branding than a name (Kotler, 1991; Mudambi, 1995; Buss, 1998; Keller, 1998; Kotler, 2000; Kotler and Pfoertsch, 2007; Davis et al, 2007; Blombäck and Axelsson, 2007; Marquardt et al, 2011). This process comprises a set of elements that are incorporated into a brand strategy formulation that, at the end of the process, supply a company with a brand that incorporates the elements that the company has decided will make a distinctive B2B brand identity which will give the firm a greater competitive advantage than before. Existing branding practices can range from passive to pro-active, even amongst firms in the same industry. Some firms use their brands more effectively than their competitors, even in the same industry (Glynn, 2011). Existing brands in use by companies could contain branding elements that have been identified in the extant branding literature, or could include other key
elements that the company thinks makes their brand distinctive in creating a positive image and reputation for the company as a whole (Keller, 2009), and encourages the customer to perceive the seller as an active and trustworthy partner (Herbst and Merz, 2011). Currently, comparatively little is known in an Australian industry context.

1.3 Justification, Objectives and Importance of the Study

As such, how companies brand themselves and what elements they use in building their brand are areas in need of further study. This section presents arguments, both theoretical and practical, emphasising the importance of investigating the B2B branding process as practiced by companies involved with B2B marketing, thus justifying the undertaking of this research.

1.3.1 Theoretical Justification

Branding research has shown the importance of having a successful branding strategy and that it assists industrial manufacturers and marketers in creating a distinctive image in the B2B marketplace (Sinclair and Seward, 1988). Marketing research has also shown that mapping the path to competitive advantage is a desirable objective of firms that aim to maximise their sales, increase their revenue and grow their firm (Day, 1994; Hunt and Morgan, 1995; Cravens et al, 1998). As well, the link between competitive advantage and branding is now widely recognised (Shipley and Howard, 1998; Sinclair and Seward, 1988; Thomas, 1993; Kim et al, 1998; Mudambi, 2002; Bendixen et al, 2004; Beverland and Napoli, 2007; Davis et al, 2007; Wally et al, 2007; Lynch and de Chernatony, 2007; Han and Sing, 2008). As such, "...with brands being an important source of competitive advantage, knowledge of branding is needed to inform their management" (Wally et al, 2007, p 383). It is therefore surprising that setting branding objectives and selecting branding strategies
(Shipley and Howard, 1993) have yet to produce a set of theoretical or practical guidelines to practicing managers to assist them in brand strategy formulation. While marketing processes have received attention in the extant literature (Reid and Plank, 2000; van der Aalst 2003; Aquilav-Savén, 2003; Wright, 2004; Thompson et al, 2005; Sumaiyah, 2008), brand processes have received relatively little. Owing to a lack of theoretical underpinnings, companies find it difficult to implement any information obtained about B2B branding (Leek and Christodoulides, 2011).

The body of research on B2B branding is still fragmented (Leek and Christodoulides, 2011), and there is a lack of clear understanding of what attributes business marketers use to build a brand (Beverland et al, 2007). This lack of clear understanding still persists even after over 25 years of academic research. Academic research needs to develop, in a cohesive and coherent manner, knowledge about branding in a B2B context (Beverland et al, 2007; Leek and Christodoulides, 2011). In observing B2B branding, little is known about how companies create their brand and what elements they target in their brand formulation strategies as being important to the customer. Similarly, little is known about how a company aligns different strategic elements to differentiate their brand (Skeikh and Lim, 2011). As it has been recognised that there is no empirical study linking the brand concept with the success of a B2B marketing strategy (Baumgarth, 2010), the research for this thesis addresses this knowledge gap by identifying relevant concepts and findings from other research areas such as, in particular, studies of marketing theory and practice that identify marketing strategy subjects considered important in the extant marketing literature and link them to brand strategy formulation. These are:

1. Competitive Advantage and the Industry Position of the Firm
2. Organisational Buyer Behaviour
3. Relationship Building
4. Customer Value

5. Creation of Value from Resource-Based Competencies and Capabilities

6. Internal Focus of Branding

The reason these elements have been selected is because, though research at the macro level has dealt with many elements of brand building, these elements are recognised as important for the purposes of this thesis. Research into branding is scarce in the B2B context, and at an early stage of development. The quest to identify the conceptually important aspects of the process is an important research aspiration pointing the direction to obtain a better understanding of branding and brand strategy and what strategies management can devise in a B2B marketing context (Baumworth, 2010). Despite increases in B2B branding, empirical studies are extremely rare and largely focus on a limited set of values (Zablah et al, 2010). The following important elements are addressed.

First is the importance of company positioning in an industry (Shipley and Howard, 1993) and giving attention to competitive advantage (Bendixen et al, 2003; Davis et al, 2007; Lynch and de Chernatony, 2007; Han and Sung, 2008; Ohnemus, 2008; Keller, 2009; Leek and Christodoulides, 2011).

Second is the importance of the knowledge of Organisational Buyer Behaviour (OBB) (Mudambi, 1995; Mudambi, 2002; Kuhn et al, 2008; Homburg et al, 2010; Herbst and Merz, 2011; Brown et al, 2011). This knowledge enables a brand to target the buyer, whether an individual, a buying team or buying centre, with elements it is known that the buyer considers important (Reid and Plank, 2000; Lynch and de Chernatony, 2004). An understanding of these elements of organisational buying will enable B2B marketers to determine how their branding can be successfully implemented (Glynn, 2011; Leek and Christodoulides, 2011). There is growing empirical evidence
suggesting that brands do influence organisational buying decisions (Brown et al, 2011).

Third is the relevance of including a relationship developing element in the brand. Relationship creation and management is central to a brand’s promise to customers (Beverland et al, 2007). B2B relationships offer opportunities for firms to differentiate themselves from their competitors (Čater and Čater, 2010). Relationship quality is important (Caceres and Paparoidamus, 2007). Further, a poorly managed relationship can undermine a brand, and relationship quality can build or destroy relationships (Glynn et al, 2007). Yet, there is a near absence of research on brand values in B2B relationships (Han and Sung, 2008).

The fourth area of recognition is the importance of value as an element in the brand. Aspects of value from the buyer’s perspective have been the subject of theory and empirical research in the extant marketing literature (Zeitmal, 1988; Cravens et al.1998; Reid and Plank, 2000; Donath, 2001; Han and Sung, 2008; Keller, 2009). Attention is needed by B2B marketers to frame value that differentiates their brand in the market place and to focus on what the brand means to B2B buyers (Glynn and Woodside, 2009). A lack of understanding has been acknowledged by the call that further studies are needed to refine the general research model components such as purchasing value and the importance of purchasing value perceptions in their influence upon organisational buyers (Han and Sung, 2008).

The fifth area is the resource-based value creation element which relies on the competencies and capabilities of the firm being converted into value for customers. The roles of resources and capabilities are recognised in the academic literature as being of paramount importance in creating superior value for the customer, yet little is still known about how this value notion is incorporated into business processes (Ngo
and O’Cass, 2009). The relevance of this logic is that identifying a set of values reflecting the competencies of the brand can be a starting point in building a brand (Lynch and de Chernatony, 2007). It also enables a firm to exploit the potential of their brand as being a significant source of competitive advantage, and enables the seller organisation to take a strategic approach to brand development (Lynch and de Chernatony, 2007). Yet still, little is known about how this value notion is incorporated into business practices (Ngo and O’Cass, 2009).

The sixth and final area to be considered in this thesis is the element of internal branding. The importance of this element is re-emerging. Roper and Davis (2010), argue that there is a causal relationship between the employee’s and the customer’s views of brands, and so employee alignment with the brand is important. Internal branding activities are important. These activities should include training, communications, monitoring and performance appraisal, and the need for these to be designed so that the members of an organisation are properly aligned with their brand (Keller, 2009). The knowledge base about how a company’s brand is managed internally remains uncertain with substantial gaps between what is known in the broader branding literature and what is practiced by companies. Much has been said on how corporate branding should be managed to make it successful, yet currently there is very little empirical research that investigates the perception by employees of the corporate brand and its practice. Data from less-researched B2B contexts and lesser-studied employee bases is particularly scarce (Sheikh and Lim, 2011).

In conclusion, B2B branding is practised in a complex business marketing environment. In an Australian industry context, little is known about what marketing or branding elements are considered vital in the strategy formulation of brands. As well, research providing brand identity management insight should be of considerable academic and managerial interest (Coleman et al, 2011). Few authors have
considered what attributes business marketers can use to build a strong brand identity (Beverland et al, 2007). While the body of extant branding literature is a useful source of branding elemental concepts that can help inform this research, they are lacking in providing a comprehensive, coherent theoretical understanding of what elements are considered important in a holistic brand formulation strategy mix. A lack of both cohesive academic theory and a significant body of research knowledge may be the reason B2B branding is not widely used across B2B companies. There is a clear need for further research (Leek and Christodoulides, 2011). Surveying a larger number of B2B firms will help address the problem of the lack of research dealing with purely B2B brands (Roper and Davies, 2010). Sourcing data from companies from two industries engaged in B2B marketing in an Australian context that seeks new, in-depth understandings of the way B2B branding is practised in that context, will help address the lack of research identified above and is considered sufficiently important to justify the research.

1.3.2 Research Objectives

In reference to the research question, a review of the relevant literature in Chapter 2 of this thesis identified a gap in the knowledge base relating to the need for a better understanding of any brand strategy formulation process as followed by B2B marketers in their brand strategy formulation.

The following research objectives were developed to guide the design and implementation of this study:

1. To identify the importance that B2B firms place on branding and what processes they use, if any, to develop their B2B brand strategy formulation.
2. To identify if the implementation of a brand strategy formulation process contributes to a firm's position in the industry and competitive advantage.

3. To identify if implementing brand strategy formulation processes and aligning brand elements with marketing elements in a brand strategy formulation is related to the size of the firm.

4. To identify if OBB is incorporated into brand strategy formulation, and what the processes to obtain knowledge of OBB are.

5. To identify if developing relationships is part of brand strategy formulation and what processes are used.

6. To identify if branding elements linked to the marketing strategies that the customer values as part of the brand strategy formulation process.

7. To identify if companies have a process that links their brand elements or brand values to their marketing resource-based capabilities and competencies in creating customer value into a brand-strategy formulation.

8. To identify if the company's brand has an internal dimension which is included in brand strategy formulation and how identification with the brand at all levels of employment within the organisation takes place.

Together these eight research objectives provide a means of obtaining answers to offer a detailed, in-depth scope to better understand the complex nature of B2B branding, and to address the research question. B2B branding is practised in a variety of formats ranging from formal strategies that may or may not be documented, to informal strategies that have no documentation. Each format has unique characteristics that depend on the industry and the differences in corporate culture of each firm in the industry, and the resulting operational and strategic circumstances that determine the level of branding practiced. B2B branding research can be conducted on the macro (industry) level or the micro (individual firm) level.
The focus of this research encompasses both, with particular concentration on the micro level, that is, the individual firm.

Finally, because B2B branding is somewhat fragmented and that branding is not widely used across B2B companies, B2B branding is still in its infancy with a clear need for future research (Homburg et al, 2010; Leek and Christodoulides, 2011). While research objectives 1 to 8 seek to address the lack of theory, research objective 9 seeks to build on the insights and findings flowing from the collected data to be used in a theory-building process to provide a framework, based on academic theory, for B2B brand managers to benchmark their B2B branding strategies as currently practiced and to give guidance in brand strategy formulation.

1.3.3 Practical Importance

Branding is a business reality. Its importance to business has been recognised by contributors to the subject in academic literature over many decades. Yet, it continues to be an issue for many companies. From a low level of concentration of attention to B2C branding, there has been a quantum leap in attention to B2B branding to address the criticism that research in B2B context is sparse and unfocused (Mudambi, 1995; Beverland et al, 2007; Ohnemus, 2008; Roper and Davies, 2010; Brown et al, 2011; Coleman et al, 2011; Glynn, 2011; Marquardt et al, 2011; Leek and Christodoulides, 2011). Evidence is growing that brand development and brand management are important processes for B2B marketers since B2B branding is a means of differentiating companies, provides benefits to the buyer and the seller, and is a potential source of competitive advantage (Kotler, 1991; Mudambi, 1995; Aaker, 1996; Keller, 1998; Van Riel et al, 2005; Davis, 2007; Kotler and Pfoertsch, 2007). In addition, a brand can drive sales volume and revenue
(Coleman et al, 2011) and can fuel a company's long term growth strategy (Kotler and Pfoertsch, 2007).

Few authors have considered what attributes business marketers can use in building a strong brand (Beverland and Napoli, 2007). Since a brand reflects everything a company does, a holistic branding approach requires a strategic purpose and is crucial to align brand and business strategy (Keller and Pfoertsch, 2007). Yet, current research indicates companies targeting business customers often put less strategic emphasis on branding (Homburg et al, 2010). That branding is seen as a small subset of marketing management is a misconception, since a brand is reflected in everything a company does and a holistic branding approach requires a strategic objective. Branding is, therefore, considered a strategic necessity for companies engaged in B2B marketing. Understanding this necessity is important in an Australian B2B industrial context since Australia is considered to be an industrialised nation. Branding activity in companies engaged in B2B marketing is evident because each company uses branding to distance themselves from their competitors. It is important to discover what processes are used, if any, by these companies and if they utilize a brand strategy formulation linking their brand to their marketing strategies in crafting a brand strategy to achieve their objectives and vision.

The exercise of global free-trade agreements by successive Australian governments means companies involved in B2B marketing are becoming more exposed to global competition and, at the same time, an increasing weight of internal competition in a shrinking domestic market. B2B markets make up a huge percentage of the global economy (Keller, 2009) and most business exchanges are B2B exchanges (Roper and Davies, 2010). As such, brand management for market orientated firms needs a renewed focus (Beverland and Napoli, 2007; Homburg et al, 2010; Glynn, 2011; Leek and Christodoulides, 2011). A holistic B2B branding strategy formulation is
considered to be a strategic necessity for B2B marketing companies. An emergent theoretical model based upon empirical findings is needed to meet the current identified lack of co-adhesive academic theory with an outcome that advances B2B branding theory and helps B2B managers grow their brands (Leek and Christodoulides, 2011).

1.4 Research Methodology

As this research is trying to understand and explain reality, and since the focus is on marketing contexts and management perspectives, qualitative research methodologies are most appropriate (Carson et al, 2003). This research addresses an in-depth examination of case studies for exploratory, descriptive or explanatory research purposes (McGovern, 2006). It is deemed to be appropriate in seeking answers to the research questions addressed in this study. Further, this study helps to bridge the gap between academia and industry, with each having something to learn from the other (Simon et al, 1996). A multiple case study based approach is used in this research, because multiple cases provide more compelling evidence than a single case study (Yin, 1994). Maximising variation and criterion case study firm selection is used in the case selection process. In addition, two Industries are chosen to examine if B2B branding development strategy formulation is similar or different in different industry groups. There are a similar number of case studies in each to further advance the depth of understanding and enable theory formulation regarding B2B branding development strategy formulation (Eisenhardt, 1989; Perry, 1998).

To address the collection of data and the information needs of the Research Objectives 1-8, in-depth interviews are conducted with company nominated personnel by way of field visits with both structured and unstructured observation of
documents and other company printed material, together with web-site information. This process is used to obtain an understanding of the varying levels of branding and how it is practiced, and what elements are included in company brand strategy formulation. The semi-structured interviews, together with a structured in-depth interview protocol, which is informed by the literature using probing and prompting, techniques are developed and followed (Yin 1994; McGivern, 2006). This is to ensure the degree of systematisation needed to enable multi-case comparison validity. To achieve theoretical saturation, six cases from one industry and seven cases from the other industry are chosen.

Within the case analysis, a cross-case analysis is conducted in each industry followed by industry by industry analysis and explanation and theory building. When used in interaction with the case data, the context is described, which ensures that a theoretical understanding is built into the branding process context, thus grounding it into case data. Rigorous methods of research design, data collection and management are used to ensure the trustworthiness, reliability and quality of this research (Yin, 2003). Finally, building on the findings and insights obtained from the analysis of the case and industry data, the theory-building process is followed in developing an emergent model of brand strategy formulation.

1.5 Limitations

The current study has a number of limitations with the first, being that case study research has its own limitations, among which are a lack of vigour, excess of bias and the dangers of both ad hoc theorising and neglecting to test data (Amaratunga and Baldry, 2001). While empirical data was collected from two different Australian industries, a generalisation of the finding to other Australian industries may be
difficult since the samples under scrutiny may not be sufficient to support such a
generalisation.

The second limitation is the focus is on a number of different cases in two industries’
specific situations. This limits the general significance of the findings to companies
operating in other industries.

Third, this research has concentrated on B2B branding activity in Australian B2B
marketing contexts, which may not be of significance in other national or global
marketing contexts.

1.6 Structure of the Thesis

With reference to the Perry model, where a dissertation should have a unified
structure and, preferably, be based on five chapters - except in circumstances where
several more chapters may be required to better present underlying theory and
literature review, results or conclusions Perry (1998) - the thesis has been organized
into eight chapters. Chapter 1 provides the introduction to the thesis and an overview
of the chapters in the study. It details the background to the research and its
justification, and the objectives and importance of the study. It also presents the
theoretical justification for this study, the research questions and the research
objectives, together with the research methodology adopted to ensure in-depth study
on information rich cases and the limitations of the research. This chapter also
outlines the structure of the thesis.

Chapter 2 contains a detailed discussion of the literature relating to the topic, thereby
providing a background of ad hoc theoretical concepts relating to B2B branding.
These concepts are discussed from an initial comparison of branding in both a
consumer and business context and their differences, and the subsequent development of B2B marketing theory as a distinct phenomenon, which has occurred over a period of some thirty years.

Chapter 3 is a continuation of the literature review since the discussion is wide ranging in a conceptual paradigm that highlights issues within the discipline of B2B branding. This discussion establishes that the literature fails to address gaps in knowledge and the scarcity of models to guide B2B branding strategists. It further deals with “research issues and the major constraints within those issues” (Perry, 1998, p. 13). Case study research is used since “it provides rich and deep insights into quality management practices” (Simon et al, 1996, p. 32).

Chapter 4 explains the research methodology used in the research and the justification for the use of the qualitative methodology paradigm. It provides an overview of the case study methodology together with an explanation of the selection of a multi-case approach and the data collection techniques employed. It then explains the case selection and analytical approaches used in this research. The chapter also presents the interview instrument together with ethical considerations as to the initial approach and request for agreement of companies to participate in the research and the ethical constraints of such participation. The ethical matters are in accord with the University of Newcastle’s Ethics Committee requirements.

Chapter 5 gives a presentation of the analysis of the data ranging from a brief description of the cases, to research patterns of data emerging from the research objectives 1 to 8, with case-by-case analysis for the bread industry.

Chapter 6 uses a similar construct as used in Chapter 5 to present the analysis of the data emerging from the corporate travel industry.
Chapter 7 compares the findings of the two industries which were the subject of Chapter 5 and Chapter 6, in a cross-case analysis of those industries. From the general observations made relating to the data collected above, both theories and concepts are developed at this stage (Rahman et al, 2003), and conclusions about each research issue and the research problem (Perry, 1998) are discussed. The chapter builds on the findings of Chapter 4, linking them to the B2B branding theory identified in Chapters 2 and 3.

In Chapter 8, implications for the theory are identified, as are the implications for policy and practice (Perry, 1998) in the context of a theoretically developed Business-to-Business Branding Strategy Formulation Model. The chapter focuses on addressing marketing elements identified as being important in marketing strategy formulation when developing a branding strategy that leads to superior competitive advantage. This theoretical framework is tested against branding strategies, as practiced by companies in the industries selected. The limitations of the case study are presented, together with a perceived need for further research. Limitations of the scope of this study research are discussed, together with suggestions for future research.

1.7 Conclusion

This chapter described the outline of the study, commencing with the background to the research objectives of the study, the justification and significance of the study and the research design. A synopsis of the study was provided, commencing with the view portrayed by the marketing literature of the importance of branding strategy formulation in the business-to-business marketing context. A contextual conclusion drawn from the more recent contributions to the literature was that more research is needed so that future studies will provide guidance to business marketing
practitioners. This will only be seen as significant if researchers are aware of current thinking and of those responsible for marketing strategies. Limitations in the relevant literature were used objectively.

The specific research questions relating to this were revealed, as was the need for the development of an innovative Branding Strategy Formulation model incorporating specific marketing elements and designing branding strategies to target these elements. The significance of the study was justified from a marketing theory and business practices points of view. The research methodology was discussed with a design plan of the research methods that are used to gather the necessary data. The delimitations of the study were then outlined. An outline of the study followed with a brief reference to the subject matter of each chapter.
2.1 Introduction

The literature review consists of two chapters, Chapter 2 Part 1 and Chapter 3 Part 2. Both chapters present a critical review of the literature relevant to this thesis. The ultimate purpose is to establish a theoretical basis for understanding the importance of B2B branding and its practice by firms operating in this specific industrial marketing environment. In this chapter, the themes recurring in the literature relating to the context are identified and discussed. The identified gaps in the literature and resulting research questions are discussed in Chapter 3.

Chapter 2 first examines the concept and definition of branding in the B2C literature in Section 2.2. The purpose here is to identify which elements of branding in this market sector may also be relevant where industrial branding is concerned. In Section 2.3, the chapter proceeds to examine the body of B2B literature that underpins this research. Particular attention is given to the process or processes B2B marketers use to develop their brands and whether they incorporate a brand strategy formulation process based on the literature. A review of the branding process is useful in deepening our understanding of that process. Section 2.4 examines the literature relating to B2B marketing strategies and the B2B brand. As an understanding of business processes is considered to be important, business process modeling is also discussed in this section. In Section 2.5, the literature that relates to business process modeling is examined. Section 2.6 examines the literature relating to branding processes.
2.2 B2C Branding

The vast majority of existing brand knowledge has been derived from and relates directly to the branding practices utilised in business-to-consumer contexts (Marquardt et al, 2011). Amongst other determinants, brands can influence purchasing decisions (Backhaus et al, 2011). Brands facilitate the identification of products and services, as well as businesses, and are viewed as offering a crucial point of differentiation (Beverland and Napoli, 2007). Brands are a guarantee of quality, origin and performance, and are an effective and compelling means of communicating the benefits of a product or service, thereby increasing the perceived value to the customer and reducing the risk and complexity involved in the buying decision (Kotler and Pfoertsch, 2007). A brand may be summarised as a promise, a totality of perceptions by a customer, a distinctive position in the customer's mind based on past experiences and future expectations and a "short-cut" of attributes benefits and values that differentiate, reduce complexity and simplify the decision-making process (Knapp, 2000). For most companies in B2C environments, a key element of their marketing strategy is in developing and maintaining strong brands (Homburg et al, 2010).

The purpose of this section is to examine branding issues in the B2C literature in order to identify potential aspects where this literature may assist in the examination of B2B branding, including those factors of success that may extend to the B2B marketing environment. Branding is an unavoidable (non-optional) priority of business. Branding has emerged as a discipline from the consumer goods domain, particularly fast moving consumer goods (FMCG) (Leek and Christdoulides, 2011). As such, branding is recognised as being of paramount importance in consumer branding (McCarthy et al, 1997; Aaker, 1998; Neal et al, 1999). It matters to understand why. In fast-paced business settings, such as quick service restaurants
(QSRs) where the messages never stop, customers use cues when it comes to making buying decisions. Branding is critical in such an environment, because it influences the decision-making process. Branding is not an option. Consumers brand companies, people, goods and services either one way or the other (Graham, 2001). Branding in consumer marketing has become an organisational cultural tool to convey a tacit message of the distinctiveness of a company and its products in the marketplace (Knapp, 2000). The conceptualisation of branding is a necessary prerequisite for this study. It is made difficult due to competing definitions.

As competitive advantage has been recognised as being at the heart of strategic management (Day, 1994), a firm's objective is profit maximisation (Hunt and Morgan, 1995) based on effective strategic choices (Cravens et al, 1997). The link between competitive advantage and B2B branding justifies the discussion of a brand strategy formula to achieve competitive advantage through the incorporation of identified branding elements.

2.2.1 Definitions of a Brand

The conceptualisation of branding is a necessary pre-requisite for this study. It is made difficult due to competing definitions. A brand has been defined as a name, term, sign, symbol or design, or a combination of them intended to identify the goods and services of one seller, or group of sellers, and to differentiate them from the competition (Keller, 1998). Or, a brand is "an intangible but critical component of what a company stands for. A consumer generally does not have a relationship with a product or services, but they may have a relationship with the brand" (Davis, 2000, p. 3). Another definition is that branding is the establishment and maturing of a substantive, consistent, enduring, distinct or, best of all, unique impression in the minds of your “target customers” or an indelible impression made on consumers.
through branded customers’ experiences (Buss, 1990). Further, a brand is the internalised sum of all impressions received by customers and consumers resulting in a distinctive position in their mind's eye based on perceived emotional and functional benefits (Knapp, 2000). Branding in the B2C context is considered critical as, whether a company "brands" its goods or services, these goods or services come to be perceived in certain ways by the purchaser either by design or default. The contention is that branding has to do with what comes into customers' minds when they think about a company, a person, a good or a service (Graham, 2001).

While a unique definition is lacking, successful branding is crucial for business because it impacts consumer buying and decision making, and is recognised as a matter of paramount importance in consumer branding (Neal et al, 1999). “Branding is about everything a company does rather than being a simplistic notion, it is an inordinately complex function involving many facets of the company's operation from the way the telephone is answered to the design of the company logo” (Graham, 2001, p. 2).

Following Graham (2001), branding in the B2C context is considered critical. It matters to understand why. For a company to make its mark through branding, distinct attributes should be evident such as creating an impression, standing out from the crowd, establishing uniqueness, staying within the core of the business and leveraging the brand. Building a brand is in a different category to marketing or market communications. The latter builds awareness and knowledge of a company and its services. The former is concerned with building an ownable position in the market place, a real competitive advantage which may include a combination of attributes that add up to a company’s own brand (Buss, 1998).
In the B2B marketing context, a brand can be defined as a distinctive identity that differentiates a relevant, enduring and credible promise of value associated with an organisation or its products. Instead of focusing on elements such as the name, logo or symbol, the focus instead is on the sum of ideas and associations that these elements evoke among audiences (Blombäck and Axelsson, 2007). For the purposes of this study, when discussing brand associations, the accepted definition of the brand is the total of the sum of ideas and associations, as identified by the literature, which has been incorporated into a holistic brand strategy vision that is linked to successful marketing strategies leading to a brand strategy formula designed in its execution to distinguish each individual company in a B2B industrial marketing environment.

2.2.2 What a Brand Entails

A brand entails making distinct attributes evident. If it is to be valued by consumers, it should consistently fulfill its promises and deliver on its commitment, for example, value or quality. It should contain favourable attributes, which may be intangible, such as emotional benefits, or tangible, such as functional benefits (Lynch and de Chernatony (2004; 2011). These may vary from a clothing brand, such as Kuta Lines, which may position the wearers as 'cool' in a particular social group in the case of an emotional attribute, to long-wearing car tyres, as an example of a functional attribute. In its set of promises, a brand implies trust, consistency and a defined set of expectations. It can be thought of as a contract that is made by the seller with the consumer and which consists of a list of all the promises the brand makes to customers (Davis, 2000).

In the B2C context, it is recognised that brand image and reputation contribute to differentiation and positively influence buying behaviour as consumers choose
amongst competitors (Mudambi, 2002). The conclusion is that companies need to understand the implication of branding to them and to attempt to design and implement branding strategies that assist consumers in favourably perceiving the brand favourably. That is, businesses potentially benefit from controlling, or at least influencing the branding process. Once the concept of a brand and its benefits are recognised, the mechanism of brand creation, management and even enhancement become part of the brand strategy process (Knapp, 2000). A key strategy of creating a brand is to choose one or a number of attributes that identify a product and distinguishes it from others. The different components of a brand are known as 'brand elements' (Keller, 1998; 2009; 2013).

Powerful brands are the result of deliberate actions of astute marketers who have the capabilities of “engineering the brand” (Knapp, 2000). Successful business strategies look to focus on the organisation’s competencies and capabilities and to find an effective match between opportunities for providing superior customer value and the strategy linked with the capabilities of the organisation (Cravens et al, 1998). Business strategy should be one of the main drivers of brand strategy and there is a need for the organisation to be adapted to brand building (Aaker, 2000; Davis, 2000).

2.3  B2B Branding

Consumer branding theory does not totally address the B2B marketing context (Glynn and Woodside, 2009). While there has been debate on the differences between B2B and B2C markets, it is argued that branding is even more important in the B2B marketing environment. The basic principles involved in building a brand are similar with the starting point of an assessment of brand values (Lynch and de Chernatony, 2007). In this context, it is recognised that industrial firms are faced with different buyer parameters that emerge in marketing exchanges, such as selling to
an organisation rather than an individual consumer and where the complexity of the buyer-seller exchange is recognized (Hutt and Speh, 2010). A critical review of the branding literature is a starting point in seeking to enhance our understanding of the B2B branding process.

While it has been seen that traditional academic research in branding has tended to focus on B2C branding, that brands and their management have dominated the marketing of goods and services to consumers (Bendixen et al, 2003), and the power of branding is widely acknowledged in consumer markets, "the nature and importance of branding in industrial markets remains under-researched" (Kuhn et al, 2008, p. 40). However, there is an emerging recognition of the importance of industrial branding (Sinclair and Seward, 1988; Shipley and Howard, 1996; Mudambi 1995, 2002; Kim et al, 1998; Spekman, 2000; Bendixen et al, 2003; Van Riel et al, 2005; Beverland and Napoli, 2007; Glynn et al, 2007; Kotler and Pfoertsch, 2007; Lynch and de Chernatony, 2007; Morgan et al, 2007; Han and Sung, 2008; Kuhn et al, 2008; Roper and Davies, 2010; Leek and Christodoulides, 2011).

In addition, brands for B2B are increasingly viewed as offering a crucial point of differentiation and sustained form of competitive advantage (Mudambi, 2002; Low and Blois, 2002; Lamous, 2005; Beverland, 2005; Beverland et al, 2007). Brands serve exactly the same purpose in B2B markets as they do in consumer markets: to facilitate the identification of businesses, products or services and differentiate them from the competition (Kotler and Pfoertsch, 2007). Brands play as important a role in B2B as they do in consumer markets (de Chernatony and McDonald, 2003; Doyle, 1994).

In the B2C context, it is recognised that brand image and reputation contribute to differentiation and positively influence buying behaviour as consumers choose
amongst competitors (Mudambi, 2002). In the B2B context, other brand elements that apply to the B2B marketing context are recognized as important, such as organisational buyer behaviour, different customer value perspectives and the relationship between the buyer and the seller. Other benefits of B2B branding include improved perceptions of quality, the conferring of uniqueness, raising barriers to entry, enabling a price premium to be charged, increased buyer confidence and satisfaction in the purchase decision (Leek and Christodoulides, 2011).

One difference between B2C and B2B branding identified in the extant B2B branding literature is that, rather than the brand influencing the buying decisions of individual consumers, as in the case of B2C, the brand needs to influence an organisational buyer or buying team (buying centre) with brand attributes or elements that are relevant to an industrial purchase situation (Wally et al, 2007; Herbst and Merz, 2011).

In this context, industrial firms are faced with different buyer parameters that emerge in marketing exchanges, such as selling to an organisation rather than an individual consumer where the complexity of the buyer-seller exchange is recognised. The outcome of a buying transaction should add value to the organisation (Blombäck and Axelsson, 2007). Organisational buyer behaviour is an important component in a B2B marketing context (Bendixen et al, 2003; Han and Sung, 2008; Homburg and Schmidt, 2010; Brown et al, 2011).

Relationship development is also recognised as an important element (Han and Sung, 2008; Ranyruen and Miller, 2009; Brown et al, 2011). Other important elements are value creation (Doney et al, 2007; Glynn, 2011), added value from resource based capabilities (Lynch and de Chernatony, 2007; Beverland et al, 2007; Ngo and O’Cass, 2009) and the necessity for the seller to have an internal brand
focus (Glynn and Woodside, 2009; Baumgarth and Schmidt, 2010; Roper and Davis, 2010). Yet, there is continued recognition in the literature that the importance of branding in industrial markets remains under-researched (Kuhn et al, 2008; Roper and Davies, 2010; Leek and Christoulides, 2011).

B2B branding has been growing in importance over the last twenty years and strong brands are recognised by many business firms as valuable resources in today’s competitive environment (de Chernatony and Lynch, 2007). Questions still persist in the marketing literature about how B2B companies design their branding strategy process and what factors may be important in the design paradigm. Despite increased interest in B2B branding, empirical studies are relatively rare (Zablah et al, 2010). Further, despite its benefits being apparent, branding is not widely used across B2B companies and there is a need for further research on the subject, as B2B branding is still in its infancy (Leek and Christodoulides, 2011).

B2B branding provides powerful benefits to industrial companies (Shipley and Howard, 1993); it provides a means of establishing industrial market positioning and is used by industrial companies that adopt a structured approach to obtain objectives by way of marketing strategies. B2B brands may be of value for all firms, including SMEs, in providing competitive advantage and as a means of not yielding an edge to larger competitors (Shipley and Howard, 1993; Krake, 2005). B2B brands may be used to build and sustain a competitive advantage (Keller, 1993; Marquardt et al, 2011).

Since B2B brands can be used to attract organisational customers, they are important to industrial marketers. It is important that industrial marketers create a positive image to all that come in contact with the company (Bendixen et al, 2004). In an industrial marketing setting, business transactions between the seller and buyer
are influenced by organisational buyer behaviour (Mudambi, 1995; 2002), and brands can enhance differentiation and positively influence buyer behaviour, as has been observed in B2C transactions. B2B branding rests on the assumption that branding offers buyers functional, emotional and inherent benefits and is used to convey a set of values to potential buyers (Leek and Christodoulides, 2011). Brands certainly influence decision making in B2B markets (Zablah et al, 2010). Strong brands reduce the uncertainty of decision making by the buyer and assist in seller firms attaining an advantage over their competitors (Keller, 1993; Marquardt et al, 2011).

The literature has substantiated the importance of B2B branding and that B2B branding enhances the success of industrial firms and makes them more competitive (Herbst and Merz, 2011). However, despite its apparent benefits, branding is not widely used across B2B companies, which is possibly due to a lack of cohesive academic theory and research knowledge (Leek and Christodoulides, 2011). It is important to know why this inconsistency exists, as the literature is extensive in supporting the importance of B2B branding (Sinclair and Seward, 1993; Mudambi, 1995, 2002; Reid and Plank, 2000; Doney et al, 2007; Lynch and de Chernatony, 2007; Wally et al, 2007; Han and Sung, 2008; Kuhn et al, 2008; Homburg et al, 2010; Zablah et al, 2010; Brown et al, 2011). It might be expected in any particular industry that it would be considered important by all firms in that industry. Yet, it has been found that some firms use their brands more effectively than their competitors within the same industry (Glynn, 2011). In addition, the belief exists that brand concepts developed for the industrial market, in general, should be applicable, irrespective of industry, to any B2B marketer (Kotler and Pfoertsch, 2007; Herbst and Merz, 2011).

While contributions to the literature have been extensive, very few address the context of either marketing or branding specifically in an Australian industry context. There is a gap in the literature addressing these areas of understanding and
knowledge. Since B2B branding is considered important for B2B marketers, do they employ a brand strategy formulation process in designing their brand and, if they do, what elements are considered vital to this brand strategy formulation?

The literature was further examined to find any connection between B2B marketing strategies and the B2B brand, and whether business processes may or may not be employed to achieve strategic outcomes. The outcome of this extended literature review is discussed in Sections 2.4, 2.5 and 2.6.

2.4 B2B Marketing Strategies

For most companies in B2C environments, attention to branding is a key element of their marketing strategy. In comparison, B2B companies often put less strategic emphasis on branding (Homburg et al, 2010). Few authors have considered what attributes business marketers can use to build a strong brand (Beverland and Napoli, 2007). It is considered crucial to align the brand and business strategy (Kotler and Pfoertsch, 2007). The development and validation of B2B related frameworks is of particular importance given the unique characteristics of B2B markets (Coleman et al, 2011). Yet, a significant body of research knowledge on the subject is lacking and brand managers have very few frameworks to guide them (Leek and Christodoulides, 2011).

This thesis argues that branding processes should be designed to develop a brand strategy formula that is aligned with marketing strategy to achieve maximum benefits from the branding process. Therefore, there is a need to plan and execute effective strategies in order to exploit opportunities and to sustain competitiveness and performance (Cravens et al, 2007). As such, B2B marketing strategies need to be investigated. Marketing strategies have received wide attention in the marketing
literature. Rather than discuss marketing strategy theory in total, specific areas are selected for examination in this study since, for market-oriented or market-driven organisations, attaining market leadership requires the combination of various dimensions of strategy into an integrated process that is market driven (Cravens et al, 1998). The promised payoff is market share dominance and profitability that is above average in the particular industry concerned (Day and Wensley, 1988).

2.4.1 B2B Marketing Activities

The study of business marketing has received wide attention in the marketing literature. A comprehensive review of the business marketing literature from the years 1978 to 1997 was conducted by Reid and Plank (2000). A summary of the most important marketing topics to emerge from their study includes market planning and strategy, general sales management, organisational buyer behaviour, buyer-seller relationships and purchasing management. The need for a value definition and value determination by the buying firm and buying centre members and to know how valuing is done by customers is interwoven into the last three sections of this summary. The outcome of this research indicates that three major areas of business marketing are highlighted, namely OBB, buyer-seller relations and value as seen through the eyes of the buyer. Publications were primarily from American sources. The relevance of these marketing strategies is discussed in more detail in Chapter 3.

2.4.1.1 Emerging Marketing Strategies

Other contributors to the subject of business-marketing activities have described strategic issues in a specific industry, company or part of the world and provide important insights into industrial marketing strategies (Hallén and Johanson, 1985; Coyne, 1986; Stalk et al, 1988; Day and Wensley, 1988; Lamb, 1990; Weinrauch et
al, 1991; Day, 1994; Hunt and Morgan, 1995; Spekman, 1995; Wilson, 1995; Hunt, 1997; Cravens, et al, 1997, 1998; Woodruff, 1997). Sustainable competitive advantage (SCA) is recognized as the goal of every competitive strategy (Coyne, 1986). For this study by Coyne, the strategy is product differentiation. Marketing strategies emerging from the contributions of the authors referred to above include OBB, buyer-seller relationships, customer value and super-value, competitive firm behaviour relying on their resource advantages by way of capabilities and distinctive competencies. Specifically, marketing strategies of small industrial marketers have been examined as well (Weinrauch et al, 1991; Reijonen and Laukkanen, 2010; Sheetal et al, 2012). What was being sought was some information that would show if marketing strategies exist that include such elements as the importance of organisational buyer behaviour (OBB), customer value, building relationships, resource based value creation and an internal marketing strategy focus. What emerged from the review of the authors referred to above are "single-ticket" marketing items rather than a framework of the marketing strategy elements proposed in this thesis.

### 2.4.1.2 One Study in an Australian B2B Context

However, studies relating to industrial marketers in an Australian context are generally lacking. An exception is a study examining strategic marketing processes of Australian companies (Joseph et al, 2001). Some useful insights flow from their study's examining the strategy development process and company performance. Their study was based on a survey of 216 usable responses from small-to-medium-sized manufacturing businesses in Australia, employing more than 50 employees. Their premise is that understanding and obtaining a sustainable strategic position is crucial for the long-term success of a business. As well, there is a need for managers to understand the importance of their role in strategy development.
Yet, it has been observed by Porter (1996), that managers have traditionally concentrated on achieving operational effectiveness rather than strategy development. Their findings show that, in the Australian firms surveyed, the role of managers is important for strategy development as over 70% of the companies rely heavily on "judgment and experience" when formulating strategy. Their prescription is that managers need to be put in place who understand the importance of their role in business and that formal processes should exist to evaluate "product/service" performance. Product/service design is considered an important factor for success and is used to predict company performance in terms of profit, sales, market share and return on capital.

Another conclusion they make, which is considered important for this thesis, is that for a company to achieve a strategic position in the market, its different elements must all pursue the same strategic thrust. Understanding and obtaining a sustainable strategic position is crucial for the long-term success of the business. Does this mean that marketing strategy elements and branding strategy elements should be used in combination in a brand strategy formulation process? If it does, it is not spelt out by the authors. It is important to know if businesses in an industrial marketing environment actually position their different elements so as to pursue the same strategic thrust. Is this current business practice in an Australian B2B industry environment? Another conclusion is the premise that a crucial input for strategy development is the role of the manager. The Joseph et al (2001) findings show that, as seen above, the role of managers is important for strategy development as, in the vast majority of companies, managers rely heavily on "judgment and experience". Is this a process that can be recognized as leading to either a formal model or an informal model within companies in an Australian industrial marketing context?
2.4.1.3 Insight Into Marketing Strategies Lacking In An Australian Setting

While providing an insight into marketing strategies in an Australian marketing context, Joseph et al’s (2001) study does not examine existing processes nor offer meaningful directions as how to formulate identifiable marketing strategies by way of processes or an associated flow chart in providing a theoretical framework. Contributions to the literature relating to strategic marketing processes of companies in an Australian industry context are seriously lacking. Have their prescriptions been taken up by firms operating in Australian B2B industries today? It is considered important to find out. One other contribution emerged that relates to the Australian industrial marketing context, but the concentration was on an application of Keller’s brand equity model rather than strategic marketing processes (Kuhn et al, 2008).

2.4.1.4 Success Factors in Business Marketing Activities

A general framework of business-marketing activities is attributed to Hooley and Jobber (1986). In a survey of 1775 respondents, they define five common factors that have contributed to the success of the top 73 performing firms. Their conclusions are based on results from the survey. These success factors are:

1. A relatively high customer orientation.
2. The ability to respond flexibly to (business) environmental changes.
3. A pro-active planning process.
4. An emphasis on product differentiation.
5. Very tight control over the marketing function and tactical activities.

A broad agreement between academic and empirical studies showing the main components of world-class marketing have been recognized in a later study and are closely related to the five common factors recognised above. Some of these are:

1. A deep understanding of the market place.
2. Correct needs-based segmentation and prioritisation.

3. Powerful differentiation, positioning and branding.

4. Effective strategic marketing planning processes.

5. Long-term integrated marketing strategies.

6. A deep understanding of the needs of major customers.


8. Professionally-qualified marketing people.


2.4.1.5 Business Strategy Processes

There is an association between business strategy and performance, but a process is needed to plan effective strategies and their execution in order to exploit opportunities and to sustain competitiveness and performance. For market-oriented or market-driven organisations, attaining market leadership requires the combination of various dimensions of strategy into an integrated process that is market driven (Cravens et al, 1997). Marketing may be described as the process for a number of activities. These include defining markets in terms of needs, quantifying the needs of the customer groups (segments) within these markets, putting together the value propositions to meet these needs, internally communicating the value propositions, using communications to deliver these value propositions and monitoring the value actually delivered (de Chernatony et al, 2011).

Why is marketing important to businesses? Basically, all businesses rely on customers to enable them to survive since, without customers, it could be argued there is really not much reason to be in business. The marketing concept is a philosophy that makes the customer and the satisfaction of the customers’ needs “the focal point” of all business activities. Marketing is recognised as a very important
function as it contributes greatly to the success of the organisation. Marketing is a specific business activity that fulfils a fundamental business purpose and, to be successful, organisations need to be customer-driven. Most marketing strategies are aimed at generating growth in sales revenues and profits (de Chernatony et al, 2011). Or, put another way, a company’s strategy consists of the competitive moves and business approaches that managers employ to attract and please customers, to compete successfully, grow the business, conduct operations and achieve targeted objectives (Thompson et al, 2005).

2.4.1.6 Identifying Formal Marketing Strategy Processes

Formal marketing-strategy processes may be difficult to identify in many organisations (Hallé and Johanson, 1985; Weinrauch et al, 1991; Joseph et al, 2001; Cravens et al, 2007). It is axiomatic that existing firms in an industry continue to exist, because their marketing strategies, whether formal or not, or whether they exist in an unwritten form in the mind of their management, fulfill the needs of their customers. Effective marketing, in effect, meets the needs and wants of the buyer whether they are tangible or intangible and, as such, deliver on the value propositions of the buyer. Thus, a relationship is formed with the customer. Effective marketing convinces the buyer that not only is the offering a more preferable choice than its competition but it is clearly the only choice. This relationship is personified by a brand. As such, it leads to the creation of a brand. This thesis contends that a branding strategy process is needed to connect the vision of the brand to proven market strategy elements working for the firm to develop a market strategy/brand strategy combination designed and executed to maximise sustainable competitive advantage.

If brand strategy formulation development is to be linked to marketing strategy then there needs to be recognition of the necessity of a business process to achieve the
designed outcome. To achieve this outcome, knowledge of business process modeling can be said to be a basic requirement, which is discussed in the next section.

2.5 Business Process Modeling

A business process model may be used by businesses to provide a common understanding and analysis of a business process to provide a comprehensive understanding of the process. The process model is a set of activities that has the structure presented in logical order and the objective of depending on these activities to produce a desired result (Aguilar-Savén, 2004).

Yet, while the practical relevance of business process modeling may be undisputed, a clear scientific foundation is missing, as is a clear definition of the related acronyms (van der Aalst et al, 2003). Much confusion and uncertainty still prevails as to what the term actually represents. As well, while several of the business models focus on defining the term and proposing various technologies, none has become generally accepted (Sumaiyah et al, 2008).

When applied to marketing, the strategy process is the manner in which strategies come about and may be thought of as being concerned with the “how”, “who” and “when” of strategy. It may be analysed, dreamt-up, formulated, implemented, changed and controlled. Who is involved? When did the necessary activities take place? The product of the strategy process is the strategy content. However, a sharp definition of strategy is illusive, since there is no simple answer to the question of what strategy is (Thompson et al, 2005; de Wit and Meyer, 2010).
2.5.1 Formulating Strategy

Corporate strategy is recognised as an organisational process related to and in many ways inseparable from the structure, behaviour and culture of the company. From the process, two aspects of strategy are nominated that, while inter-related in real life, may be separated for analysis. These are formulation and implementation (Aguilar-Savén, 2003; de Wit and Meyer, 2010; Sheetal et al, 2012). This thesis embraces the concept of the formulation of strategy where the strategy formulation process of a company assumes that strategies are analytically objective in estimating the relative capacity of their company and the opportunity they see or anticipate in developing markets.

In regards to formulating strategy, managers face three central questions in thinking strategically about their company’s present circumstances and prospects:

1. Where are we now?
2. Where do we want to go?
3. How will we get there? (Thompson et al, 2005).

The first question concerns the current position of the firm as to its market standing, the appeal of its products or services to customers, the competitive pressure it confronts, its strengths and weaknesses and its current performance. The second question relates to the direction in which management chooses the company to go in terms of growing the business and strengthening that company’s market standing and financial performance. The third question concerns crafting and executing a strategy to get from 1 to 2.
2.5.1.1 Marketing As A Strategic Process

A company’s strategy consists of the competitive moves and business approaches that managers employ to attract customers and please them, to compete successfully, grow the business, conduct operations and achieve targeted objectives (Thompson et al, 2005). Their strategy-making, strategy-executing process is shown in the diagram below.

**Figure 2.1  The Strategy-Making, Strategy-Executing Process**

Source: Thompson et al (2005, p. 18)

In contrast to the above, Wright (2004) argues that marketing as a B2B activity is a strategic process that includes developing and matching the resources of an organisation to meet the needs of the target audience better than the competition, while taking the demands of the market environment into account.

A process model that integrates perspectives concerning strategic management was proposed by Cravens et al (1997). Here, business process modeling is integrated
into market strategy by way of a business process model. Their model consists of five process stages, which correspond to five distinct, inter-related strategic areas of relevance:

1. Placing customers and competitors at the centre of strategy formulation and execution. Management action starts with understanding the market and competition and with a value proposition that corresponds to the customer needs and wants.

2. Selecting the right avenue to providing superior customer value by matching customer requirements of the value proposition that corresponds to the needs and wants.

3. Selecting the organisation's distinctive capabilities for delivering superior customer value where the most competitive advantage can be gained and is superior and different to competitors.

4. Employing the organisation's distinctive capabilities to form collaborative relationships with suppliers, customers and competitors.

5. Addressing the implementation of re-invented strategies to continually achieve an alignment between the management capabilities and other external changes, including market opportunities.

2.5.1.2 Lack of Empirical Evidence

However, Cravens et al (1997) admit their process model above is not supported by an integrated body of empirical evidence. A conclusion of a review of Reid and Plank (2000), is that a need for further research into Business-to-Business Marketing (BBM) still exists, even after considering what knowledge, understanding and insight may have been gained over the past 30 years. In a commentary on Reid and Plank's review, Woodside (2000) makes the point that there is a lack of BBM process research and that process research often includes direct observation of specific
meetings and decisions, rather than mail surveys. For achieving deep understanding of behaviour and the decision-making processes, direct observation is a necessary requisite. For this to be achieved, the planned case study methodology adopted for this thesis is discussed in Chapter 4.

Different companies have different processes, since the same companies have different understandings of what they are aiming at, want to be or want to do. In addition, companies seldom formulate and publish a complete strategy statement. Allowing that companies may not have a published strategy statement and that different companies have different processes (de Wit and Meyer, 2010) there is a lack of, or limitation to process research in BBM (business to business marketing) (Woodside, 2000); also, the majority of B2B research does very little to tie strategic thinking and marketing (Spekman, 2000; Woodside, 2000). This may well be the case and this research is concerned with investigating whether there is also a lack of or limited process activity in an Australian B2B environment, particularly in the area of brand strategy formulation. It may be that there is a similar lack of branding process theory.

2.5.1.3 Important Marketing Strategy Elements

Emerging from the review of the extant marketing literature are identifiable elements of B2B marketing strategy that have academic and empirical support. These include competitive advantage (including industry position), OBB, relationships, providing customer value, (demand side), delivering value by competing on resource based competencies and capabilities (supply side) and top down management direction. These elements are examined in order to provide a framework for discussion as to whether existing brand formulation strategies are linked with these marketing elements by firms operating in any given industry and why they should be linked.
Before addressing these elements in turn, the literature was examined to discover what is known that relates to aligning brand strategies with marketing strategies, together with any models that may exist.

A summary of this point in the literature review relating to business marketing has revealed a general framework of business marketing by Hooley and Jobber (1986), and an association between business strategy and performance in order to exploit opportunities and to sustain competitiveness and performance by Cravens et al (2007). Crafting and executing strategy is a managerial process (Thompson et al, 2005).

2.6 Branding Processes

The literature was further examined to discover if branding processes exist and are being used by market-oriented firms integrating brand strategy formulation in combination with their marketing strategies. While a judicious choice of brand elements may make some contribution to building brand equity, the biggest contribution comes from marketing activities related to the brand (Keller, 2008). Keller (2008) further presents a strategic brand-management process for key concept areas, one of which is to plan and implement brand marketing programs. In this step, the process is to mix and match brand elements, while integrating brand marketing activities and leveraging secondary associations. When it comes to choosing brand elements, no marketing elements are considered. Without specifically mentioning a link to business-marketing processes, he does, however, present a list of fundamental questions that are asked about brands. Yet, the focus is on what customers "invariably" asked about brands. In relating them back to his four-step process, it is unclear whether they are perhaps part of a process:

1. Identify and establish brand position and values.
2. Planning and implementing brand marketing programs – mixing and matching brand elements or identities, which make up the brand, with marketing activities and supporting the marketing program and the way that the brand is integrated into them.


He further elaborates on some of the terms used above. He describes "using brand elements" as choosing brand names and logos and similar brand pictures, and he advocates marketing programs to create strong, favourable and unique brand associations. In designing and implementing brand strategies, Keller (2008) does not include or even refer to marketing elements linked to brand strategies. Instead his choice of brand elements include brand names, logo, symbols, character, packaging and slogans to engender memorability, meaningfulness, appeal, transferability, adaptability and protectability. In a reference to small business, while recognising building brands is a challenge because of their limited resources and budgets, he does not connect marketing elements with brand elements in brand-strategy formulation.

In business-marketing processes, questions are asked by management, such as:

1. Where are we now?
2. Where do we want to go?
3. How will we get there? (Thompson et al, 2005).

In a branding context, and not to be confused with branding processes, the questions considered by Keller (2008) are those contributed by the customer. They are:

1. Who are you? (Brand identity)
2. What are you? (Brand meaning)
3. What about you: what do I think or feel about you? (Brand responses)
4. What about you and me? What kind of an association and how much of a connection would I like to have with you? (Brand relationships)

This is a more detailed approach than that proposed by Park et al (1986) in an earlier work under the heading of brand concept image-management. Here, the concept of the brand is selected prior to market entry and may consist of functional, symbolic or experimental elements. Is it possible for the questions considered by Keller (2008) to be linked or combined with the existing business marketing process that can form a combined process to develop a brand strategy formula? Are processes able to be identified in firms operating in an Australian industrial marketing environment? The literature is lacking in providing answers.

Contributions to the marketing and branding literature are few relating to the subject of branding processes. A paper describing the steps and processes in creating a comprehensive framework involved in creating a new brand is attributed to Rozin and Magnusson (2003) who described an actual business case and the process adopted by the Dow Corning Corporation in creating a new global business-to-business brand. Dow Corning faced a serious challenge in that, while it was defending its Dow Corning brand at the premium end of the silicon market-place, its brand was being attacked at the low end of the market by a variety of competitors, both foreign and domestic. Many of these had not invested in innovation, long term plant capacity and service, and support infrastructure. Price became the pre-dominant factor in the purchasing decision-making in a sizeable segment of the market. The challenge for Dow Corning was to protect their brand as a product innovator and world leader in silicon-based technology and yet, at the same time, to offer certain customers, who viewed silicon products as commodities, "no frills" high quality products with reliable supply and low prices. To achieve this, the company decided to establish a separate business unit with a new business model that would be the direct opposite of what
the Dow Corning brand stands for. As such, a new separate brand was needed. The company established stated objectives for the creation of a new business model and a new brand. It was deemed essential for the brand strategy to be supported by the business strategy, since everything a business does is a reflection of the brand.

While this was not a case study, but rather one of observation, a description of their brand process is of interest. A summary of the process was that their new brand, Xiamater, was formulated to be different from the Dow Corning brand by incorporating a low price value proposition, reinforcing relationships with the buyers and involving an internal brand focus. Overall, it was recognised brand needed to be supported by their business strategy. Apart from the reference that the brand strategy should be supported by the business strategy and a reference to the elements stated above, little was presented in the way of processes that included identifying specific marketing strategies and seeking to link them into a brand strategy formula.

More recent publications include those of Keller (2008), who detailed two empirical examples such as Intel and General Electric (GE). Another contribution is that of de Chernatony et al (2011), where attention is devoted to "understanding the branding process". However, the "branding process" appears not to have been presented as a process that may be a guide to business, but rather as an explanation of what a brand is. Even when discussing "an output process", they assert that branding is usually seen as something that is done to consumers rather than branding as something that consumers do things with (de Chernatony et al, 2011).

A review of the literature concerned with branding in small to medium enterprises (SMEs) leads to the observation that a lack of attention exists in the particular area of the branding process (Knox, 2004; Krake, 2005; Wong and Merrilees, 2005; Tuominen et al, 2010; Reijonen and Laukkanen, 2010). While various prescriptions
are offered in the literature relating to a brand, empirical studies are relatively rare that make use of such prescriptions with respect to company size, industry marketing environment and geographical location.

2.6.1 Crafting and Executing Brand Strategy

What does the process of crafting and executing a brand strategy formulation process entail for a market-oriented company? Is the outlook for the company just as promising if it does nothing about its brand? Given that a brand is said to be a means of offering a sustained form of competitive advantage (Beverland et al, 2007), by providing differentiation and positively influencing buyer behaviour, brand strategy formulation processes take on added importance as the first step in a brand formulation exercise. To develop an integrated approach in the search for superior customer value, managers have to ensure that the context of the brand will embrace culture, know-how and organisational systems and processes, as well as the company products (Knox, 2004).

It has been seen that crafting and executing strategy is a managerial process (Thompson et al, 2005). The aim of a business process model is to improve business performance by optimising the efficiency of connecting activities in the production of a product or service and is linked to quality management. A business process model is usually a diagram or flowchart representing a sequence of activities. Yet, from a review of the extant literature, a brand formulation strategy process model or flowchart has been found to be lacking.
2.6.1.1. Processes To Position And Branding An Organisation

Knox (2004), in discussing positioning and branding an organisation, presents a model for brand development that embraces the whole organisation and everybody in it. He recognises there is no simple approach, nor can it just be a basic set of decisions to be made. All this is well and good. Therefore, one would expect the processes that lead to positioning and branding the organisation would be prescribed. Yet, no remedy is offered by way of brand formulation processes. While he advocates that aligning processes is for senior management, his attention is mainly focused on ensuring that customer value can be delivered consistently, as evidenced by a recognition that “the brand values are delivered through very effective customer development and asset management processes” (Knox, 2004, p. 111), which are based on product/service performance and company reputation. End-to-end process management encourages the involvement of customers at one end and suppliers at the other. Yet, Knox (2004) recognises that the context of the brand has to embrace culture, know-how and organisational systems and processes, as advocated by Doyle (1998). However, this article is long on discussions of creating value through the activities of the entire company, but short on actual processes in selecting other brand elements and incorporating them into a brand strategy formulation that links marketing strategy.

2.6.1.2 Attention To Processes

Urde (1999) recognises that there has been, as yet, no fundamental discussion about the way in which brands are mentally approached or consist of over-arching conceptual frameworks that are used by companies. Having said that, Urde (1991) does not attempt to discover what processes may or may not exist, but jumps straight into a discussion of strategy. In a discussion of branding strategy, he begins by
noting the marketing strategy of a market-oriented firm as an "unconditional response" to customers’ wants and needs. From here, he says that the brand can be seen as an unconditional response to customers’ wants and needs as well. In other words, the marketing concept and the brand concept have the same focus; but he further elaborates that market orientation can come into long-term brand development when achieving competitive advantage is the aim. Again, it is found that while the prescriptions and descriptions of branding are worthy of further examination, any attention to processes is lacking.

2.6.1.3 Lack Of Brand Strategy Processes

Wong and Merrilees (2005) addressed the role of branding strategy in SMEs by examining eight cases in a service industry in Australia. While covering such topics as brand management, brand orientation, brand barriers, brand distinctiveness and brand and marketing performance, they concluded that the managerial implications of the research findings suggest that branding is considered relevant to SMEs. Yet, brand-strategy processes are not discussed.

A similar outcome was observed by Wong and Merrilees (2007), where they attempted to link brand performance as an efficiency tool to close the gap between their marketing strategy targets and realised shortfall. Brand performance is the focus. Process prescriptions are markedly lacking. A later paper by the same authors, in a quantitative study of a large number of Australian businesses, suggests that firms could adopt the branding mantra as a foundation to their marketing strategies. Yet again, processes to achieve this are not discussed (Wong and Merrilees, 2008).
The challenge is how to create branding processes that formulate strategies that accomplish what Thompson et al (2005) considered in a marketing context, namely to attract customers and to please them, compete successfully, grow the business, conduct operations and achieve targeted objectives. The manner in which strategies come about is the strategy process. It may be analysed, dreamt-up, formulated, implemented, changed and controlled. It requires someone to be involved and an appointed time when the necessary activities take place. The strategy content is the product of a strategy process (de Wit and Meyer, 2010). The literature review has shown that brand-strategy-formula processes are lacking.

2.6.2 Marketing Elements

Having established a gap in the literature relating to brand strategy formulation processes, the literature was examined to establish if linking specific branding elements to nominated marketing elements was a business practice. Further, where brand-strategy elements are discussed and brand frameworks are presented, do firms link brand strategy elements and marketing elements in a brand strategy formulation?

As such, important marketing strategies are identified in the literature as leading to a sustainable competitive advantage (SCA). The objective was to narrow the research to specific marketing elements that had been identified in the literature as important in leading to sustainable competitive advantage (SCA) and to look for any evidence of brand elements being linked with them, particularly in a brand strategy formula. These marketing elements are categorised and briefly described below.
2.6.2.1 Marketeting Elements Categorised

Positioning by way of distinctive competencies that provide superior customer value, coupled with relationship marketing, can be argued as being the pathway to market leadership (Cravens et al, 1998). Another area of marketing strategy identified is relationships. Collaborative relationships are part of many successful business strategies (Cravens et al, 1997). Relationships have existed between buyer and sellers from the earliest of times, but have now acquired a more important status by becoming strategic as firms strive to achieve their goals and deliver trust, friendship and an ability to cooperate in achieving mutual goals and performance satisfaction (Day, 1994).

Customer value is related to customer satisfaction and these terms describe the evaluative judgments about products. Learning about what the customer's "needs and wants" leads to creating customer value and delivering strategy that is linked to competitive advantage (Woodruff, 1997). Most business marketing strategy models acknowledge the importance of providing customers with superior value in their purchases and meeting customer value expectations (Cravens et al, 2007).

Next is the creation of value based on resource based value strategies. Competition consists of a constant struggle among firms for a comparative advantage in resources that will yield a position of competitive advantage (Hunt and Morgan, 1995). Competitive success depends on identifying and transforming key processes into strategic capabilities (Stalk et al, 1992).
2.6.2.2. Linking Of Marketing Strategies Into Brand Strategy Formulation

The literature was examined to discover if processes linking the marketing strategies identified above into a brand strategy formulation have been investigated, particularly as it has been suggested that corporate branding can be thought of as a set of activities that aims to align different strategic elements (Sheikh and Lim, 2011). However, few instances were observed. Further, no empirical study has investigated the relevance of the internal anchorage of the brand concept to the success of a B2B marketing strategy (Baumgarth, 2010).

In the example of the Dow Corning Corporation referred to above, the company faced the commoditisation of their product lines and risked falling into the commoditisation trap (Keller, 2009). It would be expected that they would be an example of how to develop a brand-strategy-formulation process, since it had been decided that a new brand was needed, known initially as Brand X. A brand strategy platform was developed consisting of brand values. A selection of brand elements was made. It was a matter of prime importance that the brand strategy supported the business strategy and that the brand strategy was in alignment with the long-term business strategy (Rozin and Magnusson, 2003). However, while the importance of the brand strategy supporting business strategy was considered important, there was a lack of references to the marketing elements referred to above.

There is limited discussion in the B2B literature linking the brand with the identified marketing strategies, yet the starting point for industrial marketers is to identify brand values that build on the organisations’ competencies and culture (Lynch and de Chernatony, 2007). Since a brand is a reflection of everything a company does, a holistic branding approach requires a strategic perspective (Kotler and Pfoertsch, 2007). Yet, there is an absence in the literature regarding how to align the identified
marketing elements strategically into a brand strategy formulation model. As such, these marketing strategies will be examined in turn as to what alignment exists with branding elements. However, before turning to these strategies, attention is drawn to other attributes or elements of branding considered to be of importance.

2.6.3 Brand Elements

Earlier studies have demonstrated the general relevance and significance of a wide range of brand elements. One is a focus on the buyers’ perspective and OBB. Important elements in this context are ordering and delivery service, physical product properties (tangible elements), price and the quality of working relationship (Mudambi, 2002). Other important elements are differentiation, relevance, esteem and knowledge (Rozin and Magnusson, 2003). Others are differentiation and added value (Krake, 2005) and values that reflect the competencies of the brand, such as loyalty, trust and relationship quality developed by satisfaction and commitment (Rauyren and Miller, 2005; Caceras and Paparoidamis, 2007; Doney et al, 2007; Roberts and Merrilees, 2007). Yet even more are price, quality and support services (Roberts and Merrilees, 2007).

Similar to these are product, service, logistics and advice (Beverland et al, 2007). Others are increasing information efficiency, risk reduction and value-added/image benefit creation, the linking of tangible and intangible brand associations with quality, reliability and performance, supply reputation and relationships (Kuhn et al, 2008). Some others include functional and emotional values and a knowledge of which value is important to the needs and behaviour of B2B buyers (Lynch and de Chernatony, 2007), corporate credibility, the framing of value perceptions, functionality, emotional attributes, such as customer service, security, social approval and self respect (Keller, 2009).
2.6.3.1 Other Important Elements

Other important elements are supplier reputation, relationships with suppliers and decreasing the purchase risk (Kuhn et al, 2008; Brown et al, 2011; Backhaus et al, 2011). Still more have been identified including transactional performance, commitment relationship, quality, switching cost, brand loyalty (Han and Sung, 2008), brand trust, buyer satisfaction, purchasing value, supplier competence and internal values (Baumgarth, 2010; Sheikh and Lim, 2011). Finally, the link between a set of values including relationships and relationship creation, and creating value is recognised (Glynn, 2011; Leek and Christodoulides, 2011).

This section has identified a lack of agreement relating to what brand attributes or elements are important in brand strategy formulation. Past research has been found to be somewhat fragmented and the research knowledge, although significant, lacks cohesion and provides very few practical frameworks for B2B practitioners (Leek and Christodoulides, 2011). The next chapter discusses the marketing strategies and the brand strategy link.

2.6.3.2 Conclusion

This chapter has served to introduce the literature review. The concept and definition of branding, as presented in the literature, were examined to discover how a brand is defined and what a brand entails. The branding literature was examined to provide a knowledge base of B2C branding, before moving onto the subject of B2B branding. B2B marketing strategies and activities were then the focus with a view to discovering what marketing strategies were considered important to market-orientated businesses, particularly those whose vision was to not only have
competitive advantage but to recognise processes that could lead to sustained competitive advantage.

Business processes were then examined as they applied to marketing. As brand development was considered to be an outcome of a business process, much like any other business processes including marketing, an undertaking of business process modeling literature was reviewed that included a strategy-making, strategy-execution process model. Branding processes were then examined in order to discover what the literature reveals about crafting and executing brand strategy. The chapter concluded with a preliminary discussion of brand strategy and marketing strategy elements.
3.1 B2B Marketing Strategy / Brand Strategy Link

Chapter 3 continues the literature review of the extant marketing and branding literature. The aim is to discover if brand elements in a brand formula or structure have been linked to strategy marketing elements. These are reviewed in turn. The chapter presents a critical review and identifies gaps in the B2B branding literature, which give rise to the research question and research objectives. The conclusion follows.

The chapter is structured as follows. In Section 3.1, a marketing strategy/brand strategy link is investigated based on the marketing strategies that emerged as being considered important by contributors to the literature, as introduced in Chapter 2. Section 3.2 examines the extant marketing literature to identify important marketing elements. A critical review of the literature and an identification of gaps in the knowledge base, which lead to the formulation of the research question and research objectives, is found in Section 3.3. Section 3.4 presents the research question and research objectives. Section 3.5 is the conclusion of the chapter.

In this chapter, the literature review of the extant marketing and branding literature is continued. The aim is to discover if brand elements in a brand formula or structure have been linked to strategy marketing elements. A B2B marketing strategy/brand strategy link is discussed. In the last chapter, the literature was reviewed relating to
existing theoretical and practical brand knowledge and, more particularly, what a brand entails. The differences between B2C and B2B branding were highlighted. The literature was further examined for information relating to B2B marketing strategies and the brand to enable informed discussion of brand processes. In the context of this thesis, it was considered necessary to have an understanding of business process modeling in relation to making strategy and to consider a strategy execution process. The literature review was widened to look for branding processes theory and/or practice. The conclusion is that brand strategy formulation processes were generally lacking.

The extant branding literature has shown that brand elements support individual marketing elements in many instances. The literature identifies a number of areas where such links have been established. These areas include industry position and competitive advantage, OBB, relationships, customer value, the creation of value based on the competencies and capabilities of the firm, and internal branding. These areas are examined in turn to learn the extent of such associations.

### 3.2 Marketing Elements

A number of marketing strategies emerge from the extant marketing literature that are found to be important for market orientated companies. These are briefly discussed in turn.

#### 3.2.1 Industry Position and Competitive Advantage

The industry position represents the relative ranking of a brand, product or company as reflected by sales and/or customer recognition and also represents the position or standing of the company in the industry at any given point of time. To market orientated
or market-driven organisations, attaining market leadership requires the combination of various dimensions of strategy into an integrated process that is market driven (Cravens et al, 1997). The dominant market position means that the company has been well differentiated and that customers perceive greater value, anticipating the leading company or leading brand to be superior in some way (Cravens et al, 2011).

The pursuit of market leadership and large market share is considered primarily important because of the competitive advantage and profitability that accrue to being the industry’s biggest company (Thompson et al, 2005). If this is so, it could be expected that if the firm has a focus on their industry position, it could well signal that they are market oriented or market-driven and that there could be a combination of various dimensions of strategy associated with a market driven integrated process. Is this the case in the Australian context of firms operating in B2B industries?

3.2.1.1 Competitive Advantage

Arguably, branding contributes to competitive advantage and, thus, should be a goal of every competitive strategy (Bendixen et al, 2003; Ohnemus, 2008). So, what is competitive advantage? In attempting to answer this question, the following is considered, since, while the term superficially may be self-evident, virtually no effort has been made to define it explicitly. Any business that sells their goods or services at a profit enjoys a competitive advantage with those customers who choose to buy from it rather than its competitors (Coyne, 1986). Further, competitive advantage is meaningful in strategy only upon meeting three distinct conditions:

1. Customers perceive a consistent difference between the important attributes of a producer’s product and service and those of its competitors.
2. That difference is the direct consequence of a capability gap between the producer and his competitors.
3. Both the differences in important attributes and the credibility gap can be expected to endure over time.

These conditions are embedded in "key success factors" (KSF), "degrees of freedom or "lower costs or higher value to the customer".

"The comparative advantage theory of competition identifies the search for a comparative advantage in resources as the powerful motivation for not only the efficient use of existing resources but also for the creation of new ones" (Hunt and Morgan, 1995, p. 8). Competition consists of the constant struggle among firms for a comparative advantage that will yield a higher market place position in competitive advantage and, thereby, superior financial performance.

Day and Wensley (1998) discuss a framework that is based on assessing the firm. They recognise that a criticism of the concept of competitive advantage is that there is no common meaning of the term in practice or in the marketing literature. The term is sometimes used interchangeably with "distinctive competence", to mean relative superiority in resources and skills. Another widely held meaning is positional superiority, which is based on the provision of superior customer value or lower relative cost. The usual result is greater market share and profitability performance. They identify strategic choices that utilise key success factors of accurately identifying the handful of skills and resources that have the greatest leverage on position and performance as necessary managerial inputs to achieving competitive advantage.

Only when a point of advantage offers significant benefits that are perceived and valued by customers and are difficult for competitors to emulate, can they be exploited profitability (Day and Wensley, 1988). The marketing literature is lacking in
providing empirical analyses of the relationships between effective competitive advantage and the position of any given company in their industry position ranking. This study addresses this gap in the section relating to competitive advantage, where questions are asked of the respondents in the case studies selected for this thesis as to their ranking in their particular industry.

3.2.1.2 Alignment Of Marketing And Branding Strategies

Aligning marketing strategies and branding strategies to achieve competitive advantage is recognised in the literature and sustainable competitive advantage has long been recognised as having a secure place in strategic thinking (Coyne, 1986). One of the first references relating to a reason for industrial branding is that of competitive advantage. The investigation by Sinclair and Seward (1988) of companies producing plywood products found that 68% of respondents to the survey relating to industrial branding claim that "their branding strategy provided a higher degree of protection from competition than by selling their product line generically" (Sinclair and Seward, 1988, p. 26).

Newcomers to a market are only too well aware that there is a great difficulty in trying to compete against established brands (Thomas, 1993). In another case study that investigated the role of branding in the industrial purchase of agricultural tractors in the U.K., the overall conclusion of the researchers was that branding can play an important role in industrial purchasing decisions, with brands being an important source of competitive advantage. This is relevant because it is claimed to be the basis for above average corporate performance in business and industrial marketing (Wally et al, 2007). To maintain the sustainable competitive advantage offered by the brand, companies need to concentrate their resources and structures around this most important asset (Kotler and Pfoertsch, 2007).
3.2.1.3 Brands, Differentiation And Competitive Advantage

That brands offer a crucial point of differentiation and a sustainable form of competitive advantage for B2B marketers is increasingly being recognised (Beverland et al, 2007), as is the knowledge that B2B product and service providers stand to gain sustainable advantage through the development and strategic use of the brand (Gordon et al, 1993; Bendixen et al, 2003; Han and Sung, 2008). A strong B2B brand can provide significant competitive advantage (Keller, 2009); and sustainable competitive advantage is also offered by brands (Keller and Pfoertsch, 2007).

Since branding has been argued as helping to build sustainable competitive advantage, the inclusion of elements in a brand strategy formulation is of high priority for any firm serious about its positioning in their industry and about maximising demand for its products. To understand more about the role of brands in a specific market, it is necessary to investigate buyers' behaviour and their decision-making processes (Blombäck and Axelsson, 2007).

3.2.3 Organisational Buyer Behaviour

OBB is a characteristic of B2B marketing. Organisational buyers may consist of a single buyer, a buying team or a buying centre (Webster and Wind, 1972). The organisational buying centre has been recognised as being important in a marketing context (Kuhn et al, 2008). Understanding a buyer's needs and concern for the buyer's welfare has been identified as a marketing objective (Doney et al, 2007) and, when linked to a branding strategy, it must accommodate the perspectives and needs of all buying centre members (Lynch and de Chernatony, 2007) and create buyer satisfaction (Han and Sung, 2008) for a B2B brand to succeed.
3.2.3.1 A Link Between Branding And OBB

An early notable attempt to link branding and OBB was advanced by Mundambi (2002), when she included OBB in her conceptual model of industrial branding. A basic concept of her model is that, in a B2B context, branding offers customers functional and emotional benefits. In the development of the model, branding attributes are placed into the context of OBB, with the recognition that buyers consider these bundles of attributes, namely the product, the augmented services and branding. The research methodology used a series of exploratory interviews, followed by a survey of industrial buyers in the U.K., with the purpose of generating data to allow an analysis of the buyers and purchase situations, in particular, to provide an insight into the perceived importance of the attributes referred to above. Conclusions are that, for most marketers, the company brand will remain the focus of the branding strategy since, to industrial buyers, the brand can signal expected brand performance.

3.3.3.2 Tangible And Emotional Elements Of A Brand

In the discussion of tangible and emotional elements of the brand, examples given are price and physical properties of the product as tangible elements. Emotional elements are described as brand receptive and as perceived in the eyes of the purchaser. The second group of elements is described as brand receptive, with perceived branding elements being more important. These elements consist of the firm’s perception as to how well known the manufacturer is, their general reputation and the number of prior purchases made from the manufacturer.

Other identified aspects are perceptions of the quality of ordering and the delivery service, and the quality of the working relationship. In the third cluster, or “low interest
cluster”, none of the attributes are perceived to be more important than in the other clusters. Price, technical support service, reputation of the supplier or how well known the supplier is are not of more particular interest. The importance of both tangible and intangible attributes have long been recognised (Abratt, 1986; Shaw et al, 1989; Mudambi et al, 1997; Bendixen et al, 2004; Lynch and de Chernatony, 2004; Beverland and Napoli, 2007; Blombach and Alexsson, 2007).

The link between industrial branding and OBB is also recognised by Blombach and Axelsson (2007, p. 420) who state that, “to understand more about the role of brands in a specific market, it is necessary to investigate buyers’ behaviour and decision making processes.” Research designed to investigate the role of the corporate brand image in the context of a selection process of new sub-contractors by selected companies found that corporate image and corporate brands have a salient role in the buyers’ selection process, with reputation being of prime importance. Other factors, such as the geographical location of the seller, size capability and reliable and technical competence, are of lesser importance. In other words, selection patterns of industrial buyers in the industries studied are of firm evaluation above product evaluation. This does not deny that practical and production factors do play a role, but the ability of the firm to display a trustworthy brand image is also of significance. This conclusion confirms that of de Chernatony and McDonald (1998), namely that industrial buyers are primarily concerned with the company’s overall brand identity, rather than with the specific product they want to buy. These conclusions fit the second cluster of firms as identified by Mudambi (2002) and referred to above.
3.2.3.3 Organisational Buyers And Brand Trust

Han and Sung (2008) link organisational buyer satisfaction with industrial brand trust. Their research model was developed after conducting a survey of a broad range of industries and sizes of firms. The model examines brand value issues within the general supplier-buyer environments of the comprehensive industrial market. They seek answers to the following questions:

1. What is the impact of industrial supplier competence on purchasing value and organisational buyer satisfaction in the industrial market?
2. How does purchasing value impact organisational buyer satisfaction?
3. What is the effect of purchasing value and organisational buyer satisfaction on brand trust and loyalty?

Other issues examined relate to relationship quality and commitment, and will be examined in Section 3.2.4. Their study found that, in general, supplier competence, purchasing value and organisational buyer satisfaction may well have a greater direct or indirect effect on brand trust and loyalty.

In their model of brand equity, as based on the Keller (2003) model, Kuhn et al (2008) recognise the importance of the buying centre members in any assessment of OBB. Brand value, brand loyalty and the relationship between the customer and the brand are recognised, but their presentation seems to lack cohesion in presenting a workable guide to understanding OBB for brand strategy formulators to follow. Reid and Plank (2000) suggest that understanding how the purchasing process defines value for individuals, as well as for the organisation, is the crux of understanding how to market to an organisation. Han and Sung (2008) have come to a similar conclusion in that management needs to identify what industrial customers do value and how to continually create net worth for them. However, both recognise the need
for further research, with Reid and Plank (2000) identifying the testing of OBB and buyer-seller models as the key topic in need of further research. While this has been widely addressed (Mudambi, 2002; Keller, 2003; Bendixen et al, 2004; Lynch and de Chernatony, 2004; Blombäch and Alexsson, 2007; Beverland and Napoli, 2007; Han and Sung, 2008; Kuhn et al, 2008), the incorporation of the components of OBB as a defined strategic part of a holistic branding formulation model still seems to be lacking.

### 3.2.3.4 Organisational Buyers And Risk

Organisational buyers are exposed to different risks with a personal risk dimension as well as an organisational dimension (Kuhn et al, 2007; Homburg et al, 2010). The research shows B2B customers use well-known brands to reduce risk, more particularly with complex products, especially if product failure would create harm to the company or to the buyer personally (Backhaus et al, 2011). To the industrial buying centre, B2B brands fulfill an information function, provide functional brand associations and can show that the company represents solutions to problems and thereby promotes and fulfils a risk reduction function. This builds trust and develops trustworthy relationships by establishing emotional connections with their buyers. Emotional connections can effectively differentiate firms and a firm may use them to effectively distinguish themselves from their competitors. Organisational brands also fulfill a prestige function by the buyer's alignment with a prestige supplier (Glynn, 2011; Herbst and Merz, 2011). B2B customers use well-known brands to reduce risk, more particularly with complex products, especially if product failure would create serious harm for the company or harm the buyer (Backhaus et al, 2011).

There is growing empirical evidence that brands do influence organisational branding decisions and can play an important functional role in business markets as signals of
product quality and overall relationship experience (Homburg et al, 2010; Brown et al, 2011). As such, the supplier should have knowledge as detailed as possible as to the processes involved with organisational buying (Reid and Plank, 2000). The literature seems to be lacking in providing information as to the extent of the use of this information in brand strategy formulation by B2B marketers.

### 3.2.4 Buyer-Seller Relationships

In the quest to further our understanding of the role that relationships may play in brand strategy formulation as it links with relationship marketing strategy, the extant marketing and branding literature was examined in the context of relationships.

Building relationships is often regarded as the most important element of B2B marketing strategy (Day, 1994; Cravens et al, 1998; Reid and Plank, 2000; Woodside, 2000). Relationships between buyers and sellers traditionally develop over time as trust and friendships develop. However, it is recognised these relationships are also strategic as firms strive to create relationships to achieve their goals (Wilson, 1995; Rauyren and Miller, 2006). This is considered to be a better outcome than buyers and sellers acting as adversaries in the bid to lower prices and, subsequently, costs. Rather, a relationship has the potential for buyers and sellers to lower buyer and seller operating costs by way of relying on a single supply source and thereby reducing associated procurement and stockholding costs (Wilson, 1995). If the seller understands a buyer's needs and has a concern for the buyer's welfare, the buyer's trust is likely to increase (Doney et al, 2007).
In the quest to further our understanding of the role of relationships in brand strategy formulation, the extant B2B branding literature was examined. In a comprehensive review of the marketing literature over a twenty year period, Reid and Plank (2000) identified and described different aspects of relationships. They found that research into buyer-seller relationships overlaps many areas of business marketing, such as OBB, sales and purchasing. One aspect identified is that relationships are not just B2B, but also involve individual-to-business and individual-to-individual (Iacobucci and Ostrom, 1996). They observe that organisation-to-organisation definitions are critical to understanding B2B relationships. In addition, businesses consist of people and individuals drive the organisational relationships. Another view of B2B relationships is that of Metcalf et al (1992), who suggest that a buyer and seller exchange four instruments. These are a product or service, money, information and sociality. The first three are self-explanatory. The fourth is very interesting, namely sociality or social exchange. Sociality is described as referring to the interpersonal relationships among the employees of buying and seller centres of the respective firms in the transactional interchange of goods and/or services. These interpersonal relationships include issues such as trust and empathy.

Building effective relationships is argued to be important in attracting and retaining profitable customers (Unruh, 1996). This conclusion is a result of research conducted at the UNISIS Corporation by Unruh, its chairman and CEO over a number of years. The results are presented as a six-step process to building relationships. These are:

1. Understanding customers.
2. Setting customer-centred strategies.
4. Retaining existing customers.
5. Gaining new customers.
6. Using metrics to gauge the firm’s progress and technology to enable delivery of products and services that delight customers.

Further to these relationship building blocks, Unruh identifies the needs so as to achieve an effective relationship building process. First, there is a need for the commitment and leadership of top management for, without it, any customer-focus initiative is highly likely to unravel and, thus, serve no useful purpose. Second, the need to implement a process that recruits, cultivates, rewards and promotes customer-oriented employees. He claims that employee satisfaction and retention are highly associated with customer retention and satisfaction. Third, in order to be successful, market-oriented companies need to embrace information technology to enable and deliver customer service. The literature identifies two perspectives relating to relationships. One is that of relationships between business partners in a manufacturer/reseller marketing distribution network (Wilson, 1995; Varadaragan and Cunningham, 1995). The other is concerned with the relationship between the buyer and the seller, which has been the focus of the discussion above.

3.2.4.3 Brands Developing Customer Relationships

The importance of brands developing customer relationships has been noted in the extant literature and creating a relationship with its customers should be one goal of the brand (Aaker, 1996; Aaker and Joiaachimstaler, 2000; Coleman et al, 2011). A conclusion of Mudambi (2002) is that branding plays a more important role in B2B marketing than has been generally recognised and, for most B2B marketers, the company brand remains the focus of branding strategy. However, latest contributors
to the marketing literature have re-focused their attention on research relating to brand values in B2B relationships (Han and Sung, 2008; Kuhn et al, 2008). Han and Sung (2008) found the major antecedents for relationship performance are supplier competence, organisational buyer satisfaction, brand trust and loyalty. They gathered data from a random sample survey of organisational buyers of industrial products, with the aim of the research being to test the relationship brand of brand values and relationship performance. Relationship quality is described as the amount of information sharing, quality of communicating and long term relationship orientation associated with a relationship.

Factors contributing to supplier-buyer relationship quality are brand loyalty and trust. Han and Sung (2008) also identify a positive link between supplier competence and perceived purchasing value, that is, the customer expects to receive a benefit greater than the cost. Also identified is the increasing importance of managing, developing and evaluating relationships in the relationship-marketing paradigm. Since relational quality can build or destroy relationships, they argue that relational quality has a positive effect on customer-supplier commitment. Their model proposes a multi-dimensional scale that comprises four dimensions. These include the amount of information sharing in the relationship, the communicating quality of the relational, the long-term relationship orientation and satisfaction with the relationship.

Their research findings conclude that brand value is strategically meaningful, even in the relationship-based industrial markets and, because of this industrial organisations need to orientate their transactional relationship strategies towards brand value. In order to retain customers, there is a need for management to identify exactly what industrial customers do value and how to both continuously create net worth for them and concentrate on and improve the brand value of industrial customers in the industrial market.
3.2.4.4 Suppliers Initiate Relationships

Kuhn et al (2008) offer another view relating to the relevance of relationships in a branding context. They argue that, because branding is increasing in importance in business markets and because of the small number of potential customers provided by these markets, it is critical for suppliers to initiate and sustain relationships. Brand relationships are connected to brand response, which converts to an intense loyal relationship between the customers and the brand. In a reference to the model of Aaker (1991), they endorse his description of the nature of the relationship between the customer and the brand as being made up of four elements. These are: behavioural loyalty; attitudinal attachment; sense of community and active engagement. However, they admit that the last two lack research in industrial markets.

3.2.4.5 Types of Relationships

The review of the extant literature has provided two different perspectives of relationships. One is that of relationships between business partners such as is found between manufacturers, distributors and resellers (Wilson 1995; Varadaragan and Cunningham 1995; Cravens et al, 1998). The other perspective is concerned with the relationship between the buyer and the seller, which has been the focus of the discussion above. Brands are important as facilitators of relationships (Roberts and Merrilees, 2007). Brand relationships may produce a brand response which creates an intense, loyal relationship between the customer and the brand. Brand loyalty is particularly important as it is also firm loyalty in some respects (Kuhn et al, 2008). One goal of the brand should be to create a relationship with the company's customers (Coleman et al, 2011) and, as such, should have high priority as a brand element. Various elements have been identified in the literature as being important in
relationship building strategies in the B2B marketing environment and have been highlighted in this section. The challenge is to use these elements in a brand strategy formulation.

3.2.5 Value

Creating value is a recognised marketing strategy. Yet, the mere mention of the concept of value is enough to promote vigorous debate about what is meant by value. For example, does value mean customer value as seen through the eyes of the customer or does it mean the creation of value by the resources and capabilities of each firm in a particular industry. Are they one and the same thing? Is the perspective of value in consumer markets the same as what it is in business markets? The literature is reviewed in order to gain a better understanding of the terminology and its application in a marketing and branding context, and each section is examined in turn in a consumer marketing context and in an industrial marketing context. Each of the different meanings of value is discussed in turn. There is a need to both fully explore customer value and to better understand its effect on organisational buying decision-making processes (Spekman, 2000). Value has a positive effect on supplier-buyer commitment in the industrial market (Han and Sung, 2008).

3.2.5.1 Customer Value

More often than not, commentaries relating to customer-oriented business practice provide only a vague sense of what customer value means (Woodruff, 1997). In consumer markets, value is defined as the quality or utility that is obtained for the price paid and what can be obtained for what is given (Zeitmal, 1988). Value, or a consumer's perceived value, is the difference between the utility inferred from the
perception of quality and utility (sacrifice) when satisfied with the price to be paid where perceived quality is the perceived ability of a product to provide satisfaction relative to the available alternatives (Monroe and Krishnan, 1985). This may be expressed as value capturing the trade-off or difference between perceived worth and the price paid (Dodds et al, 1991).

3.2.5.2 Customer Value in Business Markets

"In business markets, the value of a product offering in a given application can be thought of as the cornerstone of marketing strategy" (Anderson et al, 1993, p. 3). Anderson et al argue that, viewed this way, value is the underlying decision driver regarding product development and modification, pricing and distribution alternatives in marketing communications. From this perspective, value in a business marketing concept takes on other characteristics that need to be considered in defining the concept of value in business markets. While value may be considered in terms of the price the customer is willing to pay for a product offering, the willingness to pay needs to be understood in terms of how the product offering provides a set of perceived benefits that a customer firm receives from the use of the product (Christopher, 1982). For example, benefits may be related to a "usage value" which represents the value associated with the performance of the product in a given customer application (Reuter, 1986). This may be peculiar to industrial products where the primary concern is with its use value, that is, the performance and reliability of the product rather than its existing value (exchange value). Alternatively, as suggested by Wind (1990), the term may be expanded to include a product offering's "value-in-use", that is, that which is perpetual in nature expressed in monetary terms. From the extensive literature review undertaken in Chapter 2, empirical research relating to value in broad terms as encountered in industrial markets is lacking, particularly in an Australian industry environment.
Value in business markets has been defined as the perceived worth in monetary units of the set of economic, technical, service and social benefits received by a customer firm in exchange for the price paid for a product offering; this is taking into consideration the available alternative suppliers’ offerings and prices (Anderson et al, 1993). Anderson et al further argue that knowledge of how buyers perceive value is useful in the area of product development, which encompasses new product design, the modification of existing product offerings and competitive strategy, where knowledge of the relative value of the firm’s product offering is compared with those of other competitors.

A customer-value delivery orientation results in an understanding of the needs and wants of organisations and the resultant ability to offer customised products, thereby increasing competitive advantage. Value is an important means of gaining competitive advantage. This is of particular importance to SMEs where the owner-manager does not necessarily recognise the need for information relating to how the customer perceives value (Reijonen and Laukkanen, 2010).

The assessment of customer value in business markets is considered critical by Anderson et al (1993), who have identified a number of methods that have been used to assess customer value. Two methods are identified to provide overall estimates of customer value. The first method is a value assessment where a buying group may be asked what value or worth would potential product offerings or product concepts be to them. One way of ascertaining this is with a question such as, "What would your boss be willing to pay for this?" The second method is by way of using direct survey questions that include a question such as, "What would your firm be willing to pay for this?"
Creating customer value is important specifically in a business marketing context where there are relatively fewer customers than in a consumer marketing context and where customer retention is argued to be important. Reichheld and Sasser (1990), have identified the value of customer retention by documenting research findings in over 100 companies. Their findings indicate that, by reducing customer loss to only 5%, estimated profits increase from 25 to 85%. Moreover, the costs of keeping customers are substantially less than the costs of obtaining new accounts. Another interesting insight is that an organisation must match its value offer to the customer(s) segment that is most responsive.

If it is accepted, as referred to above, that knowledge of customer value is useful in the areas of product development—which encompasses new product design and modification of existing product offerings and competitive strategy and where knowledge of the relative value of the firm’s product offering is compared with those of other competitors—then why is knowledge of the methods used by firms in an industrial-marketing context to obtain knowledge of how buyers perceive value in the areas indicated above lacking in an Australian B2B context? Is it considered not to be as important in practice as it is in theory? If it is, what processes, if any, are in place to achieve it? What are the practices in firms in Australian industries that are involved in B2B marketing? On what information do firms rely on when they look to create value through resource based capabilities? The gathering of information seems to be important in both of these areas.

A discussion of capabilities and organisational processes is provided by Day (1994). Every business acquires many capabilities that enable it to carry out the activities necessary to move its products or services through the value chain. Some will be done adequately, some poorly, but all must be superior if the business is to outperform the competition. These are the distinctive capabilities that support a
market position that is valuable and difficult to match. A more detailed discussion is to be found later in Section 3.2.6 – Creating Value by Resources.

3.2.5.3 Customer Value Marketing Strategies

Drawing on a review of the business marketing literature, it is apparent that value is recognised as an important element of business marketing strategies (Reid and Plank, 2000, p. 135; Krake, 2005; Knapp, 2000; de Chernatony and McDonald, 2003; Shipley and Howard, 1993). “In business markets, the value of a product offering in a given application can be thought of as the cornerstone of marketing strategy” (Anderson et al, 1993, p. 3). Anderson et al examined the state-of-practice of customer value assessment based upon exploratory field research in business markets. While primarily concerned with value assessment methods of customer value and with identifying the set of methods used by industrial firms, they also discuss the concept of value in businesses markets. Cravens et al (1998) argue that it is known that value for buyers involves both benefits and costs, and superior value occurs when the net benefits exceed those of the competitors.

“Value, of course, is determined in the eyes and mind of buyer (Cravens el al, 1998, p. 33), while Graham, (2001, p. 4) argues the task is the same for every business, that is, "knowing what customers you want and what they want from you is the objective". In terms of branding, "a corporate brand embodies company value and a promise of value to be delivered" (Donath, 2001, p. 2). “Branding isn’t an option today. Companies, people, products and services are branded by consumers, one way or another” (Graham, 2001, p. 4). Customer value has been recognised as providing the why of a purchasing decision in an industrial marketing environment. “It seems to us that all our research in OBB, while informative of the process and providing insight into the how and who of the decision falls short on the why. It is our
belief that value is the concept that defines the ‘why’ of the purchasing decision” (Reid and Plank, 2000, p. 55).

### 3.2.5.3.1 Creating Customer Value

It is well recognised that creating customer value is a source of competitive advantage (Woodruff, 1997) and an increasing common perspective in organisational management argues that increasing the value of an organisation depends on its creating and delivering superior customer value. Market-oriented firms rely on strategies that emphasise the creation of customer value and the building of distinctive market-sensing and customer linking capabilities (Day, 1994; Cravens et al, 1998). The importance of creating value for consumers has been recognised as an important strategy in “market space” through computer information technology where “content, context and infrastructure can be disaggregated to create new ways of adding value, lowering costs and forging relationships with non-traditional partners” (Rayport and Sviokla, 1994).

In their summary of OBB research, Reid and Plank (2000) claim the focus of research needs to be on the definition and determination of value by the buying firm and buying centre members. This has been a continuing focus in the literature over the last ten years. Woodruff (1997, p. 142) defines customer value as “a customer’s perceived preference for and evaluation of those product attributes, attribute performances, and consequences arising from use that facilitate (or block) achieving the customer’s goals and purposes in use situations.” It is based on empirical research as to how customers think about value. An observation is made that, rather than something that is objectively determined by the seller, customer value is something perceived by customers. The perception as to what is received and what
is given is the basis of the consumer’s overall assessment of the utility of the product and is what constitutes value (Zeithaml, 1988).

Reddy (1991) examines how customers perceive value and suggests five ways in which value is determined by customers. These include value analysis, value engineering, use value, value-in-use and perceived value; customers use one or more of these ways of valuing to ascertain the value of a particular offering.

Cravens et al (1997) recognise that most business strategy models acknowledge the importance of providing customers with superior value in their purchase and use of goods and services. Designing the organisation's competitive strategy and choosing the organisation's value proposition is a critical stage. Firstly, they look at the impact of superior customer value on performance. Secondly, the important challenge of viewing customers as assets is considered. Finally, they discuss how the differences in buyer needs impact the organisation's value strategy.

In addressing the first, they prefix the concept with reference to Kotler (1994), namely that customers develop value expectations and make purchasing decisions based on their perceptions of a brand's benefits, coupled with the total cost. Also, it is argued that customer satisfaction gauges the extent to which the product use experience compares favourably with the value expectation. In addition, superior customer value occurs when the buyer's experience is very favourable compared with expectations and with the value provided by competitors. There is a clear implication that customer value exists on the customer’s priorities and preferences and not that of the organisation.

Other insights stated by the authors are considered worthy of note in this section with the first being that many successful competitive attacks come from rivals who better
understand what creates value for a particular type of customer. The logic of competitive advantage is widely recognised by academics and executives, but less apparent is how to choose the most promising avenue to advantage in a given competitive situation. Reference is made to Day and Wensley (1988), who explain that there are a number of ways to achieve positional advantage. The hallmarks of value are the organisational skills and resources that can achieve this. These include differentiating the product offer, offering lower prices compared with comparable competing brands and providing a combination of differentiation and lower cost.

An organisation's value proposition requires balancing a product's relative costs for the customer against the relative benefits perceived by the customer; and the power of getting customer needs and priorities right is formidable, even in markets dominated by entrenched competition (Day and Wensley, 1998; Han and Sung, 2008). In addition, superior value occurs when the benefits exceed the costs. The part played by branding in stating the company's brand may be positioned as a premium, parity or economy offering, as long as the trade-off between the benefits offered and the costs is positive.

In regards to the view of customers as assets, Day and Wensley (1998) identify the widely accepted adage that satisfied customers are assets. However, they are not only assets: satisfied customers also represent long term value to an organisation. Customer Value emerges from the literature as being important to B2B marketing, as well as B2C marketing. If value is to be incorporated into B2B brand strategy formulation, defining value from the buyer's perspective is important. "Most business strategy models acknowledge the importance of providing customers with superior value in their purchase and use of goods and services" (Reid and Plank, 2000, p. 135). In designing the organisation's competitive strategy, choosing the organisation's value proposition is a critical stage. "We know value for buyers
involves both benefits and costs, and superior value occurs when the net benefits exceed those of the competitors. Values, of course, is determined in the eyes and mind of buyers" (Cravens et al, 1998, p. 33). Perceived value has a positive influence on trust and there is empirical support for the relationship between value and trust in the context of relationships (Doney et al, 2007).

The work of Anderson et al (1993) looks at this issue from a slightly different perspective, yet is essentially similar to that of Reddy (1991). Anderson et al argue that there are four elements relating to value. These are:

1. The price the customer is willing to pay.
2. The usage value, rather than the cost value or exchange value i.e. the values related to the use of the product in a particular customer application. In other words, the value associated with the performance and reliability of the product.
3. Value in use (Wind, 1990), which is similar to the point above.
4. Economic Value to the Customer (EVC) on the values of a product offering relative to available competition product offerings.

The concept of value in business markets is seen as a mix of the focus of the four elements above. Value in business is “the perceived worth in monetary units of the set of economic, technical, service and social benefits received by a customer firm in exchange for the price paid for a product offering, taking into consideration the available alternative suppliers' offerings and prices” (Anderson et al, 1993, p. 5). Put more simply, value captures the notion of the difference of a trade-off between perceived worth and the price paid. Superior value occurs when the benefits exceed the costs (Day, 1990).
"Successful business strategies centre on finding an effective match between opportunities for providing superior customer value and the organisation's strategy and capabilities" (Cravens et al, 1998, p. 30). It is interesting to note that in their discussion of the value proposition of the firm, little mention is made of the brand being linked to the value component of a firm's value marketing strategy and its possible effects. Take, for example, their reference to the growth of Virgin. As an aside, the question may be asked who or what is Virgin? Yet, at the mention of the name, we immediately conjure up a picture of Richard Branson and his airlines or credit cards, or some other interesting aspects of a business associated with the name. This may be whether we may or may not value their (his) products. Either way, the mention of the name has an impact, good, bad or indifferent. It is an excellent example of brand recognition. Cravens et al (1998) elaborate that, since the launch of Virgin as a small mail order recorded music business in 1970, it has grown into a $3 billion (1998) international business in music and entertainment, rail travel, air travel, financial services and branded consumer products. Virgin's value proposition is "First class at business class prices" (Cravens et al, 1998, p. 30). The positioning of Virgin is such that it is among the most trusted and respected brands for B2B managers in the UK according to Brand Strategy (2004).

### 3.2.5.4 Superior Value

Market-oriented companies are those who begin their strategy formulation with a clear understanding of the market and competition (Cravens et al, 1998). Market sensing is used to uncover and exploit superior value opportunities. In addition, market sensing provides the feedback for identifying the changing requirements of buyers. The pivotal role of the market is demonstrated by the market driven focus of high performance companies developing market driven strategies that find superior customer value opportunities, position the value offer with distinctive capabilities,
create strategic relationships and employ necessary organisational change. "Two avenues to gaining superior value in competitive advantage" are identified: "One involves offering a differential value package that buyers perceive to be worth the prices they pay which typically reflect premiums" (Cravens et al, 1998, p. 33). Tiffany and Co is given as an example of this practice. This company is an internationally recognised retailer, designer, manufacturer and distributor of jewellery. Their value package includes innovative and high quality merchandise that appeals to their expanding customer base; the company’s sales exceeded $1 billion in 1997, driving strong profit growth.

The second "avenue to value is offering comparable products (brands) at lower prices than the opposition due to cost advantages" (Cravens et al, 1998, p. 34). Examples of companies that leverage this strategy include Wal-Mart, Dell Computers and South West Airlines. The success of Dell Computers also lies in targeting business buyers with its competitively priced computers.

A further development of the value contention is that value may leverage both avenues referred to above. Reference is made to Hewlett Packard’s very successful ink jet printer strategy that positioned its printer as an alternative to dot-matrix users rather than laser printer users. This value proposition targeted offering value to a much larger market of dot matrix printers which would migrate dot matrix printer users to the superior quality printing of the ink jet printer but not to the high price laser technology. Failure to maintain value positioning leads to major vulnerability. An example quoted is the obsession of airlines in the US with internal efficiency, large aircraft and hubs rather than customer value. Fifteen years of this type of thinking has produced the end result of passengers who are miserable; the airlines have flown a decade-long holding pattern in the vicinity of bankruptcy (Wormack and Jones, 1996). Other areas of superior customer value include value migration to
competitive offerings and understanding the value requirements of specific market segments with positioning that meets the value requirements of buyers better than the competition.

It can be argued that researchers need to continue to target businesses to seek answers as to what particular role branding plays in the process of market vision, customer value and superior competitive advantage. Is it the trigger that fires the gun which unleashes the other forces in the process? Or is it the bullet which is the result of the other forces pushing the projectile towards the target? Is it the cause or the effect? A challenge for many B2B marketers is how to decommoditise their brands and create relevant differences that can simplify decision making, set expectations and reduce risk. A significant competitive advantage can thus be provided (Keller, 2009). In all the literature referred to, it is obvious that branding strategy formulation has not received much attention by the many contributors to the marketing areas covered.

However, it is also argued that there is another view of value that is relevant, namely value as seen from the perspective of an organisation (Slywotzky, 1996; Woodruff, 1997). The concept is that delivering superior customer value to high-value customers increases the value of an organisation, which quantifies an organisation’s worth to its owners. High value customers quantify the monetary worth of individual customers to an organisation. Customer value is taken from the perspective of the organisation’s customers as to what they want, and believe they get, from a company’s products or services.

Given the importance of value, Reid and Plank (2000) note that, at best, value has been indirectly examined in all of the research on how organisations buy; it needs to
be both explicit and the focus of a research stream. It can be argued that B2B branding should be part of the focus

3.2.5.5 The Value Brand Link

The importance of value as a marketing strategy has been linked to branding. Branding is recognised as making a significant contribution to adding value (Roberts and Merrilees, 2007). Providing purchasing value is considered an antecedent to brand loyalty and trust; in the B2B environment, purchasing value is described as an industrial buyer's overall appraisal of the net worth of a particular transaction based on the buyers' assessment of what is received (benefits provided by the transaction) and what is given (costs of acquiring and utilising the transaction (Han and Sung, 2008). While we may know intuitively or by hearsay that branding is "out there somewhere", where is it placed in the pecking order of business processes relating to brand strategy formulation and execution? To Cravens et al (1998), brand image and marketing capabilities are included as assets in the firm's processes and competencies, and are utilised in achieving the desired outcomes. Or, in other words, "competencies must be linked to customer value in order for competitive advantage to occur" (Cravens et al, 1998, p. 35). However, only a few companies are fully market driven. In terms of the value concept, the literature has customer value as its main focus (Cravens et al, 1998; Graham, 2001; Anderson et al, 1993; Donath, 2001; de Chernatony, 2003).

Knowing what customers you want and what they want from you is the objective of the seller, according to Graham (2001). The task is the same for every business. "A corporate brand embodies company value and a promise of value to be delivered" (Donath, 2001, p. 8), as can be seen from the market focus of companies like Dell and Virgin. This consists of an expanding base in research evidence from Marketing
Science Institute Studies and is the emphasis of market vision and customer value in many popular strategy models proposed by consultants and strategic source leaders. The claim is made that the customer drives strategy and organisations must adapt their structures, roles and activities to the changing requirements of customers.

It is necessary to frame value perceptions of the brand and the brand's pricing strategy should be based on the customer perceptions of value. At some point, marketers must ensure customers sufficiently value the firm’s offering differences to pay a price premium (Keller, 2008). It is important to know how the brand resonates with the customer (Aaker and Joichimsthaler, 2002). Knowing the customer mind-set, which includes everything that exists in the minds of customers with respect to the brand, provides an opportunity for the seller firm to target the unique points-of-parity and points-of-difference that relate to the positive brand judgments and feelings that the customer values (Keller, 2013). Little information flows from the literature review relating to the knowledge of customer value in an Australian context in the processes or strategies of firms operating in an Australian B2B environment. Two possible exceptions have been considered. One is the contribution by Kuhn et al (2008) and the other is by Wong and Merrilees (2008). In the former, the paper is concerned with how industrial buyers react to brand awareness and brand elements. This has provided a valuable insight for seller organisations. In the latter, value is discussed as relating to being part of a firm’s value when viewed as an important strategic asset. In neither contribution is a customer value/brand orientation discussed. The essence is to identify the role of B2B branding in maximising customer value opportunities with a view to a company developing its own unique strategy, or as Cravens et al (1998) put it, to shape the path to market leadership, as discussed above.
3.2.6 Creating Value by Resources

In this section, the literature is reviewed in relation to the creation of value by the firm and processes that are used to identify the capabilities and competencies of the organisation (Thompson et al, 2005). Resource advantage theory proposes that the role of management in a firm is to recognise and understand current strategy, create new strategies, select preferred strategies, implement (manage) the selected strategies and modify strategies through time. Capabilities can be mutually exclusive.

The essence of strategy is to choose the right one (Stalk et al, 1992). This is because if one firm has a competitive advantage in resources, rivals will attempt, by managing their existing resources, to neutralise that advantage. This may be done by obtaining the same or equivalent value-producing resource and/or by seeking a new resource that is less costly or produced via superior value. Competitive success depends on transforming a company's key processes into strategic capabilities that consistently provide superior value to the customer. Every company has business processes that deliver value to the customer, but few think of them as the primary object of strategy (Stalk et al, 1992). Yet, the rationale for competing on capabilities is for the organisation to identify, develop, and leverage a set of capabilities that will enable it to excel at providing customer value. The challenge is to identify these capabilities and exploit them to deploy resources that enable the company to create superior customer value (Cravens et al, 1997).

3.2.6.1 Business Processes And Competitive Forces

Managers need to see their businesses in terms of strategic capabilities and make capabilities-based competition work by linking together essential business processes to serve customer needs. The competitive situation needs action by managers to
stop defining competition in terms of static products and markets but to start to see meeting competition in terms of business processes. In other words, managers need to reshape businesses in terms of their underlying capabilities (Stalk et al, 1992). This will enable firms to pursue "superior" financial performance, because better rewards – both financial and non-financial – will flow to owners, managers and employees when they do so (Hunt, 1997). It is not clear if Australian businesses engaged in B2B marketing recognise that there is a need for brand strategy formulation processes to be embraced in order to address competitive forces in their particular field of operation, as few studies have emerged in the literature - the exceptions to this were noted earlier in this study.

The most defensible test of the distinctiveness of a capability is whether it makes a disproportionate contribution to the provision of superior customer value, as defined from the customer's perspective, or permits the business to deliver value to customers in an appreciably most cost-effective way. Customers are unlikely to be aware of or be interested in the underlying processes that yield superior value that they receive and, by extrapolation, the superior profitability. Thus, a critical moment task is to decide which capabilities to emphasise (Day, 1994). It has been found that the product innovation capabilities and marketing capabilities that are facilitated by the firm's market orientation, by way of their marketing sensing capabilities, provide the B2B firm with the means to create customer sought-after value. Careful development and management of these capabilities is essential for superior value creation (O'Cass and Ngo, 2012). This could become more critical in a branding strategy formulation, as will be argued in this thesis. In addition, distinctive capabilities are difficult to develop, imitation is hard to resist (Day, 1994). It will be argued that when the brand strategy is linked to the marketing strategy, this provides benefits to the buyer and also acts as a barrier to the competitor seller.
3.2.6.2 Business Capabilities

Companies that have mastered different capabilities can offer higher quality products, more responsive service and more innovative products (Ngo and O'Cass, 2009). If an industry is at a stalemate and none of its rivals have a meaningful advantage, then profits of the business will settle at the level of the industry average. This is because each parity business has to lower its prices to offset the lack of benefits. Thus, a direct connection exists between the mastery of distinctive capabilities and superior profitability (Day, 1994). It is considered important to note that capabilities and organisational processes are closely entwined, because it is the capability that enables a business process to be carried out.

Businesses have as many processes as are necessary to carry out the natural business activities. However, as capabilities are deeply embedded within the fabric of the organisation, they may be hard for management to identify (Day, 1994). The literature is sparse in providing information as to how business managers in an Australian industry context practice linking business processes and the organisation of resource based capabilities in a branding strategy formulation.

3.2.6.3 Value Creation Functions

Value-creation functions are a function of both manufacturers and buyers (Glynn, 2007). While it is recognised that, in business markets, the value of a product offering in a given market is seen as the cornerstone of marketing strategy, value is the consideration that drives decisions about product development, modification and pricing (Anderson et al, 2007). Rather than focusing on a customer assessment of value (Zielinski, 1988; Woodruff, 1997), this section focuses on the creation of value by the firm by its competencies and capabilities. Competencies and capabilities are
complex bundles of skills and accumulated knowledge exercised through organisational processes (Day, 1994). These are distinctive capabilities that support a market position and are difficult to match. This leads to a contribution to superior customer value (as defined from the customer's perspective) or permits the business to deliver value to its customers as discussed previously in Sections 3.2.5.1 and 3.2.5.2.

The role of competencies and capabilities to create value as a marketing strategy is widely known (Coyne, 1986; Day, 1994; Hunt and Morgan, 1995; Woodruff, 1997). This section is concerned with business processes that link marketing strategy with brand strategy formulation. The establishment of this link may be rather tenuous, yet the starting point in building a brand is an assessment of brand values that build on the competencies and capabilities of the organisation (Lynch and de Chernatony, 2007). These values may be seen as "core values" and are recognised to be both functional (tangible) and emotional (intangible). It is recognised that these values may enable the firm to obtain a comparative advantage (Hunt and Morgan, 1995; Beverland et al, 2006; Glynn, 2007; Lynch and de Chernatony, 2007).

The value-creation process by the firm is considered a function of competitive strategies selected by firms in manipulating business processes and activities (Ngo and O'Cass, 2009). Yet, the power of aligning goods and services with customer needs and priorities is formidable. The objective is to match the organisation's capabilities with the preferences of customers (Cravens et al, 1997). The rationale for competing on capabilities is perceived to be a necessity for the firm to identify and develop such capabilities that should be superior to the competition, are difficult for other firms to duplicate and can be applied in multiple competitive situations.
The challenge is to identify and to exploit them to create superior customer value (Cravens et al., 1997, 1998). Finally, competitive advantage occurs when competencies are linked to customer value opportunities. “There is increasing evidence from successful companies that distinctive competencies are a combination of the organisation's assets (brand image and marketing capabilities and skills) for example, innovation, which are employed in achieving the desired outcomes of the essential processes of the business” (Cravens et al., 1998, p. 34).

Attention towards business processes creating value for customers has been the focus of discussion in the marketing literature (Cravens et al., 1997, 1998; Woodruff, 1997; Vargo and Lusch, 2004; Lynch and de Chernatony, 2007). It has long been recognised that superior skills and superior resources enable a firm to develop its capabilities and competences to strategically achieve and maintain a competitive advantage (Day, 1988, 1994; Stalk et al., 1992; Hunt and Morgan, 1995; Hunt, 1997).

3.2.6.4 Value And Value Creation Central To Business Models

There is growing recognition that value and value creation appear central to business models (Woodruff, 1997), yet, according to Ngo and O’Cass (2009), little is still known about how the notion of value offering is incorporated into business processes. In addressing the role of resources and capabilities in creating superior value for the customer, they conceptualise that resource based capabilities consist of three facets, namely possession of, application of and full utilisation of resources. The first two refer to the availability and application of sufficient resources to enable the firm to engage in value-creating activities, while the third refers to the extent that the resources are maximised towards value creating activities. In addition, in creating a value offering, resource based capabilities are categorised as innovation-based, marketing-based and production-based capabilities (Ngo and O’Cass, 2009).
Firms should recognise the importance of value, from both an external and internal focus, as a means of creating superior competitive advantage (Day, 1994; Woodruff, 1997; Cravens et al, 1997, 1998; Hunt, 1997; Ngo and O’Cass, 2009). Or, put another way, in the context of the value-creation process, the external focus of a firm is understood in the context of creating value from the customer’s perspective, while the internal focus is understood in the context of using the resources and capabilities of the firm “that enable it to produce effectively and efficiently market offerings that have value for customers” (Ngo and O’Cass, 2009, p. 47).

3.2.6.5 Linking Value Creation And Branding

The critical review of the literature suggests that little progress has been made in the linking of value creation and branding in the B2B marketing context. However, contributions have emerged based on empirical research. Of note is Han and Sung’s (2008) study of the role of the corporate brand image in the selection of new sub-contractors in Sweden. Amongst their findings are that a trustworthy corporate brand image plays an important role in the selection process of a product and that there needs to be a focus on the supplier’s role in the generation of value. The perception of the buyers’ purchasing value is positively influenced by supplier competence or ability.

Further, the study identifies the link between the alterations in purchasing values, as well as increases or decreases in organisational buyer satisfaction, which, in turn, influence subsequent value expectations (Woodruff, 1997). Han and Sung (2008) hypothesise that:

1. Purchasing value has a positive effect on organisational buyer satisfaction.
2. Purchasing value has a positive effect on supplier-buyer commitment.
3. Relationship quality has a positive effect on customer-supplier commitment.
The observation of point three provides an interesting link in the transactional process and is taken up in Section 3.2.4, which deals with relationships. A summary of the results of their research suggests that industrial organisations have a need to orientate their transactional strategies towards brand value. To do this, management needs to identify exactly what is valued by industry customers and to then concentrate on and improve the brand value of industrial customers. The emphasis of the extant literature relating to the necessity of further research to determine the effect of industrial performance in B2B marketing is compelling (Reid and Plank, 2000; Blombäck and Axellson, 2007; Lynch and de Chernatony, 2007; Han and Sung, 2008 Ngo and O’Cass, 2009).

The need to orientate value creation for the buyer into transactional strategies linked to brand value has emerged as being of importance to market-oriented companies seeking to maximise superior competitive advantage (Blombäck and Axelsson, 2007; Han and Sung, 2008). In addition, resources are valuable to firms if they are unique to the selling firm and are not easily substituted. Operant resources can be used by firms to act on other resources and when these original resources are included in a brand they provide benefits that flow from the brand, including the creation of value for the buyer (Glynn et al, 2011). These resources may consist of both tangible and intangible elements, as discussed below.

3.2.6.6 Little Existing Theory

A review of the extant literature shows that surprisingly little theory exists and few studies have been conducted that examine the link between resource based capabilities and brand values. It has been argued that the creation of value should include an external and internal focus of a firm; thus, it could be argued that strategic brand formulation should include the incorporation of brand values in the overall
value set as an internal focus of the firm in building their brand. The basic principles in building a brand are based on an assessment of brand values that build on an organisation’s competencies and culture. Lynch and de Chernatony (2007) suggest that this should be the starting point for industrial marketers. In an empirical study, it was found that marketplace activities in gathering market intelligence and other customer relevant feedback provide companies with the information necessary to inform future strategic moves. Firms sampled in the study seek to position their brands around capabilities (Beverland et al, 2006).

Adaptability to key customers is considered central to brand success. Since a brand is a bundle of functional and emotional attributes that extend a unique and welcome promise (de Chernatony, 2002), brand values are important because of their influence on attitudes and behaviour. They identify not only the importance of functional values, but emotional values as well. The emphasis on emotional values has been shown to be the “de rigueur” for some companies.

Lynch and de Chernatony (2007) refer to the Dow Corning development of the Xiameter brand, which was developed to combat the tendency of its silicone based products to be seen as commodities, hence deflating the Dow Corning brand. The new brand was to bring to the commodity market the attributes of the Dow Corning brand, such as reliability and technical support, and to compete in this segment of the market, yet, at the same time, allow the company to protect its Dow Corning brand for its more specialised products. The Xiameter brand is based on strongly emotive brand values (open/honest, empowering, trail-blazing).

Examples are identified of composite brand platforms as used by companies that operate in both B2B and B2C markets. One example is Apple Computers whose brand satisfies technical and performance needs, yet appeals strongly to buyers’
emotional requirements. Another is Nokia’s brand, which is based on excellence of product design and logistics, but has an emphasis on the emotional values of friendship and trust, giving the brand a powerful human dimension (Lynch and de Chernatony, 2007). Others are Microsoft and Intel that, while essentially being brands that serve organisational buyers, are directed at and appeal to B2C buyers (de Chernatony et al, 2011). They conclude that since brands can be a significant form of competitive advantage, to exploit this potential, marketers must take a strategic approach to brand development.

The starting point is the identification of a set of values that reflect the competencies of the brand and are responsive to the needs of organisational customers, but, at the same time, recognise that buyers of industrial products are influenced by both rational and emotional brand values (Lynch and de Chernatony, 2007). However, references to business processes to accomplish a brand strategy formulation that links the brand strategy with a marketing strategy are not considered.

The industrial brand value model of Han and Sung (2008) adds to our understanding of the creation of value by the firm by arguing the importance of both tangible (functional) and intangible (emotional) brand values. However, the thrust of Han and Sung (2008) is to try to understand value with a dichotomous focus on both the firm and the customer as simultaneous interacting forces. For example, in examining industrial brand issues, they identify the primary requirement of a firm is to be competency based when creating value. To be a competent supplier is one that maintains the ability to solve the problems or to meet the needs of an organisational buyer. This may impact on perceived purchasing value. Other things being equal, an increase (decrease) in supplier competence will be accompanied by an increase (decrease) in perceived purchasing value. Supplier confidence has a positive effect on buyer satisfaction in the industrial market (Han and Sung, 2008). Han and Sung’s
(2008) study is aimed at “filling the gaps in a largely fragmented field of industrial brand value research by offering an empirically verified general theory” (Han and Sung, 2008, p. 808).

Han and Sung's (2008) research method was a random interview sample survey of organisational buyers of industrial products. These were from a broad range of industries, different firm sizes and varied respondent job titles. The hypotheses tested were that brand value includes supplier competence, purchasing value, organisational buyer satisfaction, brand trust, brand loyalty, relationship quality, commitment and transactional performance. Their conclusions indicate that supplier commitment exerts more control than switching costs over purchasing value, organisational buyer satisfaction and brand trust. As such, brand value is strategically meaningful, even in relation-based industrial markets. Their conclusions also indicate that industrial organisations need to orientate their transactional relational strategies toward brand value. Management needs to identify exactly what industrial customers do value and how to create net worth for them (Han and Sung, 2008) when developing programs to attract potential long-term buyers.

### 3.2.6.7 A Firm's Capabilities And Contribution To Customer Value

However, there appears to be several limitations to the Han and Sung (2008) model. They argue a firm’s competency is of strategic importance as a source of creating brand value. This model then progresses to delineating key factors that precede industrial brand value issues. The components of the model include transactional performance, commitment, relationship quality, switching cost, brand loyalty, brand trust, industrial buyer satisfaction, purchasing value and supplier competence. Yet, they lack the broad scope of addressing the link between capabilities, competitive advantage and value offering in the firm’s quest for superior competitive advantage,
as presented by Liem Viet Ngo (PhD Thesis, 2007); such capabilities should be classified in a manner that matches key operational functions of the firm, which would include innovation, marketing and production.

Ngo and O’Cass (2009) observe that, “surprisingly, little theory exists and few studies have been conducted to examine the role of the firm’s capabilities and their differential contribution to customer value as perceived by management in strategic marketing” (p. 45). In the branding context, it has been recognised that future research should address the future trend in purchasing which focuses on the supplier’s role in the generation of value (Blombäck and Axelsson, 2007). Similarly, a review of the marketing literature suggests that few empirical studies have been conducted in the Australian context to examine the role of a firm’s capabilities and the recognition that they are of value in contributing to the firm’s brand as in a brand strategy formulation. This gap in the literature needs to be addressed.

3.2.7 Branding as an Internal Focus

The literature has been reviewed thus far to ascertain if processes exist regarding industrial companies linking their brand strategies with marketing strategies in a brand strategy formulation, with a particular emphasis on the Australian industry context. In the review of the wider B2B marketing literature, the category of an internal focus has emerged as being important to companies operating in industrial markets. An internal dimension is considered worthy of inclusion in the study because of the importance of ensuring employees understand the brand (Glynn and Woodside, 2009), and “living” the brand (Baumgarth, 2010). An internal focus of the brand can be understood as the company workforce understanding the brand, buying into it and “living” it (Wise and Zednickova, 2009). Or, the behaviour of employees should be consistent and have a personal identification with the brand, an emotional
attachment to it and have motivation to become involved with branding strategy (Baumgarth and Schimdt, 2010).

Internal branding involves a whole range of different programs and activities, which include training, communications, monitoring, performance appraisal and the like (Keller, 2009, 2013). An empirical example of this was referred to above in the development of the Xiameter brand of Dow Corning. Here, the internal focus involved a corporate mandate from the CEO and a "full and complete" internal launch of the brand (Rozur and Magnusson, 2003). Not only is it recognised, with regards to internal branding, that employees in general should be brand literate, but the CEO and senior executives should be driving the brand initiative in a top-down, bottom-up approach (Keller, 2009).

3.2.7.1 Executive Support For The Brand

A CEO, MD or owner-entrepreneur or other senior executives can have a profound effect on public perception of the brand and help to convey the brand promise. In ensuring enthusiastic support from company’s branding efforts, a useful technique is thinking of a firm in terms of vertical and horizontal dimensions, that is, all levels of management and all departments and areas of the company should be properly aligned with the brand (Keller, 2009).

The support of senior management for branding strategies is necessary for the strategies to be of value to the brands stakeholders (Anderson et al, 1992; Woodruff, 1997; Viau, 2001; Punjaisri and Wilson, 2007; Keller, 2009; Baumgarth and Schmidt, 2010). An interesting development highlighted in the literature is the increasing importance of the role of the CEO, where "CEOs should be a brand's best friend"
Examples of this are given, such as "nothing reveals a company's true intention as much as the individual they put at the helm" and "the rise of the ‘brand and customer centric’ chief executive is undeniable" (Smith, 1999 p. 22). Listed are the highest profile and most widely regarded CEOs today (i.e. in 1999), which reads like a "who's who" of the world's biggest brands including, from the U.S., Michael Eisner (Walt Disney), Louis Gerstner of IBM, Microsoft’s’ Bill Gates, John Welch at General Electric, Douglas Ivester of Coca-Cola and Jack Greenberg at McDonalds. In the U.K., company founders such as Richard Branson of Virgin and Charles Dunstone of Carphone Warehouse are examples of bosses with excellent brand employee and customer focus.

3.2.7.2 Leading Company CEOs Understand The Value Of A Brand

"All of these leading company CEOs have a strong understanding of the value of having a brand, they have quantified the value and realised that it is the most strategic asset they have to drive their growth. That means operating the business around creating value for the brand, aligning the organisation and the business processes and remunerating and rewarding people based on the contribution they are making to grow that asset. That is why CEO involvement becomes so important" (Smith, 1999, p. 23). A "star" CEO may be the company founder and possess an entrepreneurial feel for the branding and customer profiles, such as Virgin's Branson or Steve Jobs at Apple Computer, Terry Leahy at Tesco, Allan Leighton at ASDA and Peter Davis at Prudential, who are marketers turned CEOs. For these people, a customer-focusing strategy is the only strategy. The CEO’s custodianship of the
brand can put marketing at a higher level within the company, which results in better customer service. Top CEOs know their brand is their most strategic asset.

3.2.7.3 CEOs Connect With Company Brand

Smith (1999) argues that, for CEOs who appear to be more in tune with their brands, employees and customers are important to those who are driven by having to create a positive face for the customer. Research in 1998 conducted by Sofres for the Marketing Society found that only 16% of U.K. companies required their director to meet the consumer regularly, while 34% required it of some and 43% required it of none. In comparison, in the U.S., it is not uncommon for CEOs in the U.S. to get close to their customers. One example is Herb Kelleher, CEO of South West Airlines, who regularly travels with his passengers (no, not customers) in Economy Class. Since 1992, the company has delivered record profits each year while consistently ranking at or near the top in airline ratings. Another example is Millard Drexler of Gap. He is known to approach customers and ask their opinion of the store's clothing. He has repositioned the business from a standard purveyor of Levi's to a branded fashion retailer with profits in 1998 of $775 million and a turnover of $8.8 billion. (Smith (1999). These CEOs appear to be more in tune with their brands, employees and customers.

It could be argued that these CEOs are connected with companies involved with B2C marketing rather than B2B marketing. Yet, some of B2B brands, such as DHL, Virgin and Intel, while being household names around the world, are rarely acknowledged to also be brand leaders in the B2B world. It is worth noting that these brands are among the most trusted and respected for B2B managers in the U.K. Branding cultivates intimate, credible and trusting stakeholder relationships for a corporation's products and services and combines with associated marketing plans to influence
purchasing decisions and on-going loyalty levels. This is a powerful concept, because it represents the essence of any organisation (Viau, 2001).

It has been recognised that lacking a conscious employer branding objective can be an obstacle to successful hiring strategies and can blur the 'lines of sight' of employees who need to understand the mission of the company, how their individual efforts support it and why they owe it loyalty and commitment (Donath, 2001). Human resources and senior managers are the key employer-branding stewards. Whether or not a company has a formal employer programme, companies increasingly recognise that employees are an important branding audience. Employer branding tends to emphasise tactical corporate family friendly issues such as benefits. Employees have attitudes about their employers no matter how they are ignored or fussed over. The trick is influencing those perceptions by words or deeds. An interesting aside to internal branding is its effect on the human resource management of a firm and a brand image that may be used to attract desirable employees. This research will not pursue these ideas, but they may be considered as important to pursue in a later study.

More recently, the importance of internal branding has been recognised, yet there has been limited research into the processes required to encourage employee brand-supportive behaviour (Punjaisri and Wilson, 2007; Wise and Zednickova, 2009; Coleman et al, 2011). Employees need to have a personal identification with and emotional attachment to the brand and the motivation to become involved with the brand strategy in direct interaction with their organisational buyers (Baumgarth and Schmidt, 2010). It is also argued that the employee and customer views of a company’s reputation are causally related and that the employee view of the brand influences the customer view of the brand (Roper and Davies, 2010). Employee training is one way of achieving positive brand association.
3.2.7.5 Internal Branding And Training

Training may be used to motivate employees as it leads to job satisfaction and an incentive not to leave the company through a sense of belonging. It is recognised as a means to reinforce or reshape the psychological contract between employees and management. The better the training, the stronger the brand association by way of a more positive employee view of the brand, which impacts, in turn, the buyers' view of the brand. Future research by way of surveying a larger number of B2B firms has been recognised as necessary by Roper and Davies (2010), as there has been limited research into the processes required to encourage employee brand-supportive behaviour. While the references in this section relate to examples of internal branding, none have been observed to portray the situation in an Australian industrial marketing environment.

3.3 A Critical Review and the Gaps in the B2B Branding Literature

In this chapter, the discipline of B2B branding and the business processes associated with its use by B2B marketing companies in connecting with their marketing strategies has been critically reviewed. Arguably, there is a lack of knowledge that is recognised in the extant B2B branding and marketing literature generally, but, more particularly, in the B2B branding and marketing literature when an Australian industrial marketing context is considered. There is an important need to address this lack of knowledge considering the contribution B2B marketers make to their economies and for these companies to either become competitive, stay competitive or increase their competitiveness by way of business processes relating to improving brands using a brand strategy formulation that is based on their B2B marketing experience and is linked to B2B marketing strategies. It has been recognised in the Australian business community and society that Australia needs to
compete effectively in the international economy if the current standard of living is to be maintained. While managers cannot control the external environment, to ensure business success, it is necessary for them to make the appropriate strategic choices (Joseph et al, 2001).

3.3.1 Marketing And Branding Studies

While many contributions to the extant marketing and branding literature have been examined, the majority of the studies relate to the United States, United Kingdom or European marketing environments, where markets are much larger than Australia. Studies in an Australian context have been very limited, with very few contributions available. The exceptions have been referred to in the literature review, namely those of Joseph et al (2001), Wong and Merrilees (2005; 2007; 2008) and Kuhn et al (2008). Do the conclusions of the authors of articles emanating from non-Australian sources apply in an Australian B2B marketing environment where markets may be much smaller? When specific articles relating to SMEs are reviewed, their source or market related locations are not necessarily a constraint, since, in articles relating to empirical SME research, the maximum number of employees is given at 250. This number coincides with the same maximum number of employees for SMEs in Australia, so some relevance may apply (Joseph et al, 2001; Reijonen and Laukkanen, 2010).

In many Australian business manufacturing and marketing industries, it is not uncommon for one or two large companies to dominate the industry, in competition with several SMEs such as the food manufacturing industry, the road transport industry, as well as the industries investigated in this study. This chapter has established that little is known about B2B brand strategy formulation processes in an Australian industry context. There is a lack of information as to whether the large
companies in Australian industries practice branding more widely or more effectively than SMEs. Whether they do or do not, can it be concluded that the outcome will be the same across all industries?

### 3.3.1.1 B2B Branding Processes

This chapter and the preceding chapter have established that little is known about the processes companies undertake in their B2B branding activities. Research concerning the B2B branding context is widely scattered, fragmented and lacks cohesion, and, coupled with a lack of empirical investigations, provides little practical guidance for brand managers (Leek and Christodoulides, 2011). It is apparent that B2B branding is not widely used across B2B companies in a considered strategic approach. Where it is used, there is a lack of strategic emphasis (Homburg et al, 2010) and a lack of alignment of different strategic elements (Sheik and Lim, 2011), indicating an almost complete lack of knowledge of the brand strategy formulation that they should adopt.

A B2B branding process usually begins with an inspiration or idea that is intended to give the business a distinctive name or logo. In the circumstances of selling its products to buyers, it engages marketing strategies either deliberately or accidentally. However, little research has been conducted that specifically seeks to investigate if companies employ branding processes or, if they do, whether there is any alignment of their brand elements with their marketing elements to maximise their marketing thrust. Therefore, a gap in the knowledge base exists as to whether, in their marketing operations, B2B companies in an Australian industry context have processes to engage a branding strategy formulation that targets their marketing strategies and incorporates this alignment into a brand strategy formulation with processes for strategy execution. Drawing from this critical review of the literature
has identified many gaps in the knowledge base relating to processes used to
develop a company's brand and the brand strategy formulation process used by B2B
marketing firms. If B2B branding is the focus of attention, it is must be ascertained
what brand elements are considered important and whether B2B market-oriented
companies align these brand strategy elements with their marketing elements in a
brand strategy formulation process.

3.3.1.2 Brand Formulation Strategies In An Australian B2B Environment

It has been observed that there are gaps in the literature review contributing to the
only fragmented knowledge that currently exists. The questions this research seeks
to address include what brand formulation strategy processes exist that include
strategy making and the strategy execution steps of a formulation that aligns their
branding strategies with their existing marketing strategies? Do firms engaged in B2B
marketing in a nominated Australian industry context develop a brand strategic
vision, set objectives and craft strategy to achieve the objectives and vision? Do they
implement and execute the strategy? What processes do they employ? Who is
responsible for the process design? Do they monitor developments, evaluate
performance and make corrective adjustments? Is there a model, either academic or
empirical, they can follow or benchmark from?

An ongoing debate continues in the literature as to how B2B branding is viewed by
B2B marketers. Reference has been made to earlier contributors showing that B2B
branding does have benefits (Sinclair and Seward, 1988), that it is crucial to create
powerful brands and that brands play as important a role in B2B markets as they do
in consumer markets (de Chernatony et al, 2011). Brands can play an important
functional role in business markets (Brown et al, 2010). Yet, compared to B2C
companies, B2B companies targeting business customers often put less strategic
emphasis on branding (Homburg et al, 2010). It has also been asserted in the
literature that B2B branding is not widely used across B2B companies, with the
suggestion that it is possibly due to the lack of cohesive academic theory and a lack
of a significant body of research knowledge on the subject (Leek and
Christodoulied, 2011). This leads to the conclusion that there is a lack of clear
understanding of this important area.

The literature review has shown that there is little knowledge relating to the situation
in Australian industries and, in particular, the firms operating in these industries.
What do the leaders of these companies really know about what benefits a brand can
add to their sales and revenue growth, as well as the added advantages of
competitive advantage, and the barriers to entry into their market (Keller, 2009)?
Through these advantages, how can a brand lead to or sustain market leadership
and all the advantages this may accrue to their firm. What do the firms in selected
industries really know about B2B branding, that is, whether it is different from B2C
branding; and, once the concept of brand logos and slogans is put to one side, what
do they know about brand processes or brand elements?

It may be assumed that firms that have existed in an industry for some time have
successful and competitive marketing strategies. However, have they identified
exactly what these strategies are (Wong and Merrilees, 2005; de Chernatony et al,
2011)? Is there recognition that these marketing strategies are a valuable resource
and provide a means of linking their brand to them in a brand strategy formulation
process? As has been earlier discussed, important marketing strategic elements
have emerged from the literature review. While they may have been observed in the
literature, what importance do firms attach to them in formalised processes in the
business? Each is briefly discussed in turn as to why they should be the subject of
further research.
3.3.1.3 Marketing Strategies

First, industry position and competitive advantage have been recognised as a marketing strategy by market-oriented companies. However, research is lacking as to whether to achieve a nominated industry position is considered an important marketing element by all companies operating in a B2B marketing environment (Shipley and Howard, 1993; Day and Wensley, 1988). The contribution of brands has been recognised as being of importance in establishing industrial marketing positioning, as the brand reduces the risk of yielding an edge to competitors (Ohnemus, 2008). Does this really apply to companies in an Australian context? Since competitive advantage is a desirable outcome for market-oriented companies as a marketing strategy, a gap in the knowledge base exists in our understanding of whether the companies involved in B2B marketing incorporate a competitive advantage element in the process of their brand strategy formulation.

Second, it has been recognised the size of a firm can have an influence on the ability of the company to implement successful branding strategies (Krake, 2005). However, little research has been conducted that identifies whether this is a financial constraint or capabilities deficiency. In addition, little research exists as to whether size is a predictor that either constricts or enhances the ability of a B2B firm to focus on a brand strategy formulation outcome. This has resulted in a gap in the literature regarding an understanding of the relationship between a firm’s size and its ability to engage in a successful brand strategy formulation. What is the situation with SMEs in an Australian B2B industry context? Can it be recognised that they have different marketing objectives? Or is it because they lack marketing expertise? Or will it be found that they have limited organisational resources?
Third, despite the importance of a knowledge and understanding of OBB, which is an important B2B marketing strategy and is relevant in branding processes, yet little research in this area has focused on the desirability of its inclusion in a brand strategy formulation. Empirical research is lacking as to whether it is broadly supported by B2B companies in a brand strategy formulation process in the Australian context.

Fourth, the literature broadly supports relationship-building processes as important, not only in marketing strategy, but also in branding strategies. Despite the literature support for buyer-seller relationship development, there is a lack of knowledge of whether this marketing concept is linked to the firm's brand strategy formulation. This lack of knowledge suggests the need for empirical research that specifically addresses what attention is given to relationship development elements in a brand strategy formulation context in Australian firms and industries actively engaged in B2B marketing.

Fifth, customer value has been widely discussed in the literature as has its link to branding. What is not widely known is whether customer value is an element of brand strategy formulation and whether value concepts, such as creating superior value, value-in-use and knowledge of customer value expectations, are part of the brand strategy formulation. Extant studies have not adequately addressed these specific characteristics of the value context in Australian B2B firms. This has resulted in a gap in the literature regarding an understanding of the attention given to value in the brand strategy formulation. Do firms align a brand strategy formulation with their marketing strategies relating to customer value?

Sixth, the issue of attention to value creation by using resource based capabilities and competencies is widely discussed in the extant marketing literature. This
marketing strategy has been linked to branding and resource based capabilities, and is recognised collectively to be at the heart of brand identity. It has also been shown to enable firms to deliver on their brand promise (Beverland et al, 2007). However, there is a lack of knowledge as to whether the brand processes of companies strategically align their assets (competencies) and capabilities (processes) with their brand strategy formulation in adding value to their market offering or, just as importantly, as a base for building their brand framework (Lynch and de Chernatony, 2007). This lack of knowledge suggests the need for research that specifically addresses improving our understanding of the role that resource based capabilities play in brand strategy formulation, particularly in an Australian B2B industry context.

Seventh, an internal dimension of the brand is an important process that has been discussed in the branding literature over a long period of time. What is not widely known is whether internal branding is thought to be important by B2B marketing companies or is considered relevant. Little empirical research has been conducted that adds to our knowledge as to how and if internal branding is practiced. Therefore, a gap in the knowledge base exists as to whether the inclusion of an internal brand element is considered an important element in a brand strategy formulation process. Little is known about the relevance of internal branding in Australian industrial marketing firms.

Eighth, by virtue of the lack of theory in brand processes incorporating a brand strategy-marketing strategy formulation link, research objective 9 seeks to build on the findings and insights obtained from addressing research objectives 1 to 8 by engaging in a theory-building process to develop a model that provides a framework that business managers can use in developing their brand or in benchmarking how their brand making processes within the organisation compare with the theoretical model.
Finally, the fragmented nature of the literature relating to what B2B branding elements are considered important for inclusion in B2B conceptual models and the dearth of empirical attention in the area of B2B branding has resulted in a lack of a robust, logical, cohesive academic framework that can inform B2B brand managers of how to effectively practice branding (Leek and Christodoulides, 2011). This framework needs to be an alignment of specific strategic elements that provide a coherent, powerful vision of the brand in the B2B marketing environment (Sheikh and Lim, 2011).

An analysis of the extant literature demonstrates a lack of knowledge of the processes of brand strategy formulation and a lack of theory relating to a brand strategy formulation linked to a firms current marketing strategies and has led to the following research questions and research objectives.

3.4 Research Question and Research Objectives

As noted in Chapter 1, the following research question was formulated for this thesis:

*Do firms engaged in B2B marketing in a given Australian industry context link brand strategies with marketing strategies in a brand strategy formulation process?*

3.4.1 Research Objectives

In light of the research question and the eight gaps identified in a B2B brand strategy formulation knowledge base identified by a critical review of the literature that was undertaken to guide the enquiry, the following research objectives have been developed:
1. To identify the importance that B2B firms place on branding and what processes they use, if any, to develop their B2B brand strategy formulation.

2. To identify if the implementation of a brand strategy formulation process contributes to a firm’s position in the industry and competitive advantage.

3. To identify if implementing brand strategy formulation processes and aligning brand elements with marketing elements a brand strategy formulation is related to the size of the firm.

4. To identify if OBB is incorporated into brand strategy formulation and what the processes to obtain knowledge of OBB are.

5. To identify if developing relationships is part of brand strategy formulation and what processes are used.

6. To identify if branding elements linked to the marketing strategies that the customer values as part of the brand strategy formulation process.

7. To identify if companies have a process that links their brand elements or brand values to their marketing resource-based capabilities and competencies in creating customer value into a brand strategy formulation?

8. To identify if the company’s brand has an internal dimension which is included in brand strategy formulation and how identification with the brand at all levels of employment within the organisation takes place.

9. To build on the insights and findings of the eight research objectives numbered one to eight above, to develop processes to build a theoretical model of branding that relies on a brand strategy/marketing strategy alignment.

**3.4.1.1 Explanation Of Research Objectives**

Research objective 1 seeks to identify if the concept of a B2B brand is known to be different from a B2C brand. Business men and women as consumers are confronted
by consumer brands as an everyday occurrence. It is necessary to know if they have
an understanding of a B2B brand and what their brand means to their buyers. Do
they have a process to achieve a brand strategy formulation? Do they link any brand
elements to their current marketing strategic elements.

Research objective 2 seeks to understand if competitive advantage is more than a
marketing strategy to B2B marketers. Is it also a brand strategy? Is the brand
accepted as positively affecting competitive advantage? Is there is a focus on the
firm’s ranking or position in the industry? If there is, is there a heightened awareness
in such a company of the need to create superior competitive advantage and that a
competitive advantage element needs to be included in their brand strategy
formulation?

Research objective 3 identifies that the complexity of designing a brand strategy
formulation is likely to result in different factors that positively or negatively affect any
brand process. Small firms are more likely to be at a disadvantage than large firms in
designing effective brand strategies (Shipley and Howard, 1993). The reason could
be the result of financial impediments or a lack of managerial skills, planning and
market research skills, or a knowledge gap regarding branding as an important
marketing strategy attribute (Krake, 2005). What is the case in an Australian B2B
industry context where many industries are dominated by one or two large firms with
a larger number of SMEs competing in the same market?

Research objective 4 seeks to understand the effectiveness of the brand orientation
to OBB by B2B marketers. OBB has been identified as important in B2B marketing
strategy (Rosa and Qualls, 1996; Reid and Plank, 2000). It has also been shown to
be important as a brand strategy element (Mudambi, 2002; Wally et al, 2007;
Blombäch and Axellson, 2007; Han and Sung, 2008; Kuhn et al, 2008; Homburg et
al, 2010; Herbst and Merz, 2011). This objective seeks to identify if B2B marketers
have a formal process of obtaining knowledge and understanding of how purchasing is conducted by business customers, for example, whether it is by way of a single buyer, buying team or buyer centre, whether buyers rank sellers and whether they seek to obtain knowledge of what buyers consider important brand elements. Do they include knowledge of OBB in their brand strategy formulation?

Research objective 5 follows on by seeking to understand what processes are used to develop relationships in an industrial companies brand strategy formulation. Are they buyer or seller dominated? If buyer-seller relationships are considered important, are relationships initiated by the seller and include elements designed to establish and create relationships by delivering on the promises of the brand, by building company credibility and by creating trust and loyalty. Does the process include monitoring relationship quality with the designed outcome to build long term relationships? Building and sustaining relationships is widely advocated in the literature as a marketing and branding strategy (Wilson, 1995; Caceres and Paparoidamus, 2007; Doney et al, 2007; Glynn and Woodside, 2009; Rauyren and Miller, 2007, 2009; Čater and Čater, 2010; Brown et al, 2011; Coleman et al, 2011). What is the reality in firms operating in an industrial marketing environment in Australia?

Research objective 6 seeks to understand how B2B marketers provide customer value. Customer value is an important component in a purchasing transaction. Providing value for the customer is recognised as an important marketing strategy (Zeitmal, 1988; Woodruff, 1997; Cravens et al, 1998). It is important for B2B marketers to know and have a process to obtain the knowledge of what elements are identified by B2B buyers that create value, superior value, and value-in-use for them (Anderson et al, 1993). It is important to know what is the level of knowledge of B2B marketers regarding how the incorporation of value in a brand strategy formulation
provides a promise of value that, when delivered, enhances the reputation of the firm and engenders trust (Ballantyne and Aitken, 2007; Davis et al, 2007; Glynn and Woodside, 2009). Do they incorporate a customer value element in their brand strategy formulation? Does competitive market pressure cause firms to concentrate on price alone? What is the relationship of firms operating in Australian B2B industries? Will attention to branding processes be of value in resisting the market commoditisation of their outputs and, hence, cause them to link the brand to their marketing strategies in a brand strategy formulation?

Regarding research objective 7, the creation of value by the firm based on its competencies and capabilities has received ongoing attention in the academic literature (Stalk et al, 1992; Day, 1994; Hunt and Morgan, 1995; Hunt, 1997; Cravens et al, 1997; Ngo and O’Cass, 2007). The link to branding is less clear, although firms position their brands around capabilities (Beverland et al, 2007; Blombäck and Axelsson, 2007). However, there is a lack of comprehensive understanding of what connection there is between resource based value creation and the brand strategy formulation of the firm. Further, there is a lack of understanding and knowledge as to the realisation that a brand process needs to include identifying a firm’s capabilities as the starting point of the brand strategy formulation process (Lynch and de Chernatony, 2007). Are these propositions correct in reference to firms in Australian industries involved in B2B marketing?

Research objective 8 seeks to identify if there is an internal branding focus by B2B marketers. Internal branding has been identified as an important element in B2B branding and recognises the necessity of the CEO or senior executives aligning themselves with the brand and having processes to ensure that effective training measures are in place to provide the means of employees knowing about the brand and what it stands for. However, there is a lack of knowledge regarding whether
CEOs are in tune with their brand, whether a “top down-bottom up” culture exists in the organisation and if training processes are employed to develop employee associations with the brand (Rozin and Magnusson, 2002; Punjaisri and Wilson, 2007; Morgan et al, 2007; Glynn and Woodside, 2009; Keller, 2009; Baumgarth, 2010). Again, empirical results relating to an Australian B2B marketing environment are lacking.

The comprehensive ninth research objective seeks to build on the insights and findings gained from addressing research objectives 1 to 8 by engaging in a theory-building process to develop a model that provides a framework of branding processes and brand strategy formulation that is aligned with the firm's existing market strategies. The knowledge derived from the study will help address the gaps in this area identified in this chapter.

3.4.1.2 Conceptualised Frameworks For B2B Branding

The literature review conducted in this chapter shows various frameworks that have been conceptualised for B2B branding; however, no brand formulation process models are evident. One conceptual framework consists of a number of elements. These include the degree of branding, buyer perception and attitude, buyer behaviour, brand performance and brand equity (Mudambi, 1995). A B2B-branding-guidelines list is provided by Keller (2009). In summary, these are to embrace internal branding, frame value perceptions and to segment customers. An assessment of brand values that build on the firm's competencies and culture is the starting point for the development of a brand framework and brand values should include functional and emotional elements (Lynch and de Chernatony, 2007). In addition, B2B brands should accommodate the perspectives and needs of all buying centre members and be successfully communicated. Brand awareness, brand image,
brand equity and a relationship role are included in another conceptual model (Davis et al, 2007).

Suppliers’ competence linked to OBB satisfaction, industrial brand value and relationship performance, including brand loyalty and brand trust, are included in another conceptual model (Han and Sung, 2008). The Keller model of brand equity are applied to a B2B context (Kuhn et al, 2008). Four steps are identified in building a strong brand, including brand identity, a brand meaning, brand responses and brand relationships. In the building of this model, a strong brand ensures the correct brand identity. When examining the Keller model, no structural framework of brand strategy formulation emerges. Several guidelines are observed in the Keller (2009) model, including an internal dimension to the brand, the brand as a corporate identification, framing value perceptions, the importance of non-product imagery, the importance of emotional elements that lead to long term relationships and segmentation (Glynn and Woodside, 2009).

3.4.1.3 Few Frameworks Available

It has been recognised that few authors have considered what attributes business marketers can use to build a strong brand identity (Beverland et al, 2007) and few frameworks are available to guide brand managers due to a lack of cohesive academic theory (Leek and Christodoulides, 2011). What processes are followed by the firm in devising a brand strategy formulation? Do firms align brand elements with their marketing elements? Is it important that they do? The knowledge derived from this study will help address the gaps in the literature in this area, as identified in this chapter.
3.5 Conclusion

The literature review conducted in Chapter 2 and Chapter 3 has revealed that the conceptual and empirical attention devoted to B2B brand processes and a B2B brand strategy formulation that is linked to a firm’s marketing strategies have all been limited, and few processes have been identified. The literature is fragmented and lacking in cohesive academic theory and, while diverse in scope, does not describe a set of processes or the identification of strategic brand elements that are linked to strategic marketing elements to be used and incorporated into a brand strategy formulation model. Further, it fails to provide a commonly agreed comprehensive understanding of a holistic brand strategy formulation process.

The literature does not provide information as to whether businesses in an Australian industrial marketing context have a business vision that enables them to see their businesses in terms of their strategic capabilities and to use processes that make capabilities-based competition work through their brand. There is a need to stop defining competition in terms of static products and to see the need to reshape their businesses in terms of business practices. The literature does not provide an answer as to whether market-oriented Australian businesses engaged in B2B marketing recognize a need for brand strategy formulation processes that link their marketing strategies in a brand that is designed to address competitive forces in their particular field of operation. Empirical evidence is lacking. Given this lack of understanding, a theory-building approach grounded on a qualitative investigation of the brand strategy formulation process is in order.

In addition, there is a lack of theory relating to the process in a B2B branding processes context of aligning branding strategies with marketing strategies in a brand strategy formulation. This thesis seeks to build on the findings and insights gained
from addressing the research objectives 1 to 8 by engaging in a theory-building process to develop a model that provides a framework that explains the brand strategy formulation process for B2B marketers (research objective 9) that may enable a brand strategy formulation to be of assistance for brand managers, who want to design their brand or are already involved in a combined brand/marketing association to benchmark their existing processes. The knowledge derived from the study will help address the gaps in this area as identified in Chapter 2 and Chapter 3. This procedure is elaborated upon in the next chapter, where the methodology for this research is presented.
CHAPTER 4

RESEARCH METHODOLOGY

4.1 Introduction

Chapter 4 outlines the methodologies and research designs available to provide empirical data in order to investigate the research subject and to answer the research questions. A multisource, inductive and theory-building research design was used in this thesis due to the continuing enquiry of the literature into B2B branding and the B2B brand strategy formulation process. This chapter has ten sections. Section 4.2 discusses research paradigms and why an interpretivist approach has been selected. Section 4.3 discusses the selection of the methodology. Section 4.4 explains the reason for the selection of a case-study approach that includes an inductive, theory-building case study process. Section 4.5 discusses the research design. Section 4.6 documents the rationale used for the selection of companies for the case study. Section 4.7 discusses the conduct of the case study and the data collection. Section 4.8 explains how the analysis of the data was conducted. Section 4.9 discusses the quality of the case research. Section 4.10 provides a summary of the chapter.

4.2 Research Paradigms

Two distinct philosophical approaches that influence the structure and process of social research are ontology and epistemology. In theory development, two major approaches emerge and are identified as deductive theory testing and inductive theory building (Perry, 1998). These give rise to two scientific paradigms, positivism and interpretivism. The positivist paradigm represents the deductive approach while
the phenomological, interpretivist or realist paradigm represents the inductive approach (Amaratunga and Baldry, 2001). Further, research can be either theory testing or theory building. In the former, testing occurs where an existing theory or hypothesis is tested using methods that allow it to be measured and evaluated and, as such, be grouped under the positivist paradigm. In the latter, the emphasis is on theory building and the purpose is to seek out meaning and understanding of the phenomena and, as such, be grouped under the interpretivist paradigm (Amaratunga and Baldry, 2001; Carson et al, 2002). Deductive processes may be thought of as being "top-down" in their perspective of starting with theory and then collecting the data to test theory and hypotheses in a cause and effect order (Creswell, 2004; 2007). In contrast, deductive processes are "bottom-up" in nature, since they start with the data and then develop the theory.

Therefore, it can be seen that, in the positivist paradigm, the main focus of the research is theory testing and, in this approach, a deductive process is used to search for causal explanations and fundamental laws (Amaratunga and Baldry, 2001). In the interpretivist paradigm, the main focus of the research is on theory building where the purpose of this study is to seek out meaning and understanding of the phenomena by using a process of induction (Carson et al, 2002).

In order to be guided as to the best choice of method to address this research project, a brief discussion of the ontology, epistemology and methodology of both the positivist and interpretivist approaches are discussed. Essentially, ontology is reality. Epistemology is the relationship between that reality and the researcher while methodology is the technique/s used by the researcher to discover that reality (Perry et al, 1998; Carson et al, 2002).
The positivist ontology assumes the world is external and objective, and that individuals have direct access to the real world, and attempts to use objective facts to explain casual relationships in the field of social phenomena. The positivist epistemology relies on the belief that observers are independent and maintain a distance between themselves and the object of the research. On the other hand, the interpretivist ontology is based on the concept that, whilst individuals do not have direct access to the real world, their knowledge of this perceived world is meaningful and the careful use of interpretivist procedures can, in its own terms, be understood. The epistemology of interpretivism requires that the researcher must be a participant in reality. Further, qualitative epistemology means that the effect of the interaction of the researcher and reality cannot be erased irrespective of however much the qualitative methodology might try to erase it (Carson et al, 2002).

The debate relating to the correct epistemology that applies to social science is one of the positivist epistemology versus the interpretivist epistemology. The positivist side argues that the traditional experimental science is where a hypothesis is tested such as in the area of physics and chemistry. The argument is that truth transcends opinion. This site also argues that qualitative researchers write fiction, not science, and these researchers have no way of verifying their truth statements since their research is only exploratory or subjective. However, the interpretivist side argues that their approach, although different, is still valid research as it allows the focus of research to be on understanding what is happening in a given context. It also includes research involvement and taking account of the context of the phenomena under study, and the contextual understanding and interpretation of data. (Carson et al 2002). The debate is reduced to legislating one version of truth over another (Denzil and Lincoln, 2005).
Table 4.1 below provides a summary of important elements of positivism and interpretivism in the context of the philosophies of ontology and epistemology and their contribution to the choice of the research methodology adopted.
<table>
<thead>
<tr>
<th></th>
<th>Positivism</th>
<th>Interpretism</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ontology</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nature of 'being'/nature of the world</td>
<td>Have direct access to real world</td>
<td>No direct access to real world</td>
</tr>
<tr>
<td>Reality</td>
<td>Single external reality</td>
<td>No single external reality</td>
</tr>
<tr>
<td><strong>Epistemology</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>'Grounds' of knowledge/relationship between reality and research</td>
<td>Possible to obtain hard, secure objective knowledge</td>
<td>Understood through 'perceived' knowledge</td>
</tr>
<tr>
<td></td>
<td>Research focuses on generalisation and abstraction</td>
<td>Research focuses on the specific and concrete</td>
</tr>
<tr>
<td></td>
<td>Thought to be governed by hypotheses and stated theories</td>
<td>Seeks to understand specific context</td>
</tr>
<tr>
<td><strong>Methodology</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Focus of research</td>
<td>Concentrates on description and explanation</td>
<td>Concentrates on understanding and interpretation</td>
</tr>
<tr>
<td>Role of researcher</td>
<td>Detached, external observer</td>
<td>Researchers want to experience what they are studying</td>
</tr>
<tr>
<td></td>
<td>Clear distinction between reason and feeling</td>
<td>Allows feelings and reason to govern actions</td>
</tr>
<tr>
<td></td>
<td>Aims to discover external reality rather than creating the object of study</td>
<td>Partially creates what is studied, the meaning of the phenomena</td>
</tr>
<tr>
<td></td>
<td>Strives to use rational, consistent, verbal, logical approach</td>
<td>Use of pre-understanding is important</td>
</tr>
<tr>
<td></td>
<td>Seeks to maintain clear distinction between facts and value judgments</td>
<td>Distinction between facts and value judgments is less clear</td>
</tr>
<tr>
<td></td>
<td>Distinction between science and personal experience</td>
<td>Accepts influence from both science and personal experience</td>
</tr>
<tr>
<td>Techniques used by researcher</td>
<td>Formalised statistical and mathematical methods predominant</td>
<td>Primarily non-quantitative</td>
</tr>
</tbody>
</table>

Source: Table 1.1 (Carson et al 2002, p. 6)
4.2.1 Positivism or Interpretivism

In order to arrive at the best choice of methods to be used for this research, a discussion of two paradigms that influence social research is considered necessary. These two paradigms are positivism and interpretivism. That there is a fundamental distinction between the two paradigms is recognised: verification versus discovery or verifying or confirming theories versus discovery or generating theories (Desphande, 2005).

Positivism

Positivism research is described as concentrating on description and explanation, that is, it attempts to explain causal relationships by means of objective facts where thought is governed by explicitly stated theories and hypotheses. It is characterised by the researcher remaining detached from themselves and the object of the research, making a clear distinction between reason and feeling, and maintaining a clear distinction between facts and value judgments. In short, it is based on a quantitative processing of data according to statistical and mathematical techniques (Carson et al, 2002).

Carson et al state that, "Because individuals have direct immediate access to the real world then theoretically it is possible to obtain hard, secure and objective knowledge about this external reality" (2002, p. 5). This is the basis of positivism. Positivists seek to maintain a clear distinction between facts and value judgments. Statistics and mathematical techniques for quantitative processing of data are central to this research method. Quantitative methodology may try to erase the researcher's influence, where as the qualitative epistemology perspective is that the effect of the interaction of the researcher and reality cannot be erased (Craven et al, 2002).
Further, in positivist research methodologies, there tends to be an emphasis on theory testing and measurement. Outcomes are measured with reference to statistical significance. This methodology also draws on the proven prior theory to initiate theories that can be tested with hypotheses - to rely on a cause and effect order and to postulate an outcome when the research is applied to a particular area, such as marketing or advertising (Creswell, 1994, 2007).

Positivism research is based on empirical testing and is usually designed to achieve scientific rigor and validity for measurement and theory testing from the perspective of objectivity. As such, it maintains the distance of the researcher, thus allowing the perspective of objectivity, which is distinctive in this classification of research (Cravens et al, 2002). "Positivism has been considered by many scientific researchers in the past to be the correct scientific paradigm" (Carson et al, 2002 p. 5). This is based on the centrality and rigidity of statistics and mathematical techniques for the quantitative processing of data. A reliance on objective facts and statistical analysis are characteristics of positivism forcing researchers to work within theory rather than extend or even challenge it (Jarrat, 1996).

Interpretivism

Interpretivism, on the other hand, involves the focus of the research to be on the understanding of what is happening in a particular study. Further, interpretivism (from the term interpret) avoids the rigidities of positivism which seeks to explain causal relationships by means of objective facts and statistical analysis. Rather, it uses a more personal process in order to explain reality. The primary concern is understanding human behaviour from the researcher’s frame of reference. As a subject in the research process, the experience and background of the researcher
needs to be explained because this will have an impact on how the researcher structures an understanding and care should be taken that this does not prevent the researcher from seeing a particular aspect of the problem where the research emphasis is on comparison.

Qualitative investigators tend to describe the unfolding of the process rather than the social structures that are often the focus of quantitative researchers. Qualitative researchers, in contrast to their quantitative colleagues, claim forcefully to know relatively little about what a given piece of observed behaviour means until they have developed a description of the context in which the behaviour takes place and attempted to see that behaviour from the position of its originator (Van Maanen, 1979). Different methodologies have a different way of collecting data even though they are being used for the same purposes of exploration, description or explanation.

Table 4.2 below presents the key identifying characteristics of quantitative and qualitative research.
Table 4.2
Characteristics of Quantitative and Qualitative Research

<table>
<thead>
<tr>
<th>POSITIVISM</th>
<th>INTERPRETIVISM</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Testing variables and testing techniques (Carson et al, 2001).</td>
<td>1. Investigates a contemporary phenomenon within its real context when boundaries between phenomenon and context are not clearly evident (Yin, 1994, p. 13).</td>
</tr>
<tr>
<td>2. Tends to be relatively structured in order to achieve the rigor and validity required for theory testing and measurement (Carson et al, 2001, p. 63).</td>
<td>2. Copes with the technically distinctive situation in which there will be many more variables of interest than data points [and as one result relies on multiple sources of evidence with data needing to converge in a triangulating fashion another result may not.</td>
</tr>
<tr>
<td>3. Emphasis on Theory Testing</td>
<td>3. Benefits from the prior development of theoretical propositions to guide data collection and analysis and can be based on any mix of quantitative and qualitative evidence (Yin, 1994 p. 14).</td>
</tr>
<tr>
<td>4. Draws on the proven foundation of prior theory to generate theories that will test, that is, a hypothesis.</td>
<td>4. It permits research to evolve, develop and build upon earlier understanding,</td>
</tr>
<tr>
<td>6. Comes to terms with frequency and to explain the meaning between cause and effect</td>
<td>6. Comes to terms with the meaning and not the frequency.</td>
</tr>
<tr>
<td>7. More relevant when emphasis is on comparison and to measure or assess the extent of differences or similarities between different companies or industries (Carson et al, 2001, p. 67 )</td>
<td>7. Allows the researcher to take account of specific and individual organisational contexts.</td>
</tr>
<tr>
<td>8. The structure allows the researcher to maintain the “distance” structure of objectivity that is appropriation positivist research (Carson et al, 2001 p. 63)</td>
<td>8. Is about determining key issues (Carson et al, 2001, p. 208).</td>
</tr>
<tr>
<td>9. Maintains objectivity, e.g. through a very structured forced choice, self completion questionnaire used in a random sample survey (Carson et al, 2001 p. 63)</td>
<td>9. Small scale exploratory or cross-section studies to explore marketing characteristics and identify key conceptual issues with case studies of marketing companies which have the specific characteristics of interest, at the end, specific marketing decisions can be made in relation to the findings of each stage of the study (Carson et al, 2001, pp. 210-213).</td>
</tr>
</tbody>
</table>

Source: Developed for this thesis
4.3 Selection of Methodology

The previous discussion provides a comparison of the characteristics of quantitative and qualitative research methodologies. In summary, a positivist methodology is concerned with theory testing, objective precision in measuring outcomes and measurements with meaningful statistical significance that involve cause and effect relationships. A positivist methodology will draw on the proven prior theory to generate new theories in a hypothesis testing process. An interpretivist methodology is concerned with building theory as a result of empirical insights and it achieves substantial meaning of "how" and "why" questions in relation to the phenomena under investigation, by applying inductive reasoning at any stage of the study (Carson et al, 2002). Further, much of the focus of research in marketing is concerned with understanding why things are happening. To arrive at this objective in the context of the interpretivist paradigm, it is necessary that the researcher is involved and provides personal interpretive processes in understanding and making sense of the phenomena (or data) in specific marketing contexts. In contrast, in the positivist paradigm, researchers remain detached while maintaining a distance between themselves and the object of the research.

4.3.1 Choice Of Strategy

The choice of strategy is based on three conditions: (a) the type of research question posed; (b) the extent of control an investigation has over actual behavioural events; and (c) the degree of focus on contemporary as opposed to historical events (Yin, 2003). Since this study seeks to explore market phenomena in relation to the formulation of branding strategy, rather than the testing of prior theory or measuring outcomes, an interpretivist or qualitative methodology is deemed appropriate with the use of case studies. An inductive qualitative case-study approach can probe deeply
and permit deeper understanding of the concepts of interest by uncovering subtle and complex issues (McGivern, 2006).

Qualitative research typically involves small samples, uses interviewing techniques and observation, and is concerned with understanding and insight rather than measurement. It is often used to understand the “what” and the “why” of what people do, think, feel and want, and to identify what accounts for certain types of behaviour, “for example, what makes customers loyal to a particular brand?” (McGivern, 2006). Quantitative research can allow the researcher to establish relationships among variables by exploring the reason for those relationships via a focus on small-scale behavioural aspects (Punch, 1999).

However, since a requirement of positivism is that only observable phenomena can and should be researched, then realism is a more appropriate epistemological guide for case study research than positivism (Perry, 1998). In addition, qualitative research provides mechanisms for the theory building to be done before quantitative theory testing is rushed into a research project, such that “the use of qualitative methods would broaden the range of phenomena that marketing could effectively and efficiently address, including marketing management phenomena and phenomena involved in making a whole organisation more customer oriented. With these developments, marketing education and research would become more relevant to real-world careers of managers within and without the marketing function” (Carson et al, 2002, p. 225).

In addition, “qualitative methods can be readily adapted from their social science background for use in organisational and managerial situations and in particular can be readily adapted for research into marketing and marketing management decision
making in the context of specific, organisational and marketing situations” (Carson et al, 2002, p. 208).

In order to answer the research question posed in this study, a qualitative methodology approach was chosen as the most appropriate means of obtaining knowledge and understanding of marketing management perspectives, that is, to gain an insight into and understanding of the branding processes utilised by companies engaged in B2B marketing (Carson, 2002). There is no intention to suggest the quantitative paradigm has no place in marketing, however, qualitative methodology processes are more suited for theory construction and for the generation of marketing research and theory (Despande and Zaltman, 1982). This study seeks to explore marketing phenomena in relation to branding strategy formulation, rather than undertake the testing of prior theory or measuring outcomes; as a consequence, the interpretivist or qualitative methodology is appropriate.

4.4 Selection of a Case Study Approach

The main purpose of interpretivist methodologies in relation to the phenomena under investigation is to provide substantiative meaning and understanding of the “how” and “why” questions (Carson et al, 2002). The choice of methodology has been linked to identifying the type of research questions being asked: “who”, “what”, “where”, “how” and “why” (Yin, 2003). Table 4.3 below shows the relevant situations of different research strategies. As the research aims to discover “how” and “why” decisions are taken, a case study methodology was selected. Further, in the interpretivist paradigm, case based methodology usually tends to address research areas rather than the positivist paradigm (Perry et al, 1999). In addition, the preferred paradigm for case study research is realism (Perry, 1998).
### Table 4.3

Relevant Situations for Different Research Strategies

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Form of research Question</th>
<th>Requires Control of Behavioural Events?</th>
<th>Focuses on Contemporary Events?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experiment</td>
<td>How, why?</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Survey</td>
<td>Who, what, where, how many, how much?</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Archival analysis</td>
<td>Who, what, where, how many, how much?</td>
<td>No</td>
<td>Yes/No</td>
</tr>
<tr>
<td>History</td>
<td>How, why?</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Case Study</td>
<td>How, why?</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Source: (Yin, 2003)

Case study is an empirical investigation into a contemporary phenomenon operating in a real life context (Yin, 1994). Case studies are a common way to undertake qualitative enquiry, because a case study is both the process of that enquiry about the case and the product of that enquiry (Strake, 2005). A research strategy that focuses on understanding the dynamics present within single settings is a case study. Case studies combine data collection methods, such as interviews, questionnaires, observations and archives (Eisenhardt, 1989). Case studies are able to address the causal relationships in real-life settings that would be too complex for either a survey or experimental methods to address (Hill, 1993). Case study research is a useful method for studying either the organisation as a whole or their organisational processes (Berg, 1998; Gellham, 2000; Gummerson, 2000; Marshall and Rossman, 2006). Case studies are a common way to undertake qualitative enquiry (Denzin and Lincoln, 2005) and are able to aid researchers in describing and understanding a phenomenon of interest, and studying such phenomena in its natural context or when it cannot be separated from the context in which it naturally
occurs (Romano, 1989; Cresswell, 2007; Eisenhardt and Graebner, 2007). As such, case study research finds an application in researching many business contexts, including SMEs, as is found in the majority of cases selected for the case study research (Romano, 1989; Curran and Blackburn, 2001).

Further justification for the use of case-based studies is that case study work helps to bridge the gap between academia and industry. Each has something to learn from the other (Simon et al, 1996). It is further argued that, as the number of cases expands, organisations tend to be willing hosts because they recognise that they gain access to a researcher with a wealth of knowledge of the subject under research, at no charge. In addition, the findings of case study research tend to be widely accepted by industry. Furthermore, by the personal contact opportunities offered by the interview process, people are able to tell “real” stories and, by on-site visits, the researcher is able to see, analyse and interpret real activities. These processes can enable long-term relationships to be established and maintained, thereby permitting longitudinal material on organisations to be documented. As case studies often unearth new issues, insights and directions in the research focus, the on-going relationship can serve as a basis for further research work. Case study research also provides rich and deep insights into quality management practices (Simon et al, 1996). In defence of case study methodology, Simon et al (1996) argue a number of benefits including that the findings of case study research tend to be widely accepted by industry.

As a case study is an in-depth examination of a case for exploratory, descriptive or explanatory research purposes (McGivern, 2006), the use of a case-based research strategy is deemed to be appropriate in seeking answers to research questions addressed in this study. In addition to providing valuable contributions regarding evaluative research, case studies are able to investigate causal relationships in real
life settings, which would be too complicated for either a survey or experimental method to address (Hill, 1993). The researcher made use of his own prior, expert knowledge in the case study, as is desirable (Yin, 2003).

Other alternatives to a case study were considered, such as an experiment or a survey methodology. The experiment approach was not judged appropriate since the investigator did not have control over actual behavioural events. A survey was also considered inappropriate since it is normally designed to produce quantitative data by following the sampling procedures and instruments used in regular surveys and using statistical tests to correlate behavioural patterns of the companies being researched, rather allowing the flexibility of obtaining the desired rich and deep insights into quality management (Simon et al, 1996). A postal survey was not chosen for several reasons, including possible ambiguity over the questions asked, a low response rate and no control over who answers the questions. Other disadvantages include the fact that in-depth probing to follow up relevant issues may not be possible and it foregoes the gathering of valuable information that may occur from observations of a tour of the workplace (Rahim and Baksh, 2003; McGivern, 2006). In the research practitioner domain, with this latter viewpoint, observation is recognised as a powerful, easy-to-use and valuable research tool (Carson et al, 2002).

4.4.1 Theory Building with Case Studies

The development of theory or theory building from cases is a central activity in organisational research, especially when little is known about a phenomenon or when existing theory is inadequate (Eisenhardt, 1989; Miles and Huberman, 1994; Gummesson, 2001; Yin, 2003). Prior theory may help to frame or guide the research, but the aim of the research is to see an actual reality in a specific situation. The findings from case studies reflect the true activities in a particular situation at a
particular moment and can be used to build theory, especially in exploratory types of research (Rahim and Baksh, 2003).

The likelihood of generating novel theory is a strength of case-study theory building (Eisenhardt, 1989). The intimate linkage within period of evidence leads to important strengths like novelty, testability and empirical validity. A strong theory-building study yields good theory, which emerges at the end of the theory-building process and relies on past literature and empirical observation, coupled with the insight of the theorist to build incrementally more powerful theories. It is the intimate connection with the empirical reality that allows the development of relevant, accurate, testable and valid theory (Eisenhardt and Graebner, 2007).

4.4.2 Case Study Limitations

Although case study research has many advantages, it has its own limitations. A criticism is that it suffers from an excess of bias, lack of rigor and 'ad hoc' theorising. It also suffers from a use of subjective judgments during data collection stages and the general neglect of the testing of data (Rahim and Baksh, 2003). Other criticisms are nominated, such as the weakness that major changes in practice may take place after the research, too little or too much information may be gathered and the possibility that research and analysis, with too little information, may result in reaching an accurate or even a wrong conclusion.

Attention is drawn to the other possibility that the writing of the case may be overly descriptive (Simon et al, 1996), while Eisenhardt (1989) recognises that a temptation exists to build theory that is overly complex, but also, because of the typically large volume of data, to build theory that tries to capture everything.
Finally, case study results can be generalised to the theoretical propositions, but not to populations or "universes" (Amaratunga and Baldry, 2001), such as in this research where the conclusions reached or theory proposition developed are not generalised to every firm involved in a B2B brand strategy formulation process.

4.5 The Research Design

After considering the various methods of conducting this research and after establishing the case study as the most appropriate method, it is important to considerer the design of the study. A research design is a logical plan for getting from here to there, where “here” may be defined as the initial set of questions to be answered, and “there” is some set of conclusions about these questions. Between “here” and “there” may be found a number of major steps, including the collection and analysis of relevant data (Yin, 2003).

When designing and conducting case study research, while there are no specific rules, there are other similarities in approach (Rahman and Baksh, 2003). Their model shown below provides a general framework for case study research. The approach used in this study is based on the following headings:

- Literature review
- Development of case study design
- Development of Instruments
- Selection of companies for case study
- Conduct of case study and data collection
- Analysis of data, cross-case comparison, generalisation
- Writing of cross-case report
This model provides the framework on which this study is designed, and the following discussion follows the process of this model.

4.5.1 Literature Review

The extant branding and marketing literature was comprehensively reviewed to determine a "knowledge gap" that exists in the particular area of brand strategy formulation. The literature review provided background information on the specific area and its wider context. It also offered a synopsis of past research and relevant findings, and gaps in the understanding and knowledge base were identified and provided the underpinnings of this research (McGivern, 2006).

4.5.2 Development of the Case Study Design

After establishing the case study as the most appropriate method for this study, the next step in the process was to decide what specific form this research would take. The objective of the study is to investigate a contemporary phenomenon within its real-life context (Yin, 1994; McGivern, 2006), namely, how business-to-business branding strategies operate in the day-to-day context of business marketing, and to illuminate “how” and/or “why” a decision or set of branding decisions are taken, how are they implemented and with what result(s) (Schramm, 1971; Bonoma, 1985; Yin, 2003). The answers to these questions enabled a theory-development approach regarding the research model developed for this study, which seeks to explain how events happened—but they may also present fuzzy generalisations (Yin, 2003).

To support the selection of a case study, data-collection methods need to incorporate the means of providing answers to the “hows” and the “whys” in order to illuminate our understanding of the process taking place in the business marketing
environment. As such, the data-collection methods for this research include interviews, observations and company documentation (Eisenhardt, 1989), as these methods are relevant for examining and understanding contemporary events (Marshall and Rossman, 2006).

The case study design used qualitative data-gathering techniques. Qualitative and quantitative approaches have important differences, but, despite this, also share many similarities (Punch, 1999). At a general level, it could be said a question may be approached either quantitatively or qualitatively, by making the question more specific and focusing on exactly what we are trying to find out. The possibility of combining the two methods was considered a weakness and care was taken that the qualitative research methods were used to seek answers to qualitative questions.

Case studies can involve either single or multiple cases and numerous levels of analysis (Yin, 1984). In development of the case study design, a number of designs were considered in relation to the case study (Yin, 2003). These are a single case study or multiple case studies, which may involve holistic or embedded units of analysis. A single case is analogous to a single experiment. One rationale is when it represents the “critical case” in testing a well-formulated theory and whether the propositions of a theory are correct, or whether some alternative set of explanations are more relevant. Other considerations are whether a single case represents an extreme or unique case, or even a representative, typical case or a revelatory case. The multiple case design incorporates the selection of a number of cases, which serve in a manner similar to multiple experiments and each case also serves a specific purpose in the overall scope of the study (Yin, 2003). A multiple case design has been chosen for this study.
There are no rules or precise guides as to the number of cases to be selected as being worthy of an in-depth study (Romano, 1989; Patton, 2002; Creswell, 2007), except that the underlying principle common to all is that they be information-rich cases (Eisenhardt, 1989; Miles and Huberman, 1994). The issue of theoretically "information-rich cases" should be fundamental in deciding the number of cases (Perry, 1998). The number of cases has been the subject of some debate, with the final number being dependant on the research purpose, context and resources available to the researcher (Patton, 2002; McGivern, 2006); the literature suggests that a between four and fifteen cases is likely to suffice for many research contexts. Hedges (1985) suggests four to six, with an upper limit of fifteen cases. Eisenhardt (1989) suggests between four and ten cases, as fewer than four cases makes it more difficult to generate convincing theory with much complexity, while more than ten cases can result in a difficult-to-come-with complexity and volume of data. Similarly, Miles and Huberman (1994) state that more than fifteen cases make the study somewhat difficult to manage.

In the context of this research, thirteen information-rich cases were selected from two distinctly different industries (six cases from one industry and seven from the other). The thirteen cases selected enabled in-depth exploration and a deeper understanding of the B2B branding issues of interest, and provided sufficient data to enable the generation of robust theory, while still being manageable for the researcher. The number of cases was also within the recommended range for case-study research (e.g. Hedges, 1984; Miles and Huberman, 1994).

In addition, qualitative research can be seen as a strong complement to quantitative research rather than a strong competition. Qualitative research provides mechanisms for theory building and testing (Yin, 2003). The use of qualitative methods broadens
the range of phenomena that marketing can effectively and efficiently address, such as marketing management phenomena.

The design is the logical sequence that connects the empirical data to a study’s initial research questions and, ultimately, to its conclusions (Yin, 2003). In a research design, there are five particularly important components:

1. A study’s questions - who, what, where, how and why.
2. Its propositions, if any.
3. Its unit(s) of analysis - defining what the “case” is.
4. The logic linking the data to the propositions e.g. pattern matching, explanation building.
5. The criteria for the interpretation of the findings.

Further, these components initiate theory development prior to the conduct of any data collection as being essential, whether the purpose of the case study is to develop or test theory.

4.5.3 Instrument Development and Interview Process

The research interview is considered to be a pivotal source of data in social research (Hiller and di Luzio, 2004). The primary sources of qualitative data in this research are the informant interviews. Interviews are an appropriate research strategy (Peabody et al, 1990) and an important case-study, data-collection technique (Yin, 2003). Semi-structured interviews were used, as they are commonly used in B2B and industrial research (McGivern, 2006).
In planning the interview process, careful consideration was given as to how the interviews were conducted since the interviewees were "important people" (Grey 1967), with restraints on their time and availability. As the people being interviewed were company executives with such constraints, the time span of the interviews was targeted to be for the duration of approximately sixty minutes, though able to go longer if needed. As well, since the respondents were interviewed for this short period of time in a structured format, allowance was incorporated for some input to be of an open-ended and a conversational nature (Merton et al, 1990; Yin, 2003).

Another consideration was the awareness of the researcher that information is more valid the more freely it is given (Benney and Hughes, 1956). This process allowed the researcher to cover the topic areas with the time allocated to each topic area able to be varied as required (Jarratt, 1996). The particular emphasis was on the “how” and “what” questions rather than the “why”, to avoid the possibility of creating defensiveness on the informant’s part. At the same time, it was necessary to satisfy the interviewer’s line of enquiry by using “friendly” and “non-threatening” questions (Yin, 2003). The in-depth interview, even though a circumscribed, explicit instrumental exchange conducted by relative strangers, required: (i) intimacy, yet impersonality; and (ii) professionalism amid sociability (Rosenblum, 1987).

The starting point to the interviews was a question that was almost content free (Dick, 1990). This was by way of a question asking whether the respondent had an understanding of the nuances that distinguish B2B branding from B2C branding. A failure to have an awareness of such nuances could mean their answers simply mirrored the researcher’s questions and as such, created a self-fulfilling prophecy of the researcher (Perry, 1998). The interview protocol incorporated a structured set of questions together with probes that explored the “where”, “when”, “with whom” and “why” aspects to facilitate the gathering of the detailed information required for this
research (Yin, 1994; Carson et al, 2002) (see Appendix 4.1). The interview procedure followed a pattern where, at the beginning, the respondent was encouraged to tell their story in relation to the research topic (Perry, 1998; Carson et al, 2002). Care was taken to ensure the interviews were guided conversations rather than structured queries, and the stream of questions was fluid rather than rigid (Rubin and Rubin, 1995). This allowed for the emergence of unexpected facts or attitudes that could be easily explored (Jarrat, 1996).

In conducting qualitative interviews, the accuracy of verbal reports depends on the procedures used. Branding contributes to or is a component of marketing activities. Further information was obtained by contacting the firm with a view to making initial contact with marketing and sales personnel.

4.5.3.1 Interview Protocol

The interview protocol was shaped by the literature. The research questions addressed the information needs of the research objectives that were derived from the review of the literature, as discussed in Chapter 2. (See Appendix 4.1 for the interview questions.) Since the interview process was the chosen method of data collection, it would be easy to assume that since most people have some experience in being interviewed, that the exercise would be a straightforward interchange of ideas and answers to questions. However, since the in-depth interview process was the primary source of data collection of rather technical and in-depth information relating to the companies selected, it was considered essential that a clear understanding of what constituted a correct interview process was understood.

The following contributions from the literature relate to the subjects of how interviews are considered and are detailed to confirm the reliability of the interview process, as
conducted by the researcher. Further, in planning this interview process, careful
consideration was given as to how the interviews were conducted, since the
interviewees were “important people” (Grey, 1967), with restraints on their time and
availability. Thus, the time span of the interviews was targeted at 60 minutes. In
addition, since the interviews were only for this short period of time and were of a
structured format, allowance was made for some input to be of an open-ended and a
conversational nature (Merton et al, 1990; Yin, 2003). Another consideration was the
awareness of the researcher that information is more valid when it is freely given
(Benney and Hughes, 1956).

4.5.3.2 Interview Process

Since the interviews were designed to be guided conversations, rather than
structured queries as observed above and with the stream of questions, fluid rather
than rigid, while still of a conversational nature, the initial questions were followed by
more detailed questions on B2B branding derived from the case-study protocol. One-
on-one interviews (Hiller and Di Luzzio, 1987; Rosenblum, 1987, Peabody et al,
1990) were adopted rather than focus groups due to the sensitive nature of company
strategies being investigated, where any potential synergies from the focus groups
would be offset by a reluctance of participants to speak freely and candidly (Malhotra
et al, 2006). In the focus interview, the process usually consists of a group of people,
generally eight to twelve in number, who are led through an open in-depth discussion
by a group moderator. Although the focus group interview can be an effective
research tool in many types of marketing decision situations (Cox et al, 1976), their
use appears to be limited to such decision areas as new product development
advertising campaigns and the evaluation of existing marketing strategies. It is
argued the major advantage of this technique is in terms of developing hypotheses
that can be quantitatively tested to produce further results. In so far as the research
methodology did not include quantitative methods, the focus interview technique was not adopted.

In deciding on the one-to-one interview process with duration of one hour, various processes were taken into account. Included were the ethnographic interview, which is described as a “speech event” (Spradley, 1979) and takes the form of a conversation between two people. Another was the in-depth interview described as a temporally circumscribed, explicitly instrumental exchange conducted by relative strangers that demands (1) intimacy, yet impersonality, and (2) professionalism amid sociability (Rosenblum, 1987). This was the chosen interview structure with an allowance for a constructionist perspective. The constructionist perspective is both where the interview and interviewee interact and how meaning is constructed. The structure of the interview is such that the dialogue is weighted in the favour of hearing out the interviewed person and where the purpose of the interview is a meaning-making occasion that centres on the interviewed person (Hiller and di Luzio, 2004).

In the overall interview experience, it was deemed important to consider what a qualitative interview offers the person being interviewed, particularly when the research interview is an interviewer-driven experience and is clearly understood in that way by both parties. As the interview gives the person interviewed time to discuss and reflect, the following proposition explains why persons are predisposed to participate in a research project. Firstly, the subject topic is one in which the potential participant has ego-involvement. Secondly, participation allows for reflection and articulation of personal experience. Thirdly, the potential participant possesses thoughts and feelings that have few outlets and the active process advances the interviewees’ self-understanding. These were all taken into account at the time of each interview.
The process used in the development of the interview protocol involved a personal letter being written to the targeted people requesting interviews of a one-hour duration and the reason for the interviews. The initial interviews were semi-structured with open-ended questions in a set sequence that allowed some flexibility. This semi-structured approach to in-depth interviews allowed some consistency and comparability among all interviews. The subsequent in-depth interviews covered the questions and their associated probes, as detailed in the prepared interview protocol (Appendix 4.1). Probe questions formed the major part of the prepared interview protocol (Yin, 1994) and provided a reliable framework for later cross-case analysis of data. They are used to “flush out” quotations and other aspects about the research issues to enable the researcher to code or scale interview answers, which then assist in writing up data.

Further, they are used to compare cases against a priori expectations based on the theoretical replication range of research design. Attaching a summary of the study purpose was found to be helpful in making the research objectives clear and resulted in time being saved in the interviews. Further, it was considered a matter of prime importance as social scientists, to advise on our willingness to share our reportable findings, whether published or unpublished, or where the research could eventually be found, with those interviewed. This was the undertaking made to each firm that took part in the study.

4.6 Selection of Companies for Case Study

The selection of cases is an important aspect of building theory from case studies because the selection of an appropriate population controls extraneous variation while at the same time defining the limits within which to generalise the findings (Eisenhardt, 1989). The selection of cases involved discretion and judgement
(Amaratunga & Baldry, 2001). Rather than using a random selection of cases, the cases were selected on the bases of their expected theoretical contribution access and what would provide literal replication by way of predicting similar results for predictable reasons (Eisenhardt, 1989; Perry, 1998).

In addressing a relatively under researched area of marketing, namely the role of brand strategy formulation, it was decided that a preferable condition of any industry chosen would be a mix of a few larger firms and somewhat more SMEs (small to medium sized enterprises). Based on the previously acquired knowledge of the researcher, two particular industries were able to meet this condition. One was a section of the bread manufacturing industry that supplied other businesses in a B2B marketing environment. The other was a particular section of the travel industry that specialised in corporate travel management and provided corporate travel and travel management to other businesses, also in a B2B marketing environment.

Further, there were less than seven identified bread manufacturers in the industry and, by restricting participation to those companies in the corporate travel industry that had either won or been nominated for the national corporate travel awards, the possible participants were reduced to less than ten. If both of the industries were chosen, the number of cases selected would be considered large enough to meet the expectations, and a minimum of four cases and a maximum of 15 cases would be sufficient to ensure replicability (Hedges, 1985; Eisenhardt, 1989; Miles and Huberman, 1994). As such, both of these industries were chosen, with a total of 13 cases selected. Since, in the industries chosen, the more dominant firms were well known in the marketplace, it could be argued that they employed successful branding strategies. Therefore, the mix of large, well-known and smaller lesson-well-known firms was expected to maximise the level of theoretical richness across the cases (Miles and Huberman, 1994).
Both industries were involved in providing goods and or services to B2B customers, and the use of branding in their industries is a well-established, recognisable component alongside some of the marketing strategies used by the market leaders who dominate the market. At the same time, there are a number of smaller competitors providing similar goods and or services where a brand strategy formulation does not seem to be as evidently aligned to their marketing strategies.

As well, since the business unit structure of the industries chosen is similar, the guarded choice of each case was made in so far as the expectation would be that it allowed for the prediction either of “similar results for predictable reasons (literal replication) or that it “produces contrary results for predictable reasons” (theoretical replication (Perry, 1998; Yin, 2003).

4.6.1 Information Rich Cases

The cases within the two industries were considered to be “information rich cases” (Patton, 1990; Perry, 1998), as substantial amounts of information pertaining to firms' activities were available from the larger firms, and usable amounts of information were available from the smaller firms. The practices of both were established and representative of companies engaged in business-to-business marketing activities. This number of cases chosen was considered large enough to ensure replicability and at the same time to require resources obtainable by the researcher.

Case Selection

Cases were selected from within two different industries. The first was the bread industry and the second was the corporate travel industry. In the bread industry, a
marked change from the traditional marketing focus was observed due to the pressure of new retailer processes relying on increasing market share by way of brand building, and the nurturing by retailers of their own brand rather than necessarily promoting the manufacturer’s own brand. As a result, these processes have led to a marked increase in retailers’ power over their manufacturing suppliers, which is generally agreed to be the result of increasing concentration in the retail sector (Bowlby and Foord, 1995). This has led to the emergence of generic name brands, initially and subsequently due to the supermarket brand being driven by the supermarket chains to the apparent disadvantage of the manufacturer’s own brands.

These processes have become evident in changes in B2B relationships impacts on production, price, organisational buyer behaviour and channel management. Existing branding strategies would appear to have come under pressure for change in this ongoing process. It is therefore valid to investigate the “what”, “how” and the “why” of the branding strategies in this industry. In the case of the bread industry, two major companies, namely Buttercup and Tip Top, dominate bread production in the Australian context. In addition, other contenders for the same market share were made up of 4 firms and 2 major Franchise organisations – Baker’s Delight and Brumbys. The latter two were excluded from this study, as their businesses are predominately business-to-consumer as are other small Hot Bread shops, bakers and pastry cook businesses. Owing to the researcher's past two decades of a supply association with a company supplying products to the bread industry, specialisation in this particular industry has provided considerable institutional knowledge and this allowed for a comprehensive understanding of the processes in a marketing or managerial context (Yin, 2003).

The second is the corporate travel sector of the travel industry where branding would be expected to be of critical importance as an element of distinction because of the
direct competition of companies in this industry, not only amongst themselves but with the airlines and their products who also offer corporate travel facilities and whose brands are extremely well known. In contrast to the bread industry, the corporate travel industry was not dominated by any particularly identified company. However, one publicly listed company was identified and claimed to be the market leader.

The final selection of the two Industries chosen was on the basis of the prior knowledge that both industries contained the company mix of a few major companies and several SMEs.

4.6.1.1 Choice Of Case Studies

In order to establish what companies operated in each industry, reference was made to:

1. The Baking Industry Manufacturers Association - in the case of the bread industry.
2. The Travel Industry, in particular the Licensing and Registration Board for the travel industry.

In the selection of bakeries for the case studies, the chosen criterion was that the company was a plant bakery. A plant bakery was defined as a producer of not less than 5,000 loaves of bread a day, and one which is capital intensive in the production of bread and related products, creating production volumes that insured they were involved in B2B marketing. Smaller bakeries tend to be labour intensive in the production of bread, and include those of the 'hot bread' variety. They are predominately involved in consumer (retail) marketing.
In the selection of the corporate travel industry, the criteria were that the companies were primarily engaged as corporate-travel or travel-management companies, as some preferred to be described, and were either travel industry award winners or finalists in the annual industry awards in the corporate travel category as conducted by the Australian Federation of Travel Agencies (AFTA). These organisations are different from other travel agencies that predominately provide travel advice and booking services to private individuals.

The number of cases selected for this research was 13 in total. This comprised six cases from the bread industry and seven cases from the corporate-travel industry.

4.7 Conduct of Case Study and Data Collection

In continuing to follow the general framework of Rahman and Baksh (2003), in conducting this research, the next section addresses the researcher’s conduct in the case study and data collection.

4.7.1 Conduct of the Case Study

A case study protocol is a record that contains the methods, procedures and general rules that will be followed while using instruments of data collection. Its use improves the reliability of case studies (Rahim and Baksh, 2003). Included was the examination and analysis of such information obtained from archival material, artifacts and in-depth informal and unstructured interviews, even casual conversation (Hill, 1993).

A case study protocol was developed to be of assistance to this research in two ways. First, the protocol allowed the researcher to detail in advance the procedures
and requirements to be followed during data collection. Second, the protocol provided direction to the researcher that was intended to act to improve the reliability of the research findings (Perry, 1998). The case study protocol in this research followed the outline provided by (Yin, 2003). The essential components include an overview of the study, the field procedures to be followed, case study questions and a guide for the research report. The generation of the interview protocol part of the case study protocol is described in detail (Perry, 1998), and is developed in Section 4.5.3 Instrument Development and Interview Process.

The important components consist of an overview of the study, field research procedures, case study instrument questions and the research report guide. These are addressed in turn.

### 4.7.1.1 Overview

An overview was developed to provide background information about the project, together with the substantive issues being investigated and the relevant readings about the issues (Yin, 2003). In addressing this concept, the objective of this research is to propose a conceptual framework to enable firms involved in B2B marketing to better formulate their branding strategies. The literature relating to B2B branding, as detailed in Chapter 2, suggests that this is an area where formal strategy rigor is lacking. As B2B branding is still in its infancy, many theoretical and practical issues may not have been satisfactorily resolved (Leek and Christodoulides, 2011). It seems firms tend to adopt an ad-hoc strategy rather than a holistic branding approach when it comes to B2B branding (Kotler and Pfoertsch, 2007).

This research is directed at providing the information based upon the reality of how B2B branding is understood and practiced by both large and small firms in the
particular industries chosen in the case study. In addition it will investigate how firms involved in B2B marketing formulate their branding strategies, and whether a brand strategy formulation exists that is aligned with their marketing strategy. Do any guidelines exist to guide brand managers or are brand strategies part of a marketing strategy mix which are connected with a logo and the brand which is seen on the company’s product/s? As larger companies seem to drive brand recognition by way of communicating with their target audience, the question is asked: “To what extent do SMEs even have an awareness of the broader concepts of a brand and the role of branding in a brand strategy formulation strategy that may align with their marketing strategies?” Finally, is it possible to arrive at a brand strategy protocol that may be applicable to B2B marketers to serve as a guide to all people responsible for a company’s brands?

This research was developed from an initial literature search of academic literature and secondary sources in the form of papers from a comprehensive variety of journals. The process led to the development of the research questions, and subsequently the interview format was developed. The procedure adopted was intended to make contact with the nominated firms operating in these industries.

The overview above was available to interested parties wanting to know about the project and was incorporated in the letters of introduction to the organisations and major interviewees, who were the subjects of this study, in a separate document titled “Information Statement” (Yin, 2003). The letter of introduction titled “Information Statement” was then communicated to the organisations and their nominated participants (See Appendix 4.2). If there was an agreement to take part in the research study, a “Consent Statement” letter was submitted for signature by the participant/s as evidence of their agreement to participate in the research (See Appendix 4.3).
4.7.1.2 Field Procedure

Study procedures for the field comprise the second component of the Case Study Protocol. Data collection within a case study provides limited scope for the researcher to control the data collection environment. Careful planning was necessary to adopt specific operational procedures as outlined by Yin (2003) in gaining access to the key organisations and interviewees, having sufficient resources in the field to record the data and having a pre-established quiet place to write field notes as suggested by Eisenhardt (1989), such as a running commentary about impressions and reacting to what is important (Yin, 2003). After a written consent from each company was obtained, a schedule of appointments was prepared and the interviews were conducted at the company’s nominated locations.

4.7.1.3 Case Study Questions

The third component of the protocol is concerned with a set of substantive questions that reflected the actual line of enquiry (Yin, 2003). These are the research instrument questions and constitute the case study interview protocol. The aim of the case study interview design is to convert the research objectives into meaningful questions according to the following format (McGivern, 2006):

- Clarifying exactly what information the question was expected to provide.
- Refining the wording of the questions.
- Deciding on the type of questions and the resource format.
- Assembling the questions into a logical and effective order.
- Designing the layout.
As well, since there is a strong perception of variance between theory conceptualization at a general level and the pragmatic requirements of practice (Carson et al, 2002), care was taken to design the questions so that the answers did not reflect programmed knowledge or what the respondent knew about the subject of branding formulation. Instead, the questions were designed to reflect participants’ experiences of the topic in the actual context of the firm.

To better understand the processes at work in each industry, eight research objective questions were developed. Initial non-structured interviews with persons possessing company knowledge led to making appointments with relevant personnel with whom the structured interview format would be presented in the interview process.

Owing to the distances of the companies’ locations from the researcher’s base, the semi-structured interviews were conducted by telephone. The structured case study questions were used to obtain information by way of an in-depth, face-to-face interview technique using the set of direct questions detailed in Section 4.7.2 Data Collection Process (see Appendix 4.1). These questions were developed from the literature and the development of preliminary theories that are related to our topic (Yin, 2003).

4.7.1.4 Research Report

The last component in the Case Study Protocol is the Case Study Report. Yin (2003) argues that it is wise to begin to compose the case study report even before data collection and analysis have been completed, rather than at the end of the process. Subsequently, the format of the report was planned beforehand to ensure that the collection of data in the proper format would reduce unnecessary reworking and site revisits.
The Case Study Report followed a specific outline such as: the posing of the research questions and the hypotheses; the description of the research design and the data collection procedures; the presentation of the data collected; the analysis of the data and the discussion of the findings and conclusions (Yin, 2003). Also included is an annotated bibliography itemising each of the documents that made up the data base on which the report is based, and useful for guiding any later researcher in selecting which documents might be relevant in an extension of this study.

The version of the Case Study Report selected was created after considering the following six alternatives and their application to different purposes of case studies, as shown in Table 4.4 below.

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<thead>
<tr>
<th>Type of Structure</th>
<th>Purpose of Case Study</th>
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<tbody>
<tr>
<td></td>
<td>Explanatory</td>
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<tr>
<td>1. Linear-analytic</td>
<td>X</td>
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<tr>
<td>2. Comparative</td>
<td>X</td>
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<tr>
<td>3. Chronolgocial</td>
<td>X</td>
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<tr>
<td>4. Theory building</td>
<td>X</td>
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<tr>
<td>5. “Suspense”</td>
<td>X</td>
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<tr>
<td>6. Unsequenced</td>
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Source: (Yin 2003, Fig. 6, p 152)
The overall Case Study Report was designed for the specific audiences of the academic thesis committee, other colleagues, non-specialists and interested business firms or associations. Particular attention was given to the expectations of the participating contributors to the research, and a copy of the report was to be made available to all companies that participated in the study. Different versions of the Case Study Report were constructed to meet the expectations of each particular group.

In targeting the audiences referred to above, the linear analytic, comparative and theory building structures were the chosen methods to cover the issues being explored.

The purpose of our case study is to gather information that will provide answers to questions by researching the understanding and attitudes towards branding in B2B marketing to gain insights, or to clarify alternatives, as a basis for purposeful actions to improve firms' competitiveness, exploit new opportunities and handle threats (Carson et al, 2002). The broader theoretical or policy purpose of the research is to develop a framework that is based on academic research which addresses the gathering of relevant data by various instruments and subsequently analyses data, that will benefit industry. The data-collection process describes the method of gathering information and relevant data.

4.7.2 Data Collection Process

This section deals with defining the process of data collection. While informant interviews have been chosen as the primary source of data, care was taken in the development of the case study protocol to address the problem of increasing the reliability of the case study. This was done by screening various industries and,
within these industries, potential candidates. After this, the selection criteria included selecting those who had knowledge of, or better still the responsibility for, the implementation of marketing strategies within the organisation. If a brand manager or marketing manager was not employed, as was the case for most of the SMEs, then the person responsible for marketing, who was usually their managing director, was used. Such selection occurred to ensure that these informants were knowledgeable and provided accurate information.

Data collection methods may be qualitative (e.g. words) or quantitative (numbers) or both (Eisenhardt, 1989), with the latter using questionnaires and evidence from interviews and observations. The data collection used in this work incorporated several methods such as structured and unstructured interviews, direct and participant observations, documentation, archival records, company reports, press publications (Simon et al, 1996) and company websites.

4.7.2.1 In-depth Elite Interviews

By interviewing key informants (or elites), large amounts of data were collected quickly and this data was information rich allowing an insight into the branding processes of each company participating in the interview process. Interviews by nature are flexible and adaptable within the confines of the interview protocol, and they allowed for the use of probes to open up the nominated questions, which permitted more in-depth information to be obtained. Interviews allowed the follow-up of interesting responses and clarification of unclear replies (Marshall and Robson, 2006; McGivern, 2006).

Face-to-face interviews facilitated the technique of observation to give deeper and more comprehensive meaning to the branding processes under discussion. Since the
majority of the cases were SMEs, elite interviews are 'de rigeur' since the business principle, as managing director or CEO, is usually the determinant in business marketing activity and business performance, with the obvious importance of marketing as a means of growth for small firms (Carson and Cromie, 1990; Curran and Blackburn, 2001; Carson et al, 2003).

The primary data-gathering stage procedure involved making contact with the company concerned and seeking approval for the conducting of interviews. This was done by phone to enquire and seek out the name of the relevant person with whom to speak. Where possible, the initial contact was with the CEO of the organisation. This approach was considered to have several benefits. One was to ensure that he/she was made aware of our intended request for their company's participation in the research and to obtain their support for the project. It was also an open invitation for their direct participation. Another benefit was that, should they be unable to participate, they would show us how to contacting the person/s with the responsibility of B2B marketing strategies and/or branding strategies of the company. With the support of the CEO, it was expected that the participants nominated would feel more at ease and give information more readily in the interview process.

The letter was the instrument chosen to formalise the request. The letter was addressed to the CEO in the form of an Information Statement identifying the purpose of the research and the expected requirements of the company's participation (See Appendix 4.2). It explained their rights, should they agree to participate, under the terms of the University's Human Research Ethics Committee. Finally, it was the formal invitation to participate. The letter or Information Statement is detailed in Appendix 1. A Consent Statement was the instrument submitted to the Company for signing, thus formalising its agreement to participate in the research (See Appendix 4.3).
Contact was then made with each of the nominated employees, describing to them the overall data-gathering process and organising appointment times with them. After conducting non-structured interviews, the structured interviews were conducted by way of face-to-face interactions designed to obtain information about what businesses know about brand strategy formulation and what processes they use in determining what these strategies should be. The process of gathering data was by way of interviews, observations with note taking, company reports, newspaper reports, background history, the identification of respective performance measures and anecdotal information. Care was taken to ensure that the notes of the interviews had quotation marks around questions asked by the respondent. Further, trust was developed and the interviewer offered to disguise the name and organisation of the person being interviewed unless they requested identification (Simon et al, 1996; Perry, 1998).

4.7.2.2 Observation

Observation was also used in this research as a data-gathering technique. It can be used at all stages of the research and can occur in conjunction with other research methods including the interview process (Carson et al, 2003). In this context, using more than one technique often adds to the research depth by allowing deeper contextual understanding.

Observation entails the systematic noting of behaviours and objects in the social setting chosen for the study, Marshall and Rossman (2006), and allows for the collection of data pertaining to what people or organisations actually do rather than what they say they do (McGovern, 2006). Observation involves a variety of participant observations. It is where the researcher becomes closer to the research
situation as a spectator, part participant or full participant. The observer may behave in either an overt manner with full disclosure or in a covert manner operating "under cover" (Dellbridge and Kilpatrick, 1994). The role played by the researcher in the observation process was that of a spectator, and every effort was made to minimise the researcher "becoming the phenomena" or becoming so involved in the situation that they lost their objectivity (Hill, 1993).

Observation was used to supplement the information gathering process of the interviews in a wide integrative role in the data collection process. The use of observation is valuable for research in a managerial and organisational context and in comprehensive market situations as was encountered in this research. While various means of observation were considered, such as video or audio recordings, the human observation process was considered the more relevant to this research in the given managerial and organisational environment (Carson et al, 2003).

Website observation was an important source of information and provided pictorial evidence as to the use of each company's brand and whether their brand elements were linked to their marketing strategies. It also provided evidence as to whether what they said in the interview was reflected in how they acted in the practice of branding.

4.7.2.3 Documents and Other Types of Evidence

Documentation, advertising material, company reports and company archival material were all used as data sources in the data collection process. These data sources augmented the interview, observation and web-site sources of data. Documents and allied material have been widely used in marketing case studies (e.g.
Miller and Merrilees, 2002; Adam and Perry, 2002; Stevens and Dimitriades, 2004; Kohn, 2006).

In the data-gathering process, the coding of information was done early and frequently within the research timeframe (Jarrat, 1996). An overlap of data analysis with data collection in the collection and coding process and the use of field notes were two important means of accomplishing this overlap (Eisenhardt, 1989). Field notes were used as a running commentary alongside the interviewers research for noting whatever impressions occurred and to push the thought processes of these notes, which were prompted by asking, “What am I learning?” or “How does this case differ from the last?”

A detailed diary of all events was kept together with a conscious search for a holistic observation (Carson et al, 2001). “What to note”, “how often”, “when”, “where” and “what detail was included” are part of the thought process. In addition, a diary or log of field events including relevant conversations was kept together with distinctive files for each case, to ensure that essential record keeping did not suffer from time or opportunity restraints (McGivern, 2006). After revision, notes were entered into a computer and the gaps and phrases filled in to avoid the distinct possibility of the notes going cold rather quickly (Peabody et al, 1990).

The sources of evidence used in the data collection process generally fell into six broad categories, namely documentation, archival records, interviews, direct observations, participated observations and physical artifacts, and their strengths and weaknesses were noted (Yin, 1993). (See Table 4.5.)
Table 4.5
Six Sources of Evidence: Strengths and Weaknesses

<table>
<thead>
<tr>
<th>Source of Evidence</th>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Documentation</td>
<td>• stable – can be reviewed repeatedly</td>
<td>• retrievability – can be low</td>
</tr>
<tr>
<td></td>
<td>• unobtrusive – not created as a result of the case study</td>
<td>• biased selectivity, if collection is incomplete</td>
</tr>
<tr>
<td></td>
<td>• exact – contains exact names, references, and details of an event</td>
<td>• reporting bias – reflects (unknown) bias of author</td>
</tr>
<tr>
<td></td>
<td>• broad coverage – long span of time, many events, and many settings</td>
<td>• access – may be deliberately blocked</td>
</tr>
<tr>
<td>Archival Records</td>
<td>• [same as above for documentation]</td>
<td>• [same as above for documentation]</td>
</tr>
<tr>
<td></td>
<td>• precise and quantitative</td>
<td>• accessibility due to privacy reasons</td>
</tr>
<tr>
<td>Interviews</td>
<td>• targeted – focuses directly on case study topic</td>
<td>• bias due to poorly constructed questions</td>
</tr>
<tr>
<td></td>
<td>• insightful – provides perceived causal inferences</td>
<td>• response bias</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• inaccuracies due to poor recall</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• reflexivity – interviewees gives what interviewer wants to hear</td>
</tr>
<tr>
<td>Direct Observations</td>
<td>• reality – covers events in real time</td>
<td>• time-consuming</td>
</tr>
<tr>
<td></td>
<td>• contextual – covers content of event</td>
<td>• selectivity – unless broad coverage</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• reflexivity – event may proceed differently because it is being observed</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• cost – hours needed by human observers</td>
</tr>
<tr>
<td>Participant-Observation</td>
<td>• [same as above for direct observations]</td>
<td>• [same as above for direct observations]</td>
</tr>
<tr>
<td></td>
<td>• insightful into interpersonal behaviour and motives</td>
<td>• bias due to investigator's manipulation of events</td>
</tr>
<tr>
<td>Physical Artefacts</td>
<td>• insightful into cultural features</td>
<td>• selectivity</td>
</tr>
<tr>
<td></td>
<td>• insightful into technical operations</td>
<td>• availability</td>
</tr>
</tbody>
</table>

Source: (Yin 2003 p. 86)

Other sources of evidence were the websites of the companies, company advertising material and other company documentation that described or displayed elements of branding. No single source was considered to have had a complete advantage over the others, but rather the various sources were complementary in keeping with the proposition that a good case study will want to use as many sources as possible (Yin,
This process was used to ensure a high standard of data collection, and data from many sources is important for triangulation for corroborating and enhancing the credibility of that data analysis reporting. Triangulation is the development of converging lines of enquiry.

### 4.7.2.1 Triangulation

The rationale for using multiple sources of evidence is called triangulation (Yin, 2003). “In all the various triangulation designs one basic assumption lies buried. The effectiveness of triangulation rests on the premise that the weaknesses in each single method will be compensated by the counter-balancing strengths of another” (Jick, 1979, p. 604). Observing that each method has assets and liabilities the purpose of triangulation is to exploit the assets and to neutralise the liabilities rather than compound them.

An interesting point is that the triangulation metaphor is from navigation and military strategies that use multiple reference points to locate an object’s exact position, (Smith, 1975) and its use in social sciences can be traced back to that (Campbell and Fiske, 1959). While the most obvious methods are quantitative and qualitative, graduate training usually prepares us to use one method or another, as preferred, while most textbooks emphasise the desirability of mixing methods but fail to explain the technique in sufficient detail to indicate exactly how convergent data is collected and interpreted.

Triangulation has various meanings. Apart from its featured combination of methodologies, there is the “within-method”, scaling reliability, convergent validation and holistic. The “within-method” (Denzin, 1978) uses multiple techniques within a given method to collect and interpret data. This method of triangulation represents
the most popular form of triangulation. Since they can also capture a more complete or holistic portrayal of the unit under study, “qualitative methods, in particular, can play an especially prominent role by eliciting data and suggesting conclusions to which other methods would be blind” (Jick, 1979 p. 603).

While looking for consistent and convergent results, the researcher was not put off by divergence when different measures yielded dissimilar results, but rather used it as an opportunity for enriching the explanation. At the same time, in order to increase the reliability of the information, a chain of evidence was maintained to allow for external scrutiny “to follow the derivation of the evidence from initial research questions to the ultimate case study conclusions” (Yin, 2003, p. 105). Convergence evidence is shown in Figure 4.6 below.

**Figure 4.6**

Convergence of Evidence

![Convergence of Evidence Diagram](image)

Source: (Yin, 2003, p. 100)
It also recognised that in triangulation strategy, replication, which has been largely absent from most organisational research even though it is usually considered necessary in scientific research, is exceedingly difficult to execute (Jick, 1979). Further, qualitative methods are difficult to replicate, while replicating a mixed-methods package is virtually impossible.

Feldblum (1996) argues that replication in reality is not a key issue for research in political science. In the sciences, replication is understood to verify the consistent results of experiments and not to be the replication of data sets. As such, the debate on replication simply assumes positivist methodologies.

4.8 Analysis of Data

Analysing data is the heart of building theory from case studies and is the most difficult and least codified part of the process (Eisenhardt, 1989). Analysis is the most difficult phase in the case study research (Rahim and Baksh, 2003). The objective of the technique used was to follow the theoretical propositions that led to the research questions and the subsequent case study, and to classify the data collected in way that enabled the research questions to be answered.

It is recognised there are different approaches to qualitative data analysis. The researcher faced a choice of using either manual or computer-assisted methods or a combination of both. Some qualitative research projects tend to generate large amounts of data. Where this is the case, the use of specialized computer software is of assistance in organizing the data and helps the researcher grasp what is of value in the data. Computer analysis enables pattern-based auto coding to code large volumes of text quickly. It can be argued that rather than qualitative analysis software assisting with data analysis, its real value is assisting primarily with data
management (Maclaren and Catterall, 2002). In this research, the data set was relatively small. As such, the data was able to be managed manually.

Further, it was considered important to use imagination, insight and creativity in the analysis and interpretation processes when dealing with individual themes in order to understand how the different themes knitted together. Using NVivo to do this is difficult (Welsh, 2002). While the researcher had access to NVivo, it was considered less useful in searching through these different themes and providing a deeper understanding of the data. The process of analysing the data manually was considered the preferred option.

Four principles were considered in assuring a high quality of analysis (Yin, 1994). These were:

1. The analysis should show that the researcher has attended to all the evidence. This should include rival hypotheses, the description of how all the relevant evidence available was sought and the subsequent interpretations should account for all of this evidence leaving no loose ends.

2. All major rival interpretations are addressed.

3. The most significant aspects of the case study are addressed.

4. The researcher has used his/her own prior, expert knowledge.

Yin's (2003) criteria were adopted for the analysis of the data gathered.
The analysis was characterised by a three-stage approach. The first stage involved becoming intimately familiar with each case as a stand-alone entity. The second and third stages addressed research objectives 1 to 8 in turn by comparing across cases in each industry in stage two, and by comparing across cases of each industry to provide descriptive and cross-comparative aspects of qualitative analysis (Eisenhardt, 1989; Miles and Huberman, 1994; Patton, 2002; Yin, 2003; Marshall and Rossman, 2006). The fourth stage involved using the case-study data in an emergent, theory-building process. The activities involved in these four stages are now described.

Stage One: Within-Case Analysis

From the researcher’s own notes taken during the interviews, and the other company material gathered at the same time, the case study write-ups for each site were undertaken. The process began by creating a table to summarise the basic organisational and demographic data of each case, such as a classification of the size of the firm by the number of employees, the age of the firm, its number of locations and the title of the responsible executive participating in the interview. The overall objective was to become intimately familiar with each case as a stand-alone entity, thereby allowing the unique patterns of each case to emerge before the researcher pushed to generalise patterns across cases (Eisenhardt, 1989). As well, the case interview write-ups are central to the generalisation of insight (Pettigrew, 1988; Eisenhardt, 1989). Tables were constructed summarising the responses of each firm to the eight research objective questions, and these provided the basis for a case-by-case analysis in each industry (Miles and Huberman, 1994).

Next, a technique used was to establish categories of data that were aligned with the theoretical propositions that led to the case study. Notes, comments and
observations were recorded at each of the interviews at each firm within each industry and were categorised according to the interview questions shown in the interview instrument. The data was analysed for key words and for how often they were used and whether or not other interview respondents used the same terms. The field notes were also categorised in the same manner. Extracts from published company financial reports, financial newspaper articles and industry-related magazines were not readily available. However, the websites and company advertising and promotional material were categorised into their distinctive categories. The categories were then examined for not just similarities but also for differences to enhance understanding the concepts of the case. This process allowed the unique patterns of each case to emerge and provide a rich familiarity with each case which accelerated good cross-case comparison and a cross case search for patterns (Eisenhardt, 1989). The case study analysis preceded the cross-case analysis, which allowed unique patterns to emerge before working to generalise patterns across the cases (Perry, 1998; Miles and Huberman, 1994; Patton, 1990).

Stage Two: Cross-Case Analysis

At the outset, the stage two analysis involved cross-case summarisation within each industry. The aim was to identify common themes or differences in the data by way of replication logic or pattern matching (Eisenhardt, 1989; Miles and Huberman, 1994; Yin, 2003; Eisenhardt and Graebner, 2007). The data was looked at from various perspectives. From there, the search was for within-group similarity, coupled with and across group differences to go beyond initial impressions (Eisenhardt, 1989).

Cross-case analysis is important for counteracting the danger that the investigator may reach premature and even false conclusions that may arise from information processing biases; these may result from conclusions based on limited data, being
highly influenced by vividness or by more elite respondents. Within case analysis is coupled with cross-case research for patterns (Eisenhardt, 1989; Amaratunga and Baldry, 2001).

Three tactics were considered in selecting categories or dimensions before looking for within-group similarities coupled with inter-group differences. These dimensions can be suggested by the research problem or existing literature, or simply chosen by the researcher. The following three were part of the process.

1. Tables were designed and used to compare several categories at once. For each interview segment, an across-case summary table was created by writing up a summary of each of the answers to the interview questions and research objectives so that codes could be generated that related to each other in a logical fashion that was meaningful for the participants' context (Miles and Huberman, 1994; Patton, 2002; Marshall and Rossman, 2006).

2. Individual cases in each industry were selected, and similarities or differences were listed between each firm. The idea of this is that it can not only break simplistic frames but it can lead to a more sophisticated understanding with the result that these forced comparisons can lead to new categories and concepts not anticipated by the investigator (Patton, 1987; Carson et al, 2003).

3. The data was divided by data source to make use of the concept that, when a pattern from one data source is corroborated by evidence from another, the finding is stronger and better grounded.
Stage 3: Cross-Industry Analysis

Stage three involved cross-industry analysis with a summary table that describes the pattern or differences that emerged in the cross-case analysis within each industry, and the patterns or differences that emerged in the cross-case analysis across the two industries (Eisenhardt, 1989). As the degree of difficulty of the analysis increased due to a cross-industry analysis that encompassed within-case analysis by industry, cross-case analysis by industry and cross-industry analysis, a more rigorous analytical focus was required.

When evidence conflicted, it was recognised that a reconciliation of the data can sometimes be made through a deeper probing of the meaning of the differences by the researcher. Another tactic used was to split the data into groups or classes, focusing initially on one group of cases and later focussing on the remaining cases. Cross-case searching provides benefits such that the theory has an improved likelihood of being accurate and reliable by way of a close fit with the data. As well, there is an increased probability that the investigators will capture novel findings that may exist in the data (Eisenhardt, 1989). Building theory from case studies centres directly on the juxtaposition of contradictory or paradoxical evidence that, in the process of reconciling these contradictions, forces individuals to reframe perceptions. By relying on past literature, empirical observation or experience and the insight of the theorist, the capability exists to build more powerful theories (Eisenhardt, 1989).

The importance for the choice of cross-case analysis as undertaken in our study is based not only upon the above, but also as it offers other benefits, such as counteracting the danger of the researcher reaching premature or even false conclusions. Another benefit is that the resultant theory has an improved chance of being accurate and reliable because of a close fit of the data. Further, when evidence
conflicts, deeper probing of the data provides a meaning of the differences with the existence of the capability of building more powerful theories (Eisenhardt, 1989). A matrix, such as appropriate tables and charts, were then developed and employed to display the data to allow the illustration of these continuous and complex patterns of contrasts (Carson et al, 2002).

The focus of the researcher was in looking for an association between the prior theory and the answers to the interview questions provided by the particular firms or cases in each particular Industry demonstrated whether there were similarities or differences between the two industries.

Due to the complexity of the analysis, coding was considered an essential procedure (Gibbs, 2002); this is the process of identifying and recording one or more discrete passages of text or other data items that link or exemplify the same theoretical or descriptive idea. Code groups were used to put answers into categories by the use of prior theory. The prior theory was used to provide a tight structure to enable the interviews to be categorised into subsections of the report of the data analysis (Carson, 2001). Axial coding or theoretical coding analysis by the researcher focused on finding how elements of the data interconnected with one another and to identify and describe relationships in the data. An example of this is the relationship of the branding philosophies and practice of the market leaders in both industries with the philosophies and practice of branding by other potential challengers to their position. The next stage of the process is to interpret the relationship, describe how the relationship has come about, or give meaning to the relationship (Punch, 1999).

At the same time, in the process of data analysis, it is possible that theory may be generated from the data inductively. This method or strategy is known as Grounded Theory and is, probably, “the most widely employed interpretative strategy in the
social sciences today” (Denzin and Lincoln, 1994, p. 204). The essence is to find a core category at a high level of abstraction that accounts for what is central in the data, but, at the same time, is grounded in the data (Punch, 1999). This theory analysis is essentially coding constituted by open coding, axial coding and selective coding. The search is for substantive codes, which are described as categories generated from the data, but at a more abstract level than the data itself. These substantive codes are then drawn together to interconnect them using theoretical codes. At the same time, the statements of interconnection are propositions about the data. These are then integrated into a higher order, more abstract construct called the core category, which describes and transforms these propositions into a theory (Punch, 1999). Open coding was used to break open the data in order “to open up” theoretical possibilities of the data, which, in turn, involved a close examination of the data so as to identify conceptual categories implicit or explicit in the data.

As a consequence, rather than using coding only as a simple interpretation or description of the data, the concern was to generate more abstract categories by “using the data to generate conceptual labels and categories for use in theory building” (Punch, 1999, p. 213). In grounded theory analysis, identifying what is central in the data is important; the researcher focuses on possible integrating concepts from the outset, with the aim of building a grounded theory around “a core category” open coding produced a set of first – order categories and then higher-order categories from the data, raised already to one level of abstraction. This is the first stage. In the second stage, known as axial coding, these categories were interconnected with each other to produce a set of propositions.

Selective coding was used as the third stage in the analysis to select a core category around which other categories were gathered in order to pull together the developing
analysis and raising the level of extraction again. The grounded theory approach was applied in the analysis of the data as a safeguard against forcing theoretical codes on the data, rather than letting these codes emerge from the data.

Stage 4: Explanation and Theory Building

Insights gained from the three analytical stages allowed the progression to an iterative, theory-building process (Yin, 2003) in developing a B2B brand strategy formulation model that incorporates an alignment of nominated marketing strategy elements with branding elements. Theory building from case studies is justifiable since the theory-building process is intimately tied with evidence that is consistent with empirical observation (Eisenhardt, 1989). This approach formed the primary basis for Stage four by providing a useful inductive strategy for building theories that are testable and particularly appropriate for new topic areas (van de Ven, 1989), such as the phenomenon addressed in this study, namely, the marketing strategy being in alignment with brand-formulation strategy.

As concepts emerged, the literature was revisited with the aim of identifying what is similar to or in conflict with the emerging theory. Comparison was continued to be made by revisiting the data. By this process, the emergent theory was able to be tied to the literature, thereby enhancing the theoretical level of the theory built from the case study research (Eisenhardt, 1989).

4.9 Quality of Research Design

High-quality research design must be used to increase the credibility of the theory developed (Rahim and Baksh, 2003). As such, to be valid, a research study should conform to and "pass" particular design tests with regards to various types of
research validity (Amaratunga and Baldry, 2001). To ensure the quality of this research, Yin’s (2003) criteria and the related rigorous methods of qualitative research design, data collection and management were used. These criteria are consistent with research-quality recommendations from other qualitative researchers (e.g. Miles and Huberman, 1994; Patton, 2002; Eisenhardt and Graebner, 2007). Therefore, the tests and methods recommended by Yin (2003) were adopted for assessing and ensuring the quality of this research. A summary of Yin’s (2003) four design tests to judge the quality of a research design is presented in Table 4.7.

### Table 4.7

<table>
<thead>
<tr>
<th>Tests</th>
<th>Case Study Tactic</th>
<th>Phase of Research in which Tactic Occurs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construct validity</td>
<td>• Use multiple sources of evidence</td>
<td>data collection</td>
</tr>
<tr>
<td></td>
<td>• Establish chain of evidence</td>
<td>data collection</td>
</tr>
<tr>
<td></td>
<td>• Have key informants review draft case study report</td>
<td>data collection composition</td>
</tr>
<tr>
<td>Internal validity</td>
<td>• Do pattern-matching</td>
<td>data analysis</td>
</tr>
<tr>
<td></td>
<td>• Do explanation-building</td>
<td>data analysis</td>
</tr>
<tr>
<td></td>
<td>• Address rival explanations</td>
<td>data analysis</td>
</tr>
<tr>
<td></td>
<td>• Use logic models</td>
<td>data analysis</td>
</tr>
<tr>
<td>External validity</td>
<td>• Use theory in single-case studies</td>
<td>research design</td>
</tr>
<tr>
<td></td>
<td>• Use replication logic in multiple-case studies</td>
<td>research design</td>
</tr>
<tr>
<td>Reliability</td>
<td>• Use case study protocol</td>
<td>data collection</td>
</tr>
<tr>
<td></td>
<td>• Develop case study database</td>
<td>data collection</td>
</tr>
</tbody>
</table>

Source: (Yin, 2003, p. 34)

### 4.9.1 Construct Validity

Construct validity refers to the objectivity of the research (Yin, 2003) and that the logical inferences and interpretations of the researcher make sense to someone else
(Marshall and Rossman, 2006). In order to satisfy the construct-validity test in this research, multiple sources of evidence were used (interviews, observations and company and public documents). Next, care was taken to ensure sufficient citation of specific documents, interviews and observations to establish a chain of evidence. The chain of evidence used in this research allows an external observer to certify that the research procedures, findings and conclusions are justified and will make sense to another researcher, which also helps satisfy construct validity. In addition, the case database included the evidence and the circumstances of collection of that evidence and an assurance that the data collection followed the procedures outlined in the protocols (Yin, 2003). Finally, supervisors reviewed the data analysis and resulting interpretations, which facilitated establishing the plausibility of interpretation and, thus, improved the quality and value of its findings (Curran and Blackburn, 2001).

### 4.9.2 Internal Validity

Internal validity involves producing credible or believable findings and interpretations that are convincing to readers (Yin, 2003; Marshall and Rossman, 2006). In order to satisfy the internal-validity test in this research, the technique of explanation building was applied in analysing the case data. Using this technique, a series of iterations between the case data and literature were addressed in order to provide the eventual explanation (Eisenhardt, 1989). As the study design is a multiple case study, the goal was to build a general explanation that also fitted each of the individual cases (Strauss and Corbin, 1998). This explanation was the result of comparing the findings of an initial case against the initial theoretical statement and a firm’s behaviour, revising the proposition and then comparing it within the multiple cases in a cross-case analysis context (Yin, 2003).
This data-analysis technique often provides a good understanding of the dynamics underlying the relationship or the “why” of what is happening, which can be crucial to the establishment of internal validity. Discovering the underlying theoretical reasons for why the relationship exists is important. This provokes awareness that an apparent relationship may simply be a spurious association or may reflect the impact of some third variable on the other two (Eisenhardt, 1989).

Finally, peer debriefing from supervisor feedback also helped establish and test internal validity. Supervisor feedback helped ensure the effectiveness of this research and improved the quality of the thesis (Gillham, 2000; Curran and Blackburn, 2001; Patton, 2002).

4.9.3 External Validity

External validity is concerned with establishing the domain to which a study’s findings can be generalised beyond the immediate case study (Rahim and Baksh, 2003). In other words, the findings will be useful to others in similar situations, with similar research questions or questions of practice (Marshall and Rossman, 2006). In this study, two industries were researched in order to strengthen the generalisation to the theory that emerged from addressing the research questions in the context of branding in business-to-business marketing.

In defending the validity of case study generalisation, because it can be seen as a major barrier in doing case studies, Yin (2003) states such generalisation is not automatic. A theory must be tested by replicating the findings in a second or third domain where the theory has specified that the same results should occur. The results of these replications might be accepted as providing strong support for the theory without further replications being performed.
This “replication logic” is used by scientists to cumulate knowledge across experiments. In support of this concept, Eisenhardt (1989) argues that each case can be related to an experiment and multiple cases are analogous to multiple experiments. This idea is in contrast with the logic of traditional experiments in which the aggregate relationships across the data points are tested using summary statistics, such as $F$ values. Therefore, multiple cases should provide more compelling evidence than a single-case design due to the replication logic of multiple experiments (Yin, 2003; Eisenhardt and Graebner, 2007).

Drawing on this replication logic perspective, the intention for this study was that this would lead to a theoretical framework that could state under which conditions a set of branding strategies could become the vehicle for generalising to other cases, in order to forecast similar desirable strategic outcomes. In a positive sense, this involved literal replication. Where the conditions are not likely to be found (theoretical replication) and, in some of the empirical cases do not work, as predicted, modification can then be made to the theory (Yin, 2003). The contention for multiple case studies is also supported by Delanthi and Baldry (2001). For the purposes of this thesis, the use of multiple case studies ensured that, by replicating and pattern matching, the results were strengthened, thereby increasing confidence in the robustness of the resulting theory. Since the approach to case studies involves theory building and verification rather than testing, the use of a multiple-case-study design facilitated developing the empirical evidence to build, support and sharpen this study’s theory. Finally, multiple case studies allowed for multiple sources of evidence, presented more rounded and complete accounts of the issues and processes of interest in this research, and allowed richer theory building (Rahim and Baksh, 2003).
With the acceptance of the above theory, two industries were chosen with the aim of replicating the findings of the results as being acceptable in providing stronger support for the theory developed. An important observation is that, with replication logic, cases from the different industries that confirm emergent relationships enhance confidence in the relationships. Whereas, cases that disconfirm the relationships provide an opportunity to refine and extend the theory (Miles and Huberman, 1994; Yin, 2003; Eisenhardt and Graebner, 2007).

### 4.9.4 Reliability

Reliability refers to the consistency of research results (McGivern, 2006). In short, reliability is about quality, transparency and trustworthiness (Healy and Perry, 2000). To achieve reliability, the case-study procedures were detailed and a case-study protocol developed, together with a case-study database. This was to ensure that another researcher using the same procedures and steps outlined could, if exactly repeated, produce the same findings and conclusions (Amaratunga and Baldry, 2001; Patton, 2002; Rahim and Baksh, 2003; Yin, 2003). Finally, peer debriefing from supervisor feedback during the thesis process also helped establish and test the reliability of the research (Gillham, 2000; Yin, 2003).

### 4.10 Chapter Summary

The focus of this chapter has been an analysis of the theoretical perspectives that influence social research. The two main areas for consideration were positivism research and interpretivism research with the interpretivist or realism paradigm being the choice of paradigm for this research due to the need for an inductive, theory-building approach rather than a quantitative based theory or hypothesis testing approach (Perry, 1998) this decision was made as the research attempts to explain
causal relationships by means of understanding human behaviour and the context in which that behaviour takes place. A multiple case-study approach based on the theory-building method of Eisenhardt (1989) was selected for addressing the information needs of the research objectives for achieving the objectives of investigating quality management practices relating to B2B marketing and branding issues. The unit of study for this research (i.e. the case) was a particular individual company operating in a B2B marketing environment.

The case-study approach was chosen due to the "how" and the "why" nature of the research context and in-depth interviews, observations and documents were used to address research objectives 1 – 8. A semi-structured interview protocol, informed by the literature, was developed to provide the information needs. The number of cases chosen to achieve conceptual saturation was six in the bread industry and seven in the corporate travel industry. These cases were selected because of a combination of theoretical and criterion sampling to achieve maximum variation for in-depth investigation, comparison and theory-building purposes.

Four analysis stages were used to describe the cases and their marketing context and building a theoretical understanding of the B2B branding context based on the case data. The four analysis stages consisted of within-case analysis, cross-case analysis within industry, cross-industry analysis and explanation and theory building. The quality assessment needs of the research were found to be satisfied by the procedures and techniques used in the research.
CHAPTER 5
RESEARCH FINDINGS
THE BREAD INDUSTRY

5.1 Introduction

The case-study methodology followed for the data collection and analysis was detailed in Chapter 4. The purpose of the next three chapters is to describe and analyse the research findings. Chapter 5 describes and analyses the research findings of the bread manufacturing industry. Chapter 6 describes and analyses the research findings of the corporate travel industry, whilst Chapter 7 presents the cross-industry analysis. This chapter consists of four sections. Section 5.1 presents the introduction. This is followed by the case summaries, including organisational demographics, in Section 5.2. Section 5.3 presents the within-industry findings and the data analysis that addresses research objectives 1-8 (see Appendix 5.1). The bread industry summary is shown in Section 5.4.

In this chapter, the industries and the firms that took part in the case studies are introduced. The industries include the bread manufacturing industry, namely plant bakeries, and the corporate travel industry, that is, specialised corporate travel agencies who generally describe themselves as corporate travel management companies. The chapter proceeds to present the findings and analyses the collected data from the bread manufacturing industry. Analysing data is at the heart of building theory from case studies (Eisenhardt, 1989).

The plant baking sector of the bread manufacturing industry was chosen as distinct from hot bread bakery activities, as the output of these bakeries is sold to other
businesses where B2B strategies can be identified. A similar rationale prevailed in choosing the corporate travel sector as distinct from travel agencies in general. The target market for these companies is the corporate business sector. As such, they are distinct from the broader travel sector, which is targeted to consumer travel and may only have incidental sales to the corporate business sector. Corporate travel agencies also identify themselves as corporate travel management companies or agencies. As the marketing strategies of these companies target corporate business travel, it means that B2B branding strategies should be able to be identified. The industries in this study are designated the Bread Industry and the Corporate Travel Industry.

The object of this research is to contribute to marketing theory and to examine the processes firms use to align B2B marketing strategies and B2B branding strategies in the context of two Australian industries. Within the industries, individual cases were analysed; this was followed by within-industry cross-case analysis. Cross-case analysis of the two industries was then undertaken by way of comparison to observe the unique patterns of each industry that emerged.

A range of B2B theoretical branding strategy initiatives based on important marketing strategies that emerged from the literature review were presented in the interview protocol for the respondents in each industry in order to: provide rich and deep insights into quality management practices (Simon et al, 1996) that are related to marketing and branding; to enable the researcher to see, analyse and interpret real activities; and to answer the research question, “Do firms engaged in B2B marketing, in a given Australian industry context, link B2B brand strategies with marketing strategies in a brand strategy formulation process?”
5.2 Case Summaries and Organisational Demographics

This section presents a description of each industry, followed by a summary of each case selected. The two industries chosen were comprised of companies operating in B2B marketing. These are designated as the bread industry, which consists of six cases and the corporate travel industry, which consists of seven cases. In the bread industry, the two large companies are foreign-owned operations, while the other four companies in this industry are SMEs and are Australian-owned. The age of the firms in this industry range from being over 10 years to over 100 years. In the corporate travel industry, one company is classified as foreign-owned and the remaining six companies are classified as Australian-owned. The age of the firms in this industry range from being over 15 years to over 30 years.

All of the participants were directly involved in the company's marketing process and were nominated by their company as being responsible for matters relating to their brand. All participants held senior-management positions (e.g. marketing manager, director). As such, they were considered knowledgeable to speak in-depth and at length in order to address the information needs of the research (Marshall and Rossman, 2006). The interviewees were all male in the bread industry and approximately 50 per cent female and 50 per cent male in the corporate travel industry. After a description of each industry, a brief description of each case follows. Table 5.1 presents the organisational and interviewee demographics for the cases in the bread industry, along with the case names used in the analysis and discussion.

5.2.1 The Bread Industry

The bread industry consists of companies operating bread-manufacturing facilities known as plant bakeries. Plant bakeries operate continuous bread production lines
where mechanical processes are employed to facilitate the continuous product of bread-type products, and where labour input is minimised. Per hour, a single plant is capable of producing 4000 loaves that are 680 grams in weight and are standard sized square or sandwich in shape. In the case of larger manufacturing facilities, two, three or even four continuous production lines may operate at the same time. The activities of these bakeries are in contrast to “in-store bakeries” or hot bread shops that are usually low volume, highly labour intensive and sell their product direct to consumers.

Two large multinational bread manufacturers, who have multiple manufacturing sites close to high-density population areas, dominate the bread industry. They dominate sales to the two major supermarket chain stores, with their products also being represented in other smaller supermarket chain stores. Their market superiority is due to marketing strategies that maximise their resource capabilities of manufacturing and distribution in alignment with high-density population areas. Historically, the ancestors of both companies owned major flour-milling operations (AG-DAFF, 2003). As flour is a major component of bread, flour millers were motivated to purchase bakeries as a means of ensuring continuing demand for their flour. The six cases included in this study consist of two of the multinational, multi-site baking companies and four of the privately held, single site manufacturing facilities. The cases are indicative of manufacturing companies that are engaged exclusively in business marketing where their market is well defined.

The number of plant bakeries as defined for the research—i.e. those operations utilising continuous mechanical make up plants capable of producing multiples of thousands loaves per hour, as distinct from labour-intensive, hot-bread-shop operators—have diminished over the last 30 years to less than ten remaining in operation. These have been in families over several generations. The reduction in
these smaller bakeries has been due to many factors. One is the strategic objective of flour millers to initially protect and later expand their market for refined and bleached, strong, high-protein bread manufacturers flour. What better way to achieve this objective than to own the very bakeries that use that flour? These were family bakeries. The value of a bakery was historically assessed on the basis of the tonnage of flour used either on a monthly or annual basis. This method of valuation provided a “ready reckoner” for the flour millers when contemplating an offer to purchase a nominated bakery. The mill already knew the volume of flour being sold to the bakery, so had an in-depth knowledge of the contemplated asset acquisition. Suffice to say, the concentration of ownership of bakeries is evidenced by the ownership by two major flour-milling organisations of the two biggest bread-manufacturing operations in Australia.

As a consequence, the industry is dominated by two large "bakers" connected with these flour milling organisations. The remaining four plant bakeries are restricted in their supply capabilities by having just one plant each, operating in country cities or towns. They are well removed from the major population centres. Within this industry there are two large manufacturers, three small to medium enterprises (SMEs) and one small enterprise (SE).

Table 5.1 below provides details of case demographics and interview information for the bread industry. Unless otherwise indicated, all tables and charts have been prepared and assembled from the case study data. Participating firms in the case studies were each assigned a code in order to maintain their anonymity, for example, Code: Bread 3 denotes Firm 3 in the bread industry and Code: Travel 4 denotes Firm 4 in the corporate travel industry.
Table 5.1
Case Demographic, Organisation and Interviewee: Bread Industry

<table>
<thead>
<tr>
<th></th>
<th>Bread 1</th>
<th>Bread 2</th>
<th>Bread 3</th>
<th>Bread 4</th>
<th>Bread 5</th>
<th>Bread 6</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Industry</strong></td>
<td>Bread</td>
<td>Bread</td>
<td>Bread</td>
<td>Bread</td>
<td>Bread</td>
<td>Bread</td>
</tr>
<tr>
<td><strong>Firm Age</strong></td>
<td>50+</td>
<td>100+</td>
<td>50+</td>
<td>50+</td>
<td>20+</td>
<td>10+</td>
</tr>
<tr>
<td><strong>Employs</strong></td>
<td>&gt;200</td>
<td>&gt;200</td>
<td>20-200</td>
<td>20-200</td>
<td>20-200</td>
<td>&lt;20</td>
</tr>
<tr>
<td><strong>Ownership</strong></td>
<td>Public</td>
<td>Public</td>
<td>Private</td>
<td>Private</td>
<td>Private</td>
<td>Private</td>
</tr>
<tr>
<td><strong>Size</strong></td>
<td>LG</td>
<td>LG</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>SE</td>
</tr>
<tr>
<td><strong>Locations</strong></td>
<td>&gt;10</td>
<td>&gt;10</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>Customer Base</strong></td>
<td>Large</td>
<td>Large</td>
<td>Moderate</td>
<td>Moderate</td>
<td>Moderate</td>
<td>Small</td>
</tr>
<tr>
<td><strong>Interviewee</strong></td>
<td>Male</td>
<td>Male</td>
<td>Male</td>
<td>Male</td>
<td>Male</td>
<td>Male</td>
</tr>
<tr>
<td><strong>Position</strong></td>
<td>Marketing Director</td>
<td>Marketing Director</td>
<td>Director</td>
<td>Director</td>
<td>Director</td>
<td></td>
</tr>
<tr>
<td><strong>Functional Role</strong></td>
<td>Marketing Brand Management</td>
<td>Marketing</td>
<td>Production</td>
<td>Production</td>
<td>Marketing</td>
<td>Production/Marketing</td>
</tr>
</tbody>
</table>

Note: SME = Small to Medium Enterprise, SE = Small Enterprise
5.2.2 Case Information

Bread 1

Bread 1 is classified as a large business and is a major bread manufacturer. It has manufacturing plants in each state except Tasmania and one of the two Australian territories. It employs over 200 staff members and is a wholly owned division of an English based multinational company. The company competes for control of the Australian manufactured bread market with another multinational company listed on the Australian Stock Exchange and owns plants in every State and Territory. This is in contrast with SMEs, which, in each case, are privately owned companies manufacturing from just one geographical location. As a result of its large number of manufacturing sites, Bread 1 is able to supply the main two supermarket chains that dominate retail grocery sales in Australia. This capability alone gives it a tremendous competitive advantage over other manufacturers in being able to supply in all states of Australia including the Northern Territory and the Australian Capital Territory. It is also able to supply at a low unit price due to a lower freight component in their pricing structures, because of the geographical location of each plant near to major population centres where there is a concentration of supermarket activity.

The market for Bread 1 consists of major and minor supermarket chains, QSRs (quick-service restaurants), takeaway establishments, restaurants, shops and service stations on a national basis. They are very active in marketing in every state and territory in Australia. They are extremely conscious of the power of their consumer brand, and brand utilisation and application is evident on the packaging of their products. Bread 1 has a number of bread brands. The interviewee declared it was aware of the value of branding and that the company differentiates its brand and marketing strategies for the consumer market and the B2B market. Apart from
utilising their own brands, this manufacturer also manufactures bread for the two main supermarket chains under the various levels of the supermarket home brands.

Bread manufacturing is just one of the company’s activities. Other areas of manufacturing include both consumable products and allied products used in the food chain processing industry. In its baking division, it is responsible for manufacturing, selling and distributing bread and bakery products including bread, rolls, cakes, buns, crumpets, muffins, pikelets, hotcakes and specialty breads. Other bakery products produced and distributed by Bread 1 include frozen par-bake rolls, garlic bread and pizza bases for the retail and food service industries. They have a number of key consumer brands, which are claimed to be some of the “most recognisable and loved”. Bread 1 asserts that the company is about “really good food”.

The company has been operating for over 100 years and states that they are one of Australia’s largest food manufacturers, employing over 8000 people in close to 60 cities. They recognise the value of their consumer brands and describe their brands as “favourite”, “most trusted” and “iconic”. The sales of its production are said to be 100% wholesale.

Bread 2

Bread 2 is a large manufacturer. It is one of two major manufacturers competing for domination of the Australian manufactured-bread market. It has over 35 manufacturing sites in every state and territory and employs over 200 staff members. The company is the wholly-owned division of another company listed on the Australian Stock Exchange and claims to be the number-one producer of bread and allied products. Owing to its large number of manufacturing sites, it is able to supply
the two dominant supermarket chains that operate multiple retail outlets in cities, towns and villages across Australia. This capability also gives it superior competitive advantage over the smaller manufacturers that are restricted in competition and supply because of their limited geographics, which are contingent upon the one manufacturing site being in a particular geographical location. As is the case of their other major competitor, they are able to supply at a low input price for no other reason than a low freight component in their pricing structures. This is due to the location of their plants near the major population centres where there is a concentration of supermarket activity.

The market for Bread 2 consists of minor and major supermarket chains, QSRs (quick-service restaurants), takeaway establishments, restaurants, shops and service stations on a national basis. They are very active in marketing in every state and territory in Australia. They are very conscious of their brand, together with brand utilisation and application. This is evident on the packaging of the company's products. The company uses a number of brands which sell their own brands through the supermarket chains as well as manufacturing bread products and packaging for the supermarkets' own brands.

Bread 2 is over 100 years old and one of Australia’s leading ASX-listed food manufacturing and distribution companies. Bread manufacturing is just one of the manufacturing activities of the company. In its baking division, it is responsible for manufacturing, selling and distributing its products into the retail market which consists of supermarkets, convenience stores and service stations, and the commercial and food services market which consists of food manufacturers and wholesalers. These products include bread, buns, rolls, crumpets, bread muffins, pikelets, tortillas, wraps, Panini, Turkish bread, fruit bread and pita. They recognise the value of their consumer brands and call them “leading food brands”. They claim
that they are successful in creating value when “consumers are passionate about our products and brands”. The sales of its production are declared to be 100% wholesale.

**Bread 3**

This bread manufacturer is classified as an SME. It is a family owned private company employing between 20 and 200 staff members. The sales of its production are declared to be 88% wholesale and 12% retail. It only has one manufacturing site and is located in a regional city 100km from a state capital. Family members are employed in executive positions responsible for administration and production. It has been operating for over 50 years. Their 12% retail sales are through their own retail outlet, namely a coffee, cake, sandwich and soft drinks business. Their 88% wholesale sales are to any establishment either selling bread to consumers or to take-away establishments, restaurants, shops and service stations. Whilst their competencies would enable them to supply the required purchasing volumes of supermarkets within a 250km radius, their capabilities of supplying national supermarkets are extremely limited by their ownership of only one relatively small plant in just one location, as compared to the two major bread manufacturing companies that own many plants close to high-density population areas. Economies of scale of the major producers, plus delivery distance disadvantages are a sufficient barrier for entry for the firm for volume sales in an industry where price competition is highly active. Brand utilisation and application is evident from the packaging of their products.
Bread 4

This bread manufacturer is classified as an SME. It is a family owned private company employing between 20 and 200 staff members. The sales of its production are declared to be 100% wholesale. It only has one manufacturing site, which is located over 50km from a state capital in a recognised tourist destination. This area has been one of steady growth over the last 50 years and is also a centre of manufacturing, including food manufacturing. Family members who are directors have executive responsibilities for administration and production. It has been operating for over 50 years. Their sales are to major supermarkets, IGA stores, independent supermarkets, grocery stores, pharmacies, service stations and smaller shops, including those involved in the café and takeaway trade.

Bread 4 is responsible for manufacturing, selling and distributing its products in a geographical area up to approximately 200km from its manufacturing location. These products include bread, rolls, bagels, naan bread, par-bakes, Turkish bread, baguettes, dampers, sour dough, organic breads and tortillas. The sales of their production are declared to be 100% wholesale. Brand utilisation and application are evident from their product packaging. Bread 4 uses a number of consumer brands that target their various product ranges.

Bread 5

This bread manufacturer is classified as an SME. It employs between 20 and 200 staff members and it is a family owned, private wholesale bakery. It commenced operations over 20 years ago and has only one manufacturing site, which is located approximately 100km from the state capital in a regional metropolitan centre. It maintains a company-owned distribution facility in the state capital and several
country centres. The market for Bread 5 consists of supermarkets located locally, and those situated in the state capital, take-away establishments, restaurants, shops and service stations.

Bread 5 is a recipient of several industry and state awards for their business excellence in specified categories. It is responsible for the manufacture, sales and distribution of bread, rolls, pastries, cakes, slices and doughnuts through a state-wide distribution network. The sales of its production are declared to be 100% wholesale. Company information and marketing material does not identify attention being paid to any company brands or to brand utilisation. However, brand utilisation and application is evident from the firm's products, as Bread 5 uses a number of brands.

**Bread 6**

Bread 6 is a small firm employing less than 20 staff members. It is the smallest plant bakery in the industry. It is a family-owned, private company and has only one manufacturing site located in a major regional population centre over 100km from a state capital city. Their sales are to minor independent supermarkets, pharmacies, service stations, fruit shops and smaller shops involved in the café and take-away trade.

**5.3 Bread Industry Findings**

**5.3.1 Research Objective 1 – To identify the importance that B2B firms place on branding and what processes they use, if any, to develop their B2B brand strategy formulation.**
All of the companies participating in the bread industry case study were well aware of consumer branding as a marketing weapon. The level of awareness of the difference between B2B branding and B2C branding varied across the cases, as is presented in Table 5.2. The large manufacturers, Bread 1 and Bread 2, had a high level of awareness, whilst the SMEs had a medium awareness of the difference between B2C branding and B2B branding. High-awareness firms were better able to identify differences between B2B and B2C branding. All firms used branding to a degree, but, whilst some attention to brand processes was observed in Bread 1, nothing formal was found. Overall, processes were not observed that indicated a brand strategic vision or objectives. There was no evidence of strategies that were crafted to achieve the vision and objectives, and no processes to implement and execute the strategy.

Table 5.2
Brand Awareness Level: Bread Industry

<table>
<thead>
<tr>
<th>Firm Size</th>
<th>Bread 1</th>
<th>Bread 2</th>
<th>Bread 3</th>
<th>Bread 4</th>
<th>Bread 5</th>
<th>Bread 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Awareness Level</td>
<td>Large</td>
<td>Large</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>SE</td>
</tr>
<tr>
<td>Brand Processes Observed</td>
<td>High</td>
<td>High</td>
<td>Medium</td>
<td>Medium</td>
<td>Medium</td>
<td>Medium</td>
</tr>
<tr>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
</tbody>
</table>

Note: SME = Small to Medium Enterprise, SE = Small Enterprise
5.3.2 Research Objective 2 – To identify if the implementation of a brand strategy formulation process contributes to a firm’s position in the industry and competitive advantage.

The large firms were able to identify branding activities that they believed have contributed to their position in the industry. Bread 1 stated their brand was vital and represented the oldest and most respected brand in the industry. Identifiable brand elements, such as "the oldest, most respected bakery", were stated to "absolutely" contribute to competitive advantage, and, as such, the No.1 position. Bread 2 also claimed to be the market leader and that their brand contributes to competitive advantage. Their branding focus was on products rather than on the company name, logo or identifiable brand elements. Three of the SMEs (Bread 4, 5, 6), nominated their position. One of these, Bread 6 stated that their position was the lowest. Another firm stated that they were No. 2, whilst another claimed they were No. 3. However, the firms nominating their position as No. 3 were Bread 4 and Bread 5. Bread 6 stated they had little or no focus on branding as a necessary strategy designed to achieve competitive advantage. The remaining SME, Bread 3, did not know its position in the industry. In this group, most firms were able to identify some branding strategies and all agreed their brand had contributed to their position. Two private SME companies stated they had little focus on branding strategies. All the SMEs stated that their brand is their name. This was in contrast to the large firms, such as Bread 1, who stated their brand was "the name on the door", but linked other brand elements to it. The data revealed an interesting dichotomy in that all but one of the firms believed branding contributed to competitive advantage, yet the majority of the firms, (four out of six), stated they did not have a branding focus. Five out of the six stated their branding processes were informal and they had difficulty in identifying branding strategies to achieve competitive advantage. The relationship between firm size and branding focus is shown in Table 5.3 below.
Table 5.3
Firm Size and Branding Focus: Bread Industry

<table>
<thead>
<tr>
<th></th>
<th>Bread 1</th>
<th>Bread 2</th>
<th>Bread 3</th>
<th>Bread 4</th>
<th>Bread 5</th>
<th>Bread 6</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Firm Size</strong></td>
<td>Large</td>
<td>Large</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>SE</td>
</tr>
<tr>
<td><strong>Stated Position</strong></td>
<td>1</td>
<td>1</td>
<td>Unknown</td>
<td>3</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td><strong>Branding Focus</strong></td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td><strong>Brand Processes</strong></td>
<td>Semi-Formal</td>
<td>Informal</td>
<td>Informal</td>
<td>Informal</td>
<td>Informal</td>
<td>Informal</td>
</tr>
<tr>
<td><strong>Branding Strategies Identified</strong></td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td><strong>Branding Contributes to Competitive Advantage</strong></td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
</tbody>
</table>

Note: SME = Small to Medium Enterprise, SE = Small Enterprise
5.3.3 Research Objective 3 – To identify if implementing brand strategy formulation processes and aligning brand elements with marketing elements in a brand-strategy formulation is related to the size of the firm.

That firm size is considered relevant in implementing successful branding strategies varied across the cases. The large firms (Bread 1 and Bread 2) believe the size of their firm “absolutely” impacted on the ability of the firm to implement successful branding strategies. Bread 1 employs a marketing manager who constantly "monitors the brand" with identified brand strategies. Both Bread 1 and Bread 2 option the use of external agencies on a "needs" basis. In the case of Bread 2, instead of employing a marketing director or marketing manager, the brand is managed internally by the marketing team.

With the SMEs, the size of the firm was stated to have an impact on the use of external branding agencies, but only one, Bread 6, stated that it was financially related. Bread 4 had used an external agency, but had realised little benefit from this. Bread 3 did not use external agencies on the basis that branding ideas are generated internally. Bread 5 thought that the use of external agencies was a good idea, but had not used any, while Bread 6 stated “low margins and low volumes" precluded the employment of external agencies. None of the cases (with the exception of Bread 1) had a formalised process to implement branding strategies and branding activities were not found to have an important focus in the other firms. No firms were observed to rely on formal processes relating to any brand strategy objective.

Providing information that relates to the correlation between firm size and the implementation of branding strategies is considered relevant to providing data which can allow a comparison of current findings with the earlier findings of Shipley and Howard (1993), and Krake (2005). Table 5.4 summarises the findings.
Table 5.4
Firm Size and Branding Implementation: Bread Industry

<table>
<thead>
<tr>
<th></th>
<th>Bread 1</th>
<th>Bread 2</th>
<th>Bread 3</th>
<th>Bread 4</th>
<th>Bread 5</th>
<th>Bread 6</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Firm Size</strong></td>
<td>Large</td>
<td>Large</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>SE</td>
</tr>
<tr>
<td><strong>Constraints of Branding Implementation</strong></td>
<td>Other</td>
<td>Other</td>
<td>Other</td>
<td>Other</td>
<td>Other</td>
<td>Financial</td>
</tr>
<tr>
<td><strong>Brand Processes</strong></td>
<td>Semi-Formal</td>
<td>Informal</td>
<td>Informal</td>
<td>Informal</td>
<td>Informal</td>
<td>Informal</td>
</tr>
<tr>
<td><strong>Brand Development and Management</strong></td>
<td>External/Internal</td>
<td>External/Internal</td>
<td>Internal</td>
<td>Internal</td>
<td>Internal</td>
<td>Internal</td>
</tr>
<tr>
<td><strong>Brand Management Responsibility</strong></td>
<td>Marketing Manager</td>
<td>Marketing Team</td>
<td>Managing Director</td>
<td>Managing Director</td>
<td>Managing Director</td>
<td>Managing Director</td>
</tr>
</tbody>
</table>

Note: SME=Small to Medium Enterprise, SE= Small Enterprise

F = Financial, O = Other including preferred management options.

E/I = Mainly external/some internal input
5.3.4 Research Objective 4 – To identify if OBB is incorporated into brand strategy formulation and what the processes to obtain knowledge of OBB are.

Both the large firms, Bread 1 and Bread 2, confirmed the importance of having a knowledge and understanding of OBB. Bread 1 identified processes that were in place to achieve this knowledge and identified this understanding and knowledge as critical, as they can make or break brands. They use a structured approach with customers to obtain this knowledge. One method is by using customer surveys to ensure there is a "robust relationship" with their customers. Bread 2 stated they have no formal processes in place. Both the large firms know who is at the centre of the decision-making process. They know if it is a single buyer, buying team or buying centre. In addition, they know buyers have a seller ranking system. This knowledge is acquired either by the use of periodic surveys in the case of Bread 1 or by informal means in the case of Bread 2 (see Table 5.5).

The process of ranking the brand attributes that the seller believes are important to the buyer was different for each company. However, price was considered to be No.1 in the ranking of brand attributes by both the large companies. Both companies believe they have an understanding of their business from the buyer’s point of view. Also, both companies believe their brand plays an important role in B2B buyer selection.

Turning to the SMEs, responses varied across the cases. As to the importance of having knowledge and understanding of OBB, Bread 1 and Bread 5 stated it was very important, Bread 2, 3, and 4 stated it was important, while Bread 6 stated it had some importance. Only Bread 1, who that stated it was very important, had processes in place to obtain this knowledge, but the processes were not identified. The other three cases did not have any processes in place. Bread 3 and Bread 6 did
not have knowledge as to who was at the centre of the buyer decision-making process. Yet, of these two respectively, one had some knowledge that buyers rank sellers (“by bribes”), while the other had no knowledge of any ranking system. Bread 3 had the opinion that incentives were necessary to obtain an advantage in the ranking of suppliers.

The ranking of the brand attributes that the sellers believe are important to the buyer in this group was quite inconsistent. Price was No. 1 for both the large companies, Bread 1 and Bread 2, as well as for Bread 4 and Bread 6, whilst Quality and Reliability were ranked No. 1 by Bread 5 and Bread 6. In the overall ranking, price was considered to be the most important attribute to the majority of firms in this industry, followed by quality, reliability and recommendation by other buyers. Risk and relationship with the seller were ranked last and second last respectively. A summary of the ranking of the attributes considered by the seller to be most important to the buyer is shown in Table 5.6. It can be seen that the ranking is widely scattered, thereby demonstrating that there was little consensus between the large firms and SMEs as to what attributes were more important than others, except in the case of price. Further, the scattering of the ranking also indicates that there appears to be a lack of knowledge of what the buyers really consider to be the most important attributes. This result is confirmed in the summary is shown in Table 5.5 below.

Turning to the important assessment of whether the brand plays a role in buyer selection, all four SMEs believed that it does. Yet, it is the large firms that were more certain. A reference to table 5.5 confirms this conclusion. In this industry, ranking of attributes considered important to the buyer was first, Price; second, Quality and Reliability; and third, Previous Purchasing Experience.
Table 5.5
Importance of OBB: Bread Industry

<table>
<thead>
<tr>
<th></th>
<th>Bread 1</th>
<th>Bread 2</th>
<th>Bread 3</th>
<th>Bread 4</th>
<th>Bread 5</th>
<th>Bread 6</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Firm Size</strong></td>
<td>Large</td>
<td>Large</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>SE</td>
</tr>
<tr>
<td><strong>Importance of OBB</strong></td>
<td>High</td>
<td>High</td>
<td>Medium</td>
<td>Medium</td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td><strong>Documented Processes in Place to Obtain Information</strong></td>
<td>Yes</td>
<td>No</td>
<td>Some</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td><strong>Buying Team/Centre Known</strong></td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td><strong>Buyer Ranking System Knowledge Known</strong></td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td><strong>Business Understanding from Customer View Point</strong></td>
<td>Medium</td>
<td>Low</td>
<td>Low</td>
<td>Medium</td>
<td>Medium</td>
<td>Low</td>
</tr>
<tr>
<td><strong>Brand Plays Role in Buyer Selection</strong></td>
<td>Yes</td>
<td>Yes</td>
<td>Some</td>
<td>Some</td>
<td>Some</td>
<td>Some</td>
</tr>
</tbody>
</table>

Note: SME = Small to Medium Enterprise, SE = Small Enterprise
Some = Some Belief
<table>
<thead>
<tr>
<th>Attribute</th>
<th>Bread 1</th>
<th>Bread 2</th>
<th>Bread 3</th>
<th>Bread 4</th>
<th>Bread 5</th>
<th>Bread 6</th>
<th>Average Ranking</th>
<th>Overall Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>Firm Size</td>
<td>Large</td>
<td>Large</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>SE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Price</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1.5</td>
<td>1</td>
</tr>
<tr>
<td>Quality</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Reliability</td>
<td>2</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Risk</td>
<td>3</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>1</td>
<td>3</td>
<td>3.1</td>
<td>6</td>
</tr>
<tr>
<td>Vendor profile</td>
<td>3</td>
<td>4</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td>2.5</td>
<td>4</td>
</tr>
<tr>
<td>Relationship with the Seller</td>
<td>1</td>
<td>5</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>2.1</td>
<td>5</td>
</tr>
<tr>
<td>Previous Purchasing Experience</td>
<td>1</td>
<td>6</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>2</td>
<td>2.6</td>
<td>3</td>
</tr>
<tr>
<td>Recommendation by Other Buyers</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

Note: SME = Small to Medium Enterprise, SE = Small Enterprise

1 = Most important, 6 = Least important
5.3.5 Research Objective 5 – To identify if developing relationships is part of brand strategy formulation and what processes are used.

Bread 1, a large firm, displayed a wide knowledge of the importance of developing buyer-seller relationships as a defined strategy in their marketing and branding strategies and stated they had a “whole spectrum of strategies to build long term relationships”. Bread 2, the other large firm, whilst stating third-party surveys were used, had no other processes in place to assist relationship development. Third party surveys were undertaken by external agencies. Bread 2 also stated buyer-seller relationships were more important between two individuals. As reported in Table 5.8 below, the ranking elements in importance in building B2B relationships in this large-company group were, for Bread 1, Trust (1) with all other elements ranked second, such as Company Credibility, Special Treatment and Delivering on the Promises of the Brand. For Bread 2, it was Delivering on the Promises of the Brand (1), Company Creditability (2), Trust (3), and Loyalty (3), and then Special Treatment (4). Relationships were believed to be buyer dominated, but qualified by Bread 2 as “60/40” in the buyer-seller ratio. The two large firms differed in their levels of awareness. Bread 1 had a high level of awareness, while Bread 2 had a medium level of awareness.

Turning to the SMEs, one SME had a medium to high level of awareness, one a medium level and two a low level of awareness of the importance of developing buyer-seller relationships, whilst Bread 6 had a medium level of awareness. The level of awareness was determined according to the following criteria: (i) the company was able to define buyer-seller relationships; (ii) the company was able to identify relationship building concepts in their marketing and branding strategies. A high level of awareness equals knowledge of both concepts, a medium level equals knowledge
of one of these concepts and low level equals undefined knowledge. For a summary of responses see Table 5.7.

When ranking elements in importance of developing buyer-seller relationships, two firms, Bread 3 and Bread 4, considered that all five elements elected were of an equal level of importance. One firm with the highest level of understanding in this group, namely Bread 6, ranked the importance of the elements almost identically, as did one of the large firms (Bread 2). The differences were that Bread 6 ranked Company Credibility (1) ahead of Bread 2 at (2) and Trust (2) ahead of Bread 2 at (3). The emerging pattern was that the results obtained for the level of importance of developing relationships were the same for both of these firms, with the main difference being that Bread 2 had formal processes to develop relationships and Bread 6 did not.

As to the perception that relationships are buyer or seller dominated, three of the SMEs stated they were buyer dominated. Bread 6 stated they were both buyer and seller dominated, further aligning them with the large firm, Bread 2. They also elected that relationship building strategies existed, but none were identified. Company responses are summarised in Table 5.8 below.

That two firms at the opposite ends of the size spectrum should agree that relationships are both buyer-seller dominated was unexpected. It was observed in the interviews that both companies had a strong entrepreneurial stance that buyers are not to be permitted to dictate the terms of marketing alliances. It can be seen in reference to Table 5.8 below that the most important marketing element in relationship marketing strategy of firms in the bread industry was delivering on the promises of the brand, with company credibility second. Formal processes relating to
building relationships in this industry were not observed, but were "de rigueur" for the two large firms. Yet, relationship marketing was not a defined strategy for the SMEs.

Table 5.7

<table>
<thead>
<tr>
<th></th>
<th>Bread 1</th>
<th>Bread 2</th>
<th>Bread 3</th>
<th>Bread 4</th>
<th>Bread 5</th>
<th>Bread 6</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Firm Size</strong></td>
<td>Large</td>
<td>Large</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>SE</td>
</tr>
<tr>
<td><strong>Awareness of Importance</strong></td>
<td>High</td>
<td>Medium</td>
<td>Low</td>
<td>Low</td>
<td>Medium</td>
<td>Medium</td>
</tr>
<tr>
<td><strong>Formal Processes</strong></td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td><strong>Relationships Buyer Dominated/Seller Dominated</strong></td>
<td>Buyer</td>
<td>Buyer/Seller</td>
<td>Buyer</td>
<td>Buyer</td>
<td>Buyer</td>
<td>Buyer/Seller</td>
</tr>
</tbody>
</table>

Note: SME = Small to Medium Enterprise, SE = Small Enterprise
Table 5.8  
Ranking of Important Elements in Building B2B Relationships: Bread Industry

<table>
<thead>
<tr>
<th>Company creditability</th>
<th>Bread 1</th>
<th>Bread 2</th>
<th>Bread 3</th>
<th>Bread 4</th>
<th>Bread 5</th>
<th>Bread 6</th>
<th>Average Ranking</th>
<th>Overall Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trust</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>1.5</td>
<td>3</td>
</tr>
<tr>
<td>Loyalty</td>
<td>2</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Special treatment</td>
<td>2</td>
<td>4</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>4</td>
<td>2.3</td>
<td>5</td>
</tr>
<tr>
<td>Delivery on promises of brand</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

Note: 1 = Most Important, 5 = Least Important

5.3.6 Research Objective 6 – To identify if branding elements linked to the marketing strategies that the customer values as part of the brand strategy formulation process.

The two large firms stated they understood the need for the brand to incorporate customer value consideration. Value was defined by Bread 1 as “more sales, more repeat business and more customers.” Bread 2 defined value as “price and quality.” Both companies identified the reasons why customers value their brand. They both stated that they know the B2B customer’s value expectations of their brand. Bread 2 believes its brand embodies customer value. Both companies identified attributes of their brand that meet the value expectations of their buyers. These are quality, integrity and a brand that has been trusted for many years. Bread 2 stated it was
market oriented and changed its value offering to meet changing market value expectations. They provide superior value in consistently supplying quality products. They further stated they know "quite a lot" about the value expectations of each particular buyer.

As reported in Table 5.10, the two large firms were in alignment in their responses to the headings presented. They recognised that there was a relationship in providing value and that there was a need for their brand to incorporate value. They were able to define value and identify value elements. They also believed that they had knowledge of the customer value expectations and the value of branding in the value context. In comparison, the findings for the SMEs showed there was a variance in their responses and only partial alignment with the large firms for the topics presented. See Table 5.9 below.

In the ranking of value elements considered important to the buyer, the emerging pattern indicates that the two large firms, again, were in almost identical alignment. The difference was between Bread 1 and Bread 2 where price and value varied in the No. 1 and No. 2 rankings. Bread 1 ranked Value (1), Price (2), Superior Value (3) and Usage Value (4). The ranking by Bread 2 was Price (1), Value (2), Superior Value (3) and Usage Value (4). They believe their brand embodies customer value. Yet, ranking Usage or Value in Use at the lowest ranking indicates they do not recognise its importance in customer value assessment.

With the SMEs, the ranking differed between the various firms. Bread 3 and Bread 4 stated they had little understanding of the need for the brand to incorporate value, while Bread 5 and Bread 6 had a high level of understanding. As to a definition of value, Bread 3 stated lower price and Bread 4 offered no definition. Bread 5 defined value as “the right price at the right time and what they ordered.” Bread 6 defined
value as “repeat business.” Ranking of brand elements believed to be most valued by customers were all ranked as No. 1. In Bread 3, ranking at No. 1 are Price, Value, Superior Value and Usage Value. Bread 4 ranked Price and Value as No. 1, but did not rank Superior Value or Usage Value. Bread 5 ranked Value and Superior Value as No. 1, with Price being ranked at No. 2. Usage Value was not considered in this instance. Bread 6 ranked Price and Value at No. 1 and Superior Value and Usage Value at No. 2. Except for Bread 3, branding in the value context was important for the cases in this group. Bread 3 stated it was of some importance. All the SMEs had some knowledge of why buyers choose their brand. Bread 4 stated that the evidence that their brand delivers value to the customer (i.e. the B2B customer) is “by not getting the sack”, that is, the buyer continuing to purchase from them. A summary of company responses is shown in Table 5.10 below. In addition, it was observed from the interviews that there was a basic awareness that the brand should incorporate value, yet no formal processes were in place to obtain information from the buyer as to what the buyer considered to be of value in what the firm is able to offer. As a result, there was little to no knowledge of customer value expectations. In contrast, the large firms had processes in place and, as a result, declared that they had knowledge of their buyers’ value expectations.
Table 5.9
Brand/Value Relationship: Bread Industry

<table>
<thead>
<tr>
<th></th>
<th>Bread 1</th>
<th>Bread 2</th>
<th>Bread 3</th>
<th>Bread 4</th>
<th>Bread 5</th>
<th>Bread 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Needs to Incorporate Value</td>
<td>Aware</td>
<td>Aware</td>
<td>Not Aware</td>
<td>Not Aware</td>
<td>Aware</td>
<td>Aware</td>
</tr>
<tr>
<td>Definition of Value</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Processes in Place to Evaluate Customer Value</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Brand Value Elements Identified</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Knowledge of Customer Value Expectations</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>Some</td>
<td>No</td>
</tr>
<tr>
<td>Importance of Branding in Value Context</td>
<td>Important</td>
<td>Important</td>
<td>Some</td>
<td>Important</td>
<td>Important</td>
<td>Important</td>
</tr>
</tbody>
</table>
Table 5.10

Ranking of Value Elements Considered Important to the Buyer: Bread Industry

<table>
<thead>
<tr>
<th></th>
<th>Bread 1</th>
<th>Bread 2</th>
<th>Bread 3</th>
<th>Bread 4</th>
<th>Bread 5</th>
<th>Bread 6</th>
<th>Average Ranking</th>
<th>Overall Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1.3</td>
<td>2</td>
</tr>
<tr>
<td>Value</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Superior Value</td>
<td>3</td>
<td>3</td>
<td>1</td>
<td>4</td>
<td>1</td>
<td>2</td>
<td>2.3</td>
<td>3</td>
</tr>
<tr>
<td>Usage Value</td>
<td>4</td>
<td>4</td>
<td>1</td>
<td>4</td>
<td>4</td>
<td>2</td>
<td>3.1</td>
<td>4</td>
</tr>
</tbody>
</table>

Note: 1 = Most important, 4 = Least important

5.3.7 Research Objective 7 – To identify if companies have a process that links their brand elements or brand values to their marketing resource-based capabilities and competencies in creating customer value into a brand-strategy formulation.

To build the brand for the company, the literature suggests a need for the company to first identify its competencies and capabilities for creating value (Beverland et al, 2005; Lynch and de Chernatony, 2007). After identifying the brand values, they can be segregated into tangible (functional) or intangible (emotional) values.

The response was different for the two large firms, Bread 1 and Bread 2. Bread 1 stated they have a clear set of brand values that build on their firm's competencies and capabilities, and proceeded to name several. This company readily identified tangible and intangible values, and said both were part of their brand. In contrast, Bread 2 stated they had not identified a clear set of resource based brand values. As
to the differentiation, their concept of functional values were not elaborated on, but they did explain that emotional values were considered to have only "a small role in B2B marketing as customers quickly identify emotional values and discount them."

The data for the SMEs indicates that the concept of creating value based on the firm's competencies and capabilities was not a formal process; and, while there was recognition that some elements, such as being able to supply 24/7 and/or quick response to orders were recognised, they were not incorporated into branding strategy formulation. Bread 5 thought it was service and flexibility. The findings show that the concept of creating value based on the competencies and capabilities of the firm was an area with which the SMEs were unfamiliar. The data indicates that, while respondents could distinguish between what elements were functional or emotional, there was no process that incorporated them into a brand formulation strategy. Table 5.11 below summarises their responses.
Table 5.11
Value Competencies: Bread Industry

<table>
<thead>
<tr>
<th></th>
<th>Bread 1</th>
<th>Bread 2</th>
<th>Bread 3</th>
<th>Bread 4</th>
<th>Bread 5</th>
<th>Bread 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Firm Size</td>
<td>Large</td>
<td>Large</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>SE</td>
</tr>
<tr>
<td>Identified Clear Set of Brand Values</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Identify Tangible</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Identify Intangible</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Formal Processes to Evaluate how Value is Created</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Knowledge of How and Why Brand Delivers Value</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
</tbody>
</table>

Note: SME = Small to Medium Enterprise, SE = Small Enterprise
5.3.8 Research Objective 8 – To identify if the company’s brand has an internal dimension which is included in brand strategy formulation and how identification with the brand at all levels of employment within the organisation takes place.

Whilst all the companies, except for Bread 6, stated that there was some internal focus to the brand, none identified any strategies that give their brand an internal dimension. Bread 1 explained the company had just employed a new CEO who was starting to endorse internal branding strategies. They have published a guidebook that was said to be aimed at employees to help them understand the brand. However, there was no evidence or publicity that linked the CEO with the brand or that the previous CEO was a leader who was in tune with the brand. Bread 2 stated they had an internal document that informs employees about the brand “in a limited form” that was used in conjunction with an induction process to help employees understand the value of the brand.

Of the three SME firms, there was a difference evident for the medium-sized firms (Bread 3, Bread 4 and Bread 5) compared to the small-sized firm (Bread 6). The former group stated that there was some limited internal focus to the brand, while Bread 6 stated that the employees did not understand the value of their brand. Of the three SME firms, Bread 4 had processes in place to educate and inform employees about the brand. These were by way of sales meetings, production meetings and staff meetings. However, Bread 4 acknowledged that the level of communication to inform employees about the brand “could be improved.” With regards to Bread 3, there were no identifiable processes in place and the employees understood the value of the brand. Bread 5 said there were processes in place to inform and educate employees about the brand, but they were not formalised. Bread 6, the small firm, stated there were no recognisable processes in place or other internal documents to
help employees understand the brand. It was said it was difficult to train employees about the brand. Bread 3 stated their leader was “somewhat” in tune with their brand, while the other three cases stated their leaders were in tune with their brand. As reported in Table 5.13 below, there was little internal brand focus across the firms in this industry. The large firms indicated that there were some formal processes in place, but they were entirely lacking in the case of the SMEs. The involvement of the leaders of each firm varied and there was no consistency as to their involvement in either the large firms or in all the SMEs. The findings are shown in Table 5.12 below.

Table 5.12

<table>
<thead>
<tr>
<th>Company Internal Brand Dimension: Bread Industry</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Firm Size</strong></td>
</tr>
<tr>
<td>Large</td>
</tr>
<tr>
<td><strong>Internal Brand Focus</strong></td>
</tr>
<tr>
<td><strong>Formal Processes</strong></td>
</tr>
<tr>
<td><strong>Leader in Tune with Brand</strong></td>
</tr>
</tbody>
</table>

Note: SME = Small to Medium Enterprise, SE = Small Enterprise
5.4 Bread Industry Summary

From the case data, all companies in the bread industry were aware of consumer branding as a marketing weapon. However, the level of understanding of what B2B branding involved was fragmented. There was little evidence that B2B branding was readily understood across all firms in the industry. Further, there was little evidence that business branding is an organised process with formal processes resulting in a planned branding strategy formulation. Companies were ready to state that "their brand had played a role in the position" in which they were ranked in the industry, but did not really link the brand to competitive advantage or superior competitive advantage. While this was most evident within the SMEs, it was only evident to some degree in one of the large companies, Bread 1. The data suggests that questions asked relating to B2B branding and its contribution to competitive advantage were answered with a degree of confusion on the part of the interviewees, such as cross-referencing their company name or logo, or the name of one of its well-known products, thereby suggesting a residual element of B2C influence.

All the firms agreed that size was important in impacting on the ability of the firms to implement successful branding strategies. This was not necessarily because of financial constraints, but because some firms had used external agencies, albeit with little success. If the brand was managed at all, it was managed internally. The data showed the large companies would resort to external agencies from time to time on a "need basis." The observed outcome was that, because the brand was their name or logo that was what a brand actually was. They did not know that a brand is really a composite of everything a company is and does or, in other words, what their company stands for. Their concentration was on achieving operational effectiveness rather than strategy development. There was little conceptual knowledge that brand strategy formulation involves formulating a strategy that incorporates their successful
marketing strategies and highlights them. The addition of all these elements in a brand strategy formulation then equals or equates to their brand.

In reference to the necessity of having knowledge and understanding of OBB, the large companies endorsed the concept with one company stating it was "critical", as the knowledge or lack of it "could make or break brands." Processes were nominated that were designed to obtain this knowledge. In contrast, some SME firms were ready to "agree" that knowledge and understanding are desirable but formal processes were not identified. Their idea of what understanding organisational buyer behaviour meant was knowledge of buyer operatives concerned with ordering, the delivery of products, complaint resolution and payment of accounts. However, all companies believed their "brand" plays a role in the buyer selection process.

As to the brand element that firms believed the buyer values most, Price was ranked at No. 1 by the large firms, followed by Quality. In the SME group, Price was ranked at No. 1 by two firms and at No. 2 and at No. 3 for the remaining two companies. While price was ranked as the most important value component believed to be perceived by the buyer firms, in the majority of cases, companies believed that brand has a role to play in the buyer-selection process. If this is so, then weight is added to the proposition that processes that give attention to brand strategy formulation could modify the impact of price dominated transactions by way of a greater brand impact, thereby either reducing or modifying the impact of the commoditization of the firm, just as many products have been commoditised.

The analysis moves on to the processes of incorporating relationship-building elements in brand formulation strategy. Various elements were presented to the respondents for ranking in importance, with five of the six firms ranking Delivering on the Promises of the Brand as the most important. The exception was one of the
larger companies that ranked Trust as first and Delivering on the Promises of the Brand as second.

The next most important element was found to be Company Credibility by both the large firms and the SMEs. Value in Use was not considered important across the industry, although two of the SMEs (the firms that positioned themselves next behind the majors) placed it at the most important ranking.

In addressing the reasons why seller companies think their B2B customers value their brand, Price was considered to be the most important by four of the six companies. Next was Value. Superior Value was not considered as an important element, with the exception of one SME. Knowledge of the buying company's value expectations was obscure, with one company response indicating they measured value by "more sales, more repeat business", rather than formulating branding strategies to meet the value expectations of the buyer. This issue is explored further in Chapter 7, Industry by Industry Cross-Case Analysis.

In the context of creating brand values, the question was asked concerning how companies go about building a B2B brand and if the firms had identified a clear set of brand values which built on their organisations’ competencies and capabilities? This question was designed to discover, if in brand strategy formulation, companies used their competencies and capabilities to create value. The data obtained from the bread industry indicate that only one of the six companies participating stated that branding was based on this approach. This was one of the large companies. Participants reported that they could distinguish the difference between functional (or tangible values) and emotional (or intangible values), yet no references were made to any specific effort to incorporate these values into brand strategy formulation.
In relation to the concept of internal branding, the data suggests that a focus on internal branding was not evident. In one case, informal processes such as sales, production and staff meetings were referred to, but for the cases in this industry, no formal processes were in place. The findings indicate that training and educating employees about the brand is not practiced as a formal strategy in this industry.

The bread industry is capital intensive and technically competent in the manufacture of bread and allied products. However, while innovation has occurred over many years relating to a broader range of flour-based products, existing capabilities and competencies have not been used to take advantage of bread technology innovation. SMEs are considered better placed in this area due to flexibility in changing direction. This has been observed by new entrants to the industry, albeit from a smaller manufacturing base. It was observed that firms in this industry concentrate on achieving operational effectiveness, rather than concentrating on strategy development. In other words, there is a concentration on performing similar activities better than, or as competently as competitors, instead of concentrating on strategy and having a clear strategic focus. Their attention is directed to performing different activities from their competitors or performing similar activities in different ways, rather than giving direction to the total effort of the business.
CHAPTER 6
RESEARCH FINDINGS
THE CORPORATE TRAVEL INDUSTRY

6.1 Introduction

In this chapter, the findings relating to the same research objective questions as presented to the bread industry are presented. Seven firms provided the research data in this industry. Six of the companies were classified as SMEs while the seventh was classified as a large business. They were selected on the basis of their performance record, as indicated by the fact they were winners or finalists in the relevant corporate travel agency category of Best Travel Agencies in the annual AFTA National Travel Industry Awards from the period 2008 to 2011. A description of each firm in this industry is provided below.

The corporate travel industry consists of corporate travel agencies that have specialised in the activity of selling corporate travel. In this sector, corporate travel agencies market either their own travel product, an airline’s travel product or a tour company travel product to other companies, institutions or government departments requiring travel for their employees. This is a highly competitive area of travel, since these agencies not only sell an airline’s product, but also have to compete with the airlines in marketing travel to “corporates.” The activities of these dedicated corporate travel agencies are in contrast to primarily consumer travel agencies, where marketing to “corporates” is usually an incidental part of their business.

The specialist corporate travel industry sector is made up of a range of establishments dominated by privately held firms, as distinct from the bread industry,
where the large companies are publicly listed and the SMEs are privately owned firms. Some also identify themselves as corporate travel managers. The seven cases included in this industry consist of six privately owned companies, all of which all SMEs that employ between 20 and 200 staff members. The seventh case is a multinational private company associated with a publically listed company and is classified as being large in size.

6.2 Case Summaries and Organisational Demographics

Table 6 below shows the Case Demographic, Organisation and Interviewee Information for the cases studied in the corporate travel industry. Unless otherwise indicated, all tables and charts applicable to the findings in this industry have been prepared and assembled from the case study data, as was presented in relation to the bread industry in the previous chapter.
Table 6
Case Demographic, Organisation and Interviewee: Corporate Travel Industry

<table>
<thead>
<tr>
<th></th>
<th>Travel 1</th>
<th>Travel 2</th>
<th>Travel 3</th>
<th>Travel 4</th>
<th>Travel 5</th>
<th>Travel 6</th>
<th>Travel 7</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Industry</strong></td>
<td>Travel</td>
<td>Travel</td>
<td>Travel</td>
<td>Travel</td>
<td>Travel</td>
<td>Travel</td>
<td>Travel</td>
</tr>
<tr>
<td><strong>Firm Age</strong></td>
<td>30+</td>
<td>30+</td>
<td>15+</td>
<td>20+</td>
<td>28+</td>
<td>30+</td>
<td>25+</td>
</tr>
<tr>
<td><strong>Employs</strong></td>
<td>20-200</td>
<td>20-200</td>
<td>20-200</td>
<td>20-200</td>
<td>20-200</td>
<td>200+</td>
<td>20-200</td>
</tr>
<tr>
<td><strong>Ownership</strong></td>
<td>Private</td>
<td>Private</td>
<td>Private</td>
<td>Private</td>
<td>Private</td>
<td>Private</td>
<td>Private</td>
</tr>
<tr>
<td><strong>Size</strong></td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>LG</td>
<td>SME</td>
</tr>
<tr>
<td><strong>Locations</strong></td>
<td>1</td>
<td>4</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>Customer Base</strong></td>
<td>Moderate</td>
<td>Moderate</td>
<td>Moderate</td>
<td>Moderate</td>
<td>Moderate</td>
<td>Large</td>
<td>Large</td>
</tr>
<tr>
<td><strong>Interviewee</strong></td>
<td>Female</td>
<td>Female</td>
<td>Male</td>
<td>Female</td>
<td>Female</td>
<td>Male</td>
<td>Male</td>
</tr>
<tr>
<td><strong>Position</strong></td>
<td>Marketing Manager</td>
<td>Marketing Manager</td>
<td>Director</td>
<td>Managing Director</td>
<td>Managing Director</td>
<td>National Sales Manager</td>
<td>Managing Director</td>
</tr>
<tr>
<td><strong>Functional Role</strong></td>
<td>Marketing</td>
<td>Marketing</td>
<td>Marketing</td>
<td>Marketing</td>
<td>Marketing</td>
<td>Marketing</td>
<td>Marketing</td>
</tr>
</tbody>
</table>

Note: LG = Large, SME = Small to Medium Enterprise, SE = Small Enterprise

6.2.1 Case Information

Travel 1

This corporate travel organisation is an SME employing between 20 and 200 employees. It has over 30 years experience specialising in business travel
management. They describe themselves as a boutique corporate travel agency offering VIP services to corporate clients in such a way that their business name reflects the picture of the “ready at hand help” that travellers expect, yet tailored in a specialised way to corporate clients. A slogan used is “leading the way in travel.”

Travel 1 is a single-site business and operates from a CBD location of a state capital city. It is a private company. They have been finalists in their class of Best Travel Management Company – Single Location and Best Corporate Travel Agency in the Australian Federation of Travel Agencies (AFTA) Business Travel, Travel Business (BTTB) National Awards and National Travel Industry Awards. Their brand logo incorporates their name in a distinctive script.

Travel 1 claim to have a long tradition of operating in an integrated knowledge-based travel business. In addition, they claim to be known for their personalised partnerships, flexible approach to corporate travel management and ability to tailor programs to their client needs. Company information does not identify attention being paid to any company brands apart from their characterised business name.

Travel 2

Travel 2 is an SME employing between 20 and 200 employees and has operated for over 30 years as a corporate travel agency. It specialises in corporate travel arrangements for SME business clients. Their brand is different from their trading name, because of a recent buyout by an overseas, global corporate travel agency. The firm has offices in the capital cities in Eastern Australia, as well as offices in two cities in a neighbouring country. They have been finalists in the AFTA National Travel Industry Awards in the category of Best Travel Agency Corporate – Multi Location.
Company information does not identify attention being paid to any company brands apart from their characterised business name.

**Travel 3**

Travel 3 is an SME employing between 20 and 200 employees and has operated for over 18 years. They describe themselves as a leader in corporate travel with the superior capacity to meet the expectations of clients of all sizes. They are proactive in constantly exploring new technology to ensure quality-controlled data relating to the daily management of travel expenditure, 24/7 accessibility and passenger-location reporting. They measure their service success through their long-term relationships with satisfied clients. They recognise creating value for the customer is a requirement of their business.

The firm has an office in a state capital city and a regional office in the same state. They maintain a number of offices in several countries and are a private company but did not disclose ownership details. They have been finalists in the AFTA National Travel Industry Awards in the category of Best Travel Agency Corporate – Single Location. Their brand logo incorporates their name with a distinctive script. Value and relationships received attention in company information where attention is given to brand elements in a booklet designed for customers. In this booklet, their promise is described as “the promise the company makes is that it will make no false promises.”

**Travel 4**

Travel 4 is a small enterprise employing less than 20 employees. It is an independent corporate travel agency and operates as a private company. The business has operated for over 20 years and declares itself to be a boutique travel agency providing specialist commercial business travel arrangements for local, national and
global firms. It operates from a single, state-capital city site and has been a finalist in the AFTA National Travel Industry Awards in the category of Best Travel Agency Corporate – Single Location. Their brand logo is their name with a distinctive script.

Travel 5

Travel 5 is a SME employing between 20 and 200 employees. They declare themselves to be an Australian-owned private company and one of the largest independent corporate travel agencies in Australia. It has been in business for 29 years and operates from one site in a state capital city. The company has been a finalist in the AFTA National Travel Industry Awards in many categories over many years including the category of Best Travel Agent Corporate – Single Location. Their brand incorporates their name. Company information does not identify attention to any company brand, apart from their characterised business name.

Travel 6

Travel 6 is a large corporate-travel organisation employing over 200 people. It is part of a much larger Australian-Stock-Exchange listed organisation. With offices in four Australian state capital cities and one state regional office, it also has offices in the UK and affiliates in the USA. They declare themselves to be the market leaders in corporate travel and have been finalists in AFTA National Travel Industry Awards for Best Travel Consultant – Corporate. Their brand logo incorporates their name with a distinctive script. Company information does not identify attention to any company brands apart from their characterised business name.
Travel 7

Travel 7 is an SME employing 20 to 200 people. It classifies itself as an independent agency specialising in the SME business-travel market. Being independent in their context means that they are flexible in terms of being able to obtain the airline flights, accommodation and related needs that best suit clients’ travel circumstances and budget: it calls itself a “one stop shop”. It is a private company and has operated for over 12 years. Ownership details are not disclosed. It operates from one site in a state capital city and has been finalists and a winner in the AFTA National Travel Industry Awards in the category of Best Travel Agency Corporate – Single Office. They communicate company information by way of a comprehensive sales and promotion package of the company’s competencies and capabilities. Their brand is their name with a distinctive logo and a slogan.

6.3 Corporate Travel Industry Findings

6.3.1 Research Objective 1 – To identify the importance that B2B firms place on branding and what processes they use, if any, to develop their B2B brand-strategy formulation.

The level of awareness of the difference between B2B branding and B2C branding differed from a high level of awareness to a low level of awareness by firms participating in the case study. Of the seven firms interviewed, five had a high level of awareness (Travel 1, 3, 4, 6, 7), one had a medium level of awareness (Travel 2), and one had a low level of awareness (Travel 5). The level of awareness is determined by responses of the interviewees to the same questions asked in 5.2.1.1 and according to the same criteria. Whilst all firms used branding to a degree, few
processes were observed that indicated a brand strategic vision or objectives. There was little evidence of strategies that were crafted to achieve the vision and objectives of their brand. There was also little evidence of a formal approach to brand strategies or processes to implement and execute a clearly defined strategy. The relationship between firm size and brand focus varied from firm to firm and showed little correlation. See Table 6.1 below.

### Table 6.1
**Brand Awareness Level: Corporate Travel Industry**

<table>
<thead>
<tr>
<th>Firm Size</th>
<th>Travel 1</th>
<th>Travel 2</th>
<th>Travel 3</th>
<th>Travel 4</th>
<th>Travel 5</th>
<th>Travel 6</th>
<th>Travel 7</th>
</tr>
</thead>
<tbody>
<tr>
<td>SME</td>
<td>High</td>
<td>Medium</td>
<td>High</td>
<td>High</td>
<td>Low</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Brand Awareness Level</td>
<td>Yes</td>
<td>Some</td>
<td>Yes</td>
<td>Yes</td>
<td>Some</td>
<td>Some</td>
<td>Yes</td>
</tr>
<tr>
<td>Note: SME = Small to Medium Enterprise, SE = Small Enterprise</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

6.3.2 Research Objective 2 – To identify if the implementation of a brand strategy formulation process contributes to a firm's position in the industry and competitive advantage.

Knowledge of positioning in the industry varied from being unknown to a considered guess for the majority of cases. Two of the firms stated they were the market leaders (Travel 6 and Travel 7). Two firms considered they were mid-range (Travel 3, 4) and
the remainder did not know at all. The two market leaders were convinced their brand contributed to their competitive advantage and the industry position of their firm. Yet, in the case of one market leader, no strategies were identified that were designed to contribute to their competitive advantage. Six of the firms stated their brand had either played a role in achieving their position or in obtaining the business that they had. Travel 2 stated that they had “worked hard on the brand.”

Travel 1, Travel 2, Travel 5 and Travel 6 had considered how changing their branding strategies could assist in improving their industry position. Travel 3 and Travel 4 did not think changing their branding strategies could improve their industry position, whilst Travel 7 had not even considered what effect changing strategies could achieve. While the data indicates that, for most of the firms a link between branding and competitive advantage had not been formally recognised, it does show that the market leaders recognised the link, as did the SME referred to above that had worked hard on their brand. It was observed that some companies used an informal linking of their brand to their marketing strategies with the achieving of competitive advantage in mind. See Table 6.2 below.
### Table 6.2
Firm Size and Branding Focus: Corporate Travel Industry

<table>
<thead>
<tr>
<th></th>
<th>Travel 1</th>
<th>Travel 2</th>
<th>Travel 3</th>
<th>Travel 4</th>
<th>Travel 5</th>
<th>Travel 6</th>
<th>Travel 7</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Firm Size</strong></td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>Large</td>
<td>SME</td>
</tr>
<tr>
<td><strong>Stated Position</strong></td>
<td>Unknown</td>
<td>Unknown</td>
<td>Mid-range</td>
<td>Mid-range</td>
<td>Unknown</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Branding Focus</strong></td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Brand Processes</strong></td>
<td>Semi-Formal</td>
<td>Semi-Formal</td>
<td>Formal</td>
<td>Formal</td>
<td>Informal</td>
<td>Semi-Formal</td>
<td>Formal</td>
</tr>
<tr>
<td><strong>Branding Strategies Identified</strong></td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Branding Contributes to Competitive Advantage</strong></td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Possibly</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Note: SME = Small to Medium Enterprise, SE = Small Enterprise

#### 6.3.3 Research Objective 3 – To identify if implementing brand-strategy formulation processes and aligning brand elements with marketing elements in a brand-strategy formulation is related to the size of the firm.

Of the seven firms, Travel 1 and Travel 2 employed a marketing manager, while, alternatively, Travel 6 used a national sales manager. However, this position was not stated to be responsible for the brand, but, rather, that responsibility for the brand
was “spread around the sales area.” All firms declared their brand was managed internally with recourse to external input and advice sought from “time to time.” For those cases that did not employ a dedicated marketing or sales manager, responsibility for the brand was handled internally by the managing director.

Travel 1 stated that an external firm had originally been employed for brand development and management, however due to financial constraints, external agencies were now no longer used. Whilst two of the seven companies (Travel 3, Travel 5) nominated financial constraints as the reason they did not employ a sales or marketing manager, none nominated financial constraints as the reason for their current attention to or application of branding. Travel 2, 3, 4, 5 and 7 stated that the Managing Director was responsible for brand development and management. Of these five, three used an external agency to develop their websites. The relationship between firm size and branding focus is shown in Table 6.3 below.
Table 6.3
Firm Size and Branding Implementation: Corporate Travel Industry

<table>
<thead>
<tr>
<th></th>
<th>Travel 1</th>
<th>Travel 2</th>
<th>Travel 3</th>
<th>Travel 4</th>
<th>Travel 5</th>
<th>Travel 6</th>
<th>Travel 7</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Firm Size</strong></td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>Large</td>
<td>SME</td>
</tr>
<tr>
<td><strong>Constraints of Branding Implementation</strong></td>
<td>Financial</td>
<td>Other</td>
<td>Financial</td>
<td>Other</td>
<td>Financial</td>
<td>Other</td>
<td>Financial</td>
</tr>
<tr>
<td><strong>Brand Processes</strong></td>
<td>Semi-Formal</td>
<td>Semi-Formal</td>
<td>Semi-Formal</td>
<td>Formal</td>
<td>Semi-Formal</td>
<td>Formal</td>
<td>Formal</td>
</tr>
<tr>
<td><strong>Brand Development and Management</strong></td>
<td>Internal</td>
<td>Internal</td>
<td>Int/Ext</td>
<td>Ext/Int</td>
<td>Ext/Int</td>
<td>Internal</td>
<td>Internal</td>
</tr>
<tr>
<td><strong>Brand Management Responsibility</strong></td>
<td>Marketing Manager</td>
<td>Marketing Manager</td>
<td>Managing Director</td>
<td>Managing Director</td>
<td>Managing Director</td>
<td>National Sales Manager</td>
<td>Managing Director</td>
</tr>
</tbody>
</table>

Note: SME = Small to Medium Enterprise, SE = Small Enterprise
Other = Other including preferred management op
Int/Ext = Mainly Internal/some external input,
Ext/Int = Mainly external/some internal input.

6.3.4 Research Objective 4 – To identify if OBB is incorporated into brand-strategy formulation and what the processes to obtain knowledge of OBB are.

Five of the seven cases indicated they attached a high level of importance to having knowledge and understanding of OBB. The remaining ones (Travel 2, 5) did not identify such a level of importance in having this knowledge. They simply used a basic profile, such as company and contact details. This is in contrast to the two
market leaders who said this knowledge and understanding is “absolutely important” (Travel 7), as did the one SME (Travel 4). Three firms, (Travel 3, 4, 7) indicated they had processes in place to obtain this knowledge, two others (Travel 1, Travel 2) had “some processes” in place, the market leader, Travel 6, had “informal processes” in place, Travel 4 relied on information gathered “from tenders and contracts” and Travel 5 had no processes in place. No firms provided documentation or particularly identified such processes.

Four of the seven firms (Travel 3, 4, 6, 7) stated that they know who is at the centre of the decision making process, with Travel 3 stating they know “absolutely.” Two others (Travel 1, 2) said they “attempted to know”, while one firm (Travel 5) had no knowledge at all. However, it was this same firm that identified a method of obtaining information about buyer behaviour. As to whether companies have an awareness of a customer ranking system of suppliers, six of the seven companies stated they had this awareness, but the degree of awareness was not able to be identified. The exception was Travel 6 who did not have an awareness of a customer ranking system of suppliers.

As to whether the companies believed their brand plays a role in B2B buyer selection, one considered the brand as not so important and one considered “it probably does.” Another considered the brand as not so important, but that it sometimes played a role. The remaining four believed the brand played a role in the selection process.

A summary of the responses by firms in the corporate travel industry as to the importance of OBB is shown in Table 6.4 below. It can be seen that a pattern emerges in that OBB was of significant importance to the majority of firms in this industry, as evidenced by the data; however, few firms had documented processes in
place. There was no widespread understanding amongst the firms of how customers view their business or that their brands play a role in buyer selection. The majority of firms thought that it does, but lacked formal processes to obtain knowledge of how and why it does.

Table 6.4

Importance of OBB: Corporate Travel Industry

<table>
<thead>
<tr>
<th></th>
<th>Travel 1</th>
<th>Travel 2</th>
<th>Travel 3</th>
<th>Travel 4</th>
<th>Travel 5</th>
<th>Travel 6</th>
<th>Travel 7</th>
</tr>
</thead>
<tbody>
<tr>
<td>Firm Size</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>Large</td>
<td>SME</td>
</tr>
<tr>
<td>Importance of OBB</td>
<td>High</td>
<td>Medium</td>
<td>High</td>
<td>High</td>
<td>Medium</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Documented Processes in Place to Obtain Information</td>
<td>Some</td>
<td>Some</td>
<td>Some</td>
<td>Yes</td>
<td>No</td>
<td>Some</td>
<td>Yes</td>
</tr>
<tr>
<td>Buying Team/ Centre Known</td>
<td>Some</td>
<td>Some</td>
<td>Yes</td>
<td>Some</td>
<td>No</td>
<td>Some</td>
<td>Yes</td>
</tr>
<tr>
<td>Buyer Ranking System Knowledge Known</td>
<td>Some</td>
<td>Some</td>
<td>Yes</td>
<td>Yes</td>
<td>Some</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Business Understanding from Customer View Point</td>
<td>Medium</td>
<td>Low</td>
<td>Low</td>
<td>Medium</td>
<td>High</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Brand Plays Role in Buyer Selection</td>
<td>Yes</td>
<td>Some</td>
<td>Some</td>
<td>Yes</td>
<td>Some</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Note: SME = Small to Medium Enterprise, SE = Small Enterprise
Ranking of the importance of various attributes of the brand considered by the supplier to be important to the buyer varied greatly amongst the seven cases, as reported in Table 6.5. Quality was considered to be of the highest ranking by four firms (Travel 2, 3, 6, 7), in conjunction with other attributes. Another attribute considered in ranking order as No. 1 was Previous Purchasing Experience. This applied to four of the seven firms (Travel 2, 4, 5, 6). Other attributes considered as No. 1 were Risk (Travel 3) and Relationship with the Seller (Travel 3, 5, 6), Vendor Profile (Travel 4) and Recommendation by Other Buyers (Travel 4, 5). Price was ranked as No.1 in only one case (Travel 5), indicating it was not considered a most important element by any other firm.

The next highest ranking of the importance of various attributes of the brand, that is, No. 2, was Price in three cases, Recommendation by Other Buyers in two cases, Previous Purchasing Experience in one case, Risk in two cases and Relationship with the Seller in one case.

Vendor Profile was ranked the third most important by five of the seven cases and Recommendation by Other Buyers by three cases. Price, Risk and Previous Purchasing Experience were nominated by two cases. Other attributes nominated in third place were Quality by two cases and Relationship with the Seller by two cases. A reference to Table 6.5 shows that, in most cases, a particular ranking by companies may include more than one attribute. By cross-referencing the number of firms, the individual ranking of the different attributes may seem inconsistent. The rankings for No. 4, 5 and 6 account for three firms that did not necessarily have multiple attribute groupings.

In the fourth category ranking, Risk was nominated by two firms. One of which also nominated Vendor Profile and Relationship with the Seller. Price was nominated by
one firm. One firm nominated a No. 5 and No. 6 ranking. At five was Previous Purchasing Experience and at six was Risk. In summary, Reliability and Quality are indicated by most firms as the two most important elements.

It can be seen from Table 6.5 that the two market leaders (Travel 6 and Travel 7), ranked some of the elements at a similar level of ranking. The exceptions are Price, Risk and Previous Purchasing Experience. Travel 6, the large firm ranked Risk at No. 2 whilst Travel 7 ranked it at the lowest level, No. 6. Previous Purchasing Experience ranked at No. 1 and No. 5 respectively.

The overall average ranking for all the attributes is shown in Table 6.5 below. It can be seen that, in this industry, ranking of attributes considered important to the buyer was first, reliability; second, quality; and third, previous purchasing experience. The least important attributes were Risk, Vendor Profile and Price. This is a guide for the selection of brand elements that could be included in a brand strategy formulation that targets the members of a buying team.
## Table 6.5

**Ranking of Attributes Considered Important to the Buyer: Corporate Travel Industry**

<table>
<thead>
<tr>
<th></th>
<th>Travel 1</th>
<th>Travel 2</th>
<th>Travel 3</th>
<th>Travel 4</th>
<th>Travel 5</th>
<th>Travel 6</th>
<th>Travel 7</th>
<th>Average Ranking</th>
<th>Overall Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Firm Size</strong></td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>Large</td>
<td>SME</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Price</strong></td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>1</td>
<td>3</td>
<td>4</td>
<td>2.4</td>
<td>6</td>
</tr>
<tr>
<td><strong>Quality</strong></td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1.7</td>
<td>2</td>
</tr>
<tr>
<td><strong>Reliability</strong></td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1.1</td>
<td>1</td>
</tr>
<tr>
<td><strong>Risk</strong></td>
<td>4</td>
<td>3</td>
<td>1</td>
<td>2</td>
<td>4</td>
<td>2</td>
<td>6</td>
<td>3.1</td>
<td>8</td>
</tr>
<tr>
<td><strong>Vendor profile</strong></td>
<td>4</td>
<td>3</td>
<td>3</td>
<td>1</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>2.7</td>
<td>7</td>
</tr>
<tr>
<td><strong>Relationship with the seller</strong></td>
<td>4</td>
<td>3</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>2.1</td>
<td>5</td>
</tr>
<tr>
<td><strong>Previous purchasing experience</strong></td>
<td>3</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>5</td>
<td>2.0</td>
<td>3</td>
</tr>
<tr>
<td><strong>Recommendation by other buyers</strong></td>
<td>3</td>
<td>2</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>21</td>
<td>4</td>
</tr>
<tr>
<td><strong>Other Technology</strong></td>
<td>-</td>
<td>2</td>
<td>-</td>
<td>2</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: LG = Large, SME = Small to Medium Enterprise, SE = Small Enterprise

1 = Most important, 8 = Least important
6.3.5 Research Objective 5 – To identify if developing relationships is part of brand strategy formulation and what processes are used.

The awareness of the importance of developing relationships varied across the cases from a medium to a very high level of awareness. One firm, Travel 6, had a very high level of awareness and stated that "relationship building was critical and should be handled diplomatically." A high level of awareness was claimed by Travel 2, 4 and 7. A medium level of awareness was evidenced in Travel 1, 3 and 5. The level of awareness was determined according to the following criteria: (i) Company able to define buyer-seller relationships; (ii) Company able to identify if management incorporates relationship building concepts in marketing and branding strategies. A very high level of awareness equates to knowledge of both concepts and a high focus on relationship development. A high level of awareness equals knowledge of both concepts, while a medium level equals knowledge of one.

Formal processes relating to the development of relationships were observed in every firm, with the exception of Travel 5. As to whether relationships were buyer dominated or seller dominated, every firm stated that they were buyer dominated, with the exception of two firms (Travel 4 and Travel 6), who stated that there was an element of domination by the seller as well. It was observed that relationship marketing was very much the focus of firms operating in this industry. A summary of the responses relating to the level of importance of developing relationships as seen by firms in the travel industry is shown in Table 6.6 below.
Table 6.6
Level of Importance of Developing Relationships - Corporate Travel Industry

<table>
<thead>
<tr>
<th></th>
<th>Travel 1</th>
<th>Travel 2</th>
<th>Travel 3</th>
<th>Travel 4</th>
<th>Travel 5</th>
<th>Travel 6</th>
<th>Travel 7</th>
</tr>
</thead>
<tbody>
<tr>
<td>Firm Size</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>Large</td>
<td>SME</td>
</tr>
<tr>
<td>Awareness of Importance</td>
<td>Medium</td>
<td>High</td>
<td>Medium</td>
<td>High</td>
<td>Medium</td>
<td>Very High</td>
<td>High</td>
</tr>
<tr>
<td>Formal Processes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Relationships</td>
<td>Buyer</td>
<td>Buyer</td>
<td>Buyer</td>
<td>Both Buyer/ Seller</td>
<td>Buyer</td>
<td>Both Buyer/ Seller</td>
<td>Buyer</td>
</tr>
<tr>
<td>Buyer Dominated/Seller Dominated</td>
<td>Buyer</td>
<td>Buyer</td>
<td>Buyer</td>
<td>Both Buyer/Seller</td>
<td>Buyer</td>
<td>Both Buyer/Seller</td>
<td>Buyer</td>
</tr>
</tbody>
</table>

Note:  
SME = Small to Medium Enterprise, SE = Small Enterprise  
B = Buyer, S = Seller, B/S = Both Buyer and Seller

The companies were presented with a number of elements to rank in importance as being important in building relationships. These were Company Creditability, Trust, Loyalty, Special Treatment and Delivering on the Promises of the Brand (Han and Sung, 2008).

Two companies (Travel 3, 7) identified that all five elements were of equal ranking. Of the other elements presented, Delivery on the Promises of Brand was ranked at No. 1 by six of the seven companies. The exception was Travel 3, which ranked it at No. 3. The ranking of all elements by the market leaders (Travel 6, 7) was the same except for the element of Special Treatment where Travel 7 ranked it at No. 1 and Travel 6 ranked it at No. 2. A similar alignment applied to Travel 3 and Travel 4 as to the same ranking of elements. The exception was that Travel 4 ranked Special
Treatment at No. 2, whilst Travel 3 ranked it at No. 1. The order of importance of the brand elements was found to be that Delivery on the Promises of the Brand was considered to be the most important, followed by Company Credibility, Trust and Special Treatment of the next importance as a group, with the Loyalty ranked last. A summary of the ranking is shown in Table 6.7 below.

Table 6.7

Ranking of Important Brand Elements in Building B2B Relationships:

Corporate Travel Industry

<table>
<thead>
<tr>
<th></th>
<th>Travel 1</th>
<th>Travel 2</th>
<th>Travel 3</th>
<th>Travel 4</th>
<th>Travel 5</th>
<th>Travel 6</th>
<th>Travel 7</th>
<th>Average Ranking</th>
<th>Overall Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company Creditability</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1.4</td>
<td>2</td>
</tr>
<tr>
<td>Trust</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1.4</td>
<td>2</td>
</tr>
<tr>
<td>Loyalty</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1.6</td>
<td>3</td>
</tr>
<tr>
<td>Special Treatment</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1.4</td>
<td>2</td>
</tr>
<tr>
<td>Delivery on Promises of Brand</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>1.3</td>
<td>1</td>
</tr>
</tbody>
</table>

Note: 1 = Most important, 5 = Least important
6.3.6 Research Objective 6 – To identify if branding elements linked to the marketing strategies that the customer values as part of the brand strategy formulation process.

Of the seven travel firms involved in the case study, six were very aware of the need for the brand to incorporate value. Value was defined by four of the seven cases (Travel 1, 2, 4, 7). Of these four, Travel 4 defined value as “being a step ahead of the clients”, whilst Travel 7 defined value another as “what people define as value.” This latter insight is in agreement with the literature concerning the customer perspective of value (Zeithaml, 1998), with value being seen through the eyes of the consumer, with value providing product utility and the trade-off consumers make between "what they get" and "what they give".

Six of the firms believed their brand embodied value; Travel 5 did not. Travel 3 thought value was provided by a “service level agreement.” Travel 4 stated that the value of their brand was "delivering on the promises of the brand." There was alignment between the market leaders and the other SMEs relating to the attention given to value. The exception was Travel 5 where there appeared to be little attention to customer value.

In answer to the question as to whether in the value context branding is considered not important, of some importance, important or very important, three respondents, Travel 4, 6 and 7, stated branding was very important. It was considered important by Travel 1, 2 and 5, while Travel 3 stated that branding was of some importance. A pattern emerges that the brand/value relationship was very important to the market leaders (Travel 6, 7), as well as to Travel 4. A summary of company responses is shown in Table 6.8 below.
The ranking of brand elements by firms participating in this study resulted in a “scatter” of results. The elements were Price, Value, Superior Value and Usage Value. The participants were asked to rank the elements in order of importance as to what elements of their brand the customer values most. Price was considered as the highest value component of the brand by only two of the seven participating firms. These were Travel 1 and Travel 5. Value was most important to four firms (Travel 2, 3, 4, 5). Superior Value was stated to be most important by three firms (Travel 2, 4, 6) whilst Usage Value or Value in Use was nominated in three cases (Travel 4, 6, 7).

### Table 6.8
*Brand/Value Relationship: Corporate Travel Industry*

<table>
<thead>
<tr>
<th></th>
<th>Travel 1</th>
<th>Travel 2</th>
<th>Travel 3</th>
<th>Travel 4</th>
<th>Travel 5</th>
<th>Travel 6</th>
<th>Travel 7</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Brand Needs to Incorporate Value</strong></td>
<td>Very Aware</td>
<td>Very Aware</td>
<td>Very Aware</td>
<td>Very Aware</td>
<td>Aware</td>
<td>Very Aware</td>
<td>Very Aware</td>
</tr>
<tr>
<td><strong>Definition of Value</strong></td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Processes in Place to Evaluate Customer Service</strong></td>
<td>Yes</td>
<td>Yes</td>
<td>Few</td>
<td>Yes</td>
<td>Few</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Brand Value Elements Identified</strong></td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Knowledge of Customer Value Expectations</strong></td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Importance of Branding in Value Context</strong></td>
<td>Important</td>
<td>Important</td>
<td>Important</td>
<td>Very Aware</td>
<td>Some Importance</td>
<td>Very Aware</td>
<td>Very Aware</td>
</tr>
</tbody>
</table>
The two market leaders (Travel 6, 7) were in general alignment in the ranking of value elements. The exception was Superior Value. Travel 6 ranked this at No. 1, whilst Travel 7 ranked it at No. 2. The overall ranking of the brand elements submitted show that customer Value was the most important element, followed by Superior Value and Usage Value. A most interesting outcome is that price was ranked the lowest of the value elements considered important to the buyer. A summary of the ranking of value elements considered important to the buyer is shown in Table 6.9.

Table 6.9

Ranking of Value Elements considered Important to the Buyer: Corporate Travel Industry

<table>
<thead>
<tr>
<th></th>
<th>Travel 1</th>
<th>Travel 2</th>
<th>Travel 3</th>
<th>Travel 4</th>
<th>Travel 5</th>
<th>Travel 6</th>
<th>Travel 7</th>
<th>Average Ranking</th>
<th>Overall Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Price</strong></td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td>3</td>
<td>2.1</td>
<td>4</td>
</tr>
<tr>
<td><strong>Value</strong></td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>1.6</td>
<td>1</td>
</tr>
<tr>
<td><strong>Superior Value</strong></td>
<td>2</td>
<td>1</td>
<td>4</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>1.9</td>
<td>2</td>
</tr>
<tr>
<td><strong>Usage Value</strong></td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>2.0</td>
<td>3</td>
</tr>
</tbody>
</table>

Note: 1 = Most important, 4 = Least important
6.3.7 Research Objective 7 – To identify if companies have a process that links their brand elements or brand values to their marketing resource-based capabilities and competencies in creating customer value into a brand-strategy formulation.

Each case study declared, in general, that they were able to identify brand values that built on the firm’s competencies and capabilities (de Chernatony et al, 2007). One case qualified its response as “to a limited degree.” An understanding of tangible (functional) and intangible (emotional) brand elements was evidenced in all companies, with the exception of Travel 5. Travel 4 stated that “a clever company recognises they go hand in hand.” Travel 6 stated that “emotional aspects are important.” As shown in Table 6.10 below, there were more firms in alignment with their responses with those of the market leaders (Travel 6, 7). These were Travel 1, 2, 3 and 4. Travel 5 was the exception. As to the knowledge of how and why their brand delivers value to the buyer, all of the firms acknowledged that they did know this, with the exception of Travel 5. That no firm had formal processes in place to assess brand values, indicates that an understanding of the use of competencies and capabilities to create value was a concept that had not received systematic attention and was not targeted as a source of creating value for the customer. It had received no attention as the basis of either building their brand or being part of any brand strategy formulation. There were no processes identified by any company as to how their capabilities could be used to create value. No company provided evidence that an assessment of brand values was a starting point for building their brand or that they were aware of a brand strategy formulation approach to branding.
Table 6.10
Value Competencies: Corporate Travel Industry

<table>
<thead>
<tr>
<th></th>
<th>Travel 1</th>
<th>Travel 2</th>
<th>Travel 3</th>
<th>Travel 4</th>
<th>Travel 5</th>
<th>Travel 6</th>
<th>Travel 7</th>
</tr>
</thead>
<tbody>
<tr>
<td>Firm Size</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>Large</td>
<td>SME</td>
</tr>
<tr>
<td>Identified Clear Set of Brand</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Values</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Identify Tangible</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Identify Intangible</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Formal Processes to Evaluate</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>How Value is Created</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Knowledge of How and Why</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Brand Delivers Value</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: SME = Small to Medium Enterprise, SE = Small Enterprise
6.3.8 Research Objective 8 – To identify if the company’s brand has an internal dimension which is included in brand strategy formulation and how identification with the brand at all levels of employment within the organisation takes place.

Each case study in this industry reported there was an internal focus to their brand. Travel 3 indicated it "was at different degrees with varying success." Some cases nominated identifiable processes, such as internal documentation, staff manuals, an internally compiled booklet in one case and sales meetings, which are directed at educating employees by identifying key elements of the brand and as to why and how it is important. Travel 2 indicated it used “incentives”, such as travel benefits for staff to help employees understand the brand. Each company stated that their leader was in tune with their brand. Only one firm, Travel 2, reported that they did not have any formal processes in place. A summary of the responses is shown in Table 6.11.

Table 6.11
Company Internal Brand Dimension: Corporate Travel Industry

<table>
<thead>
<tr>
<th></th>
<th>Travel 1</th>
<th>Travel 2</th>
<th>Travel 3</th>
<th>Travel 4</th>
<th>Travel 5</th>
<th>Travel 6</th>
<th>Travel 7</th>
</tr>
</thead>
<tbody>
<tr>
<td>Firm Size</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>LG</td>
<td>SME</td>
</tr>
<tr>
<td>Internal Brand Focus</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Formal Processes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Leader in Tune with Brand</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Note:  SME = Small to Medium Enterprise, SE = Small Enterprise
6.4 Corporate Travel Industry Summary

In reference to the collected data from this industry, six of the seven firms that participated stated they knew about the concept of B2B branding and that there is a difference between it and B2C branding. Two companies stood out in this Industry as being highly brand oriented (Travel 6, 7). Both of these companies stated that they are the market leader and positioned at No. 1 in the industry. One is classified large while the other is an SME. Two other SMEs nominated their industry position and were brand focused to a lesser degree. The other three firms did not know their position in the industry. While all but one firm stated their brand had helped in achieving their position (even those who did not know what their position was), four of the seven firms did not link competitive advantage with their brand. Only Travel 7, an SME which claimed to be the market leader, identified strategies that gave the firm superior competitive advantage. The data suggests that whatever brand strategies may be considered, creating competitive advantage and subsequently creating superior competitive advantage by branding was not recognised by the cases studied. Information gathered at the interviews indicates some formality in processes to make the brand relevant and effective. However, a formal vision of brand strategy formulation was not evident. In this industry, the brand was managed internally at a managing director level in five of the seven cases. Respondents stated external advice was sought from time to time. This was stated to be in website design and implementation.

Turning to the question as to whether it is important for the firm to have a knowledge and understanding of OBB when formulating its B2B branding strategies, six of the seven firms stated that they have processes in place to obtain such knowledge. The exception was the one firm, Travel 5, which had a low level of awareness of B2B branding. A lack of branding focus impacted on their responses in the other
categories as well. In addition, the other six companies stated they use various strategies to obtain information as to who is at the centre of the purchasing decision. These same six companies stated that they know that customers rank suppliers. While six of the seven firms stated it was important to have knowledge and understanding of organisational behaviour, it is not clear from the data that obtaining knowledge is an organised formal process. Rather, the data suggests that getting to know who are the business buyers and about what they enquire seem to be the main concern of the seller company, coupled with obtaining feedback of the outcome of that enquiry or subsequent travel experience.

Firms seemed to lack a clear, concise commitment to a brand strategy designed to achieve the required outcome. The respondents were requested to rank what attributes of the brand the seller believes are of most importance to the buyer. The results shown in Table 6.5 indicate there is little industry consensus as to what elements the corporate travel companies believe the buyer looks for in their brand. Travel 6 and Travel 7, the two market leader claimants, indicated the most important elements are Quality and Reliability and this view was shared by Travel 2 and Travel 3, with Travel 1 nominating Reliability at No. 1 ranking and Quality at No. 3 ranking. These results are in contrast to Travel 5 referred to above, who ranked Price as the most important element, the only company to do so. The findings indicate that this industry is not price driven, as is the bread industry.

The analysis next examines the processes of incorporating relationship-building elements in brand formulating strategy. The companies were asked to define buyer-seller relationships. This was to discover if buyer-seller relationship concepts were part of their corporate thinking. Another question asks if management incorporates relationship-building concepts in their marketing and branding strategies. The companies were then asked to rank nominated elements as to their importance in
building B2B relationships. The data indicates that the two market leaders, Travel 6 and Travel 7, were very much aware of how important it is to build buyer-seller relationships and had defined, identifiable processes in place. The other five firms still attached importance to the concept, but the processes were not as formal as for the two firms above.

As to a brand specific strategy, only one company had actual confirmation that their brand plays a role in B2B buyer selection. Six of the other firms "think it does", with one firm considering it as "not so important". The data suggests buyer-seller relationships might be considered important in this industry, but incorporating identifiable elements in their brand strategy formulation is not widely practiced. However, the data also indicates that most believed that buyers rank sellers. As the brand is not important in the buyer-seller relationship context, no firm volunteered information as to what they considered was the ranking criteria or how they were ranked.

The firms in this industry were then asked to rank nominated elements in order of importance in building B2B relationships. The analysis examines the processes of incorporating relationship-building elements in brand strategy formulation. Six of the seven firms ranked Building on the Promises of the Brand at No. 1, or most important. This result indicates the significance of the brand being considered as important is an ideal, but the ranking of other elements suggest different assessments as to what is the most important element in building a buyer-seller relationship.

Each of the following elements was ranked together at No. 1 by four out of the seven companies: Company Credibility, Trust, Loyalty and Special Treatment. Two companies co-ranked Company Credibility, Trust and Loyalty at No. 1. Three
companies ranked Company Credibility and Trust at No. 2. The data indicates that, to
the majority of firms, the most important element in building B2B relationships is
Delivering on the Promises of the Brand and then Company Credibility, Trust and
Loyalty. (See Table 6.7 above. More detail is shown in Appendix 6.1, Corporate
Travel Industry – Summary of Interviewee Responses.)

In addressing the reasons why seller companies think their B2B customers value
their brand, the results were scattered, and identifying important elements across the
Industry does not show consensus by the firms as a group. Six of the seven firms
had a strong conviction of the need for their brand to incorporate value. However,
four of the seven firms could not define value. The three companies that did define
value, Travel 1, 2 and 7, identified the brand elements as responsible for customers
valuing their brand. Only one company, Travel 7, defined value as "what people
define as value." However, all seven companies stated they had processes in place
to obtain knowledge of customer value expectations. In response to the ranking of
four given elements as to why the sellers believe the buyers' value their brand, the
results are widely scattered.

For any nominated element, the total number of firms in agreement is three out of the
seven. The elements presented to the companies were Price, Value, Superior Value
and Usage Value. To add to the complexity of interpreting the data, the ranking of
each at No. 1 was not consistent with any company or any company group, as shown
in Table 6.9. As to how the brand provides Superior Value to their customers, four of
the seven firms, Travel 2, 3, 4 and 6, were able to offer identifiable elements of their
brand as being designed to achieve Superior Value. For the other three firms, Travel
1, 5 and 7, the concept was not part of their strategies. However, reference to Table
6.9 indicates that it was ranked at No. 1 by three firms, at No. 2 by three firms and,
last, at No. 4 by one firm. Yet, this firm was one that was able to identify elements of
their brand that they considered provided Superior Value. The significance of their ranking it at No. 4 indicates that providing or creating superior value is at the bottom ranking of value brand elements.

Each firm stated they had processes in place to obtain knowledge about customer value expectations. Interestingly, three firms responded with answers indicating that they know "a lot." Two of these three were the market leaders. For six of the seven firms participating, branding in the value context was considered either "very important" or "important." One firm considered it to be of "some importance." This is the same firm, Travel 5, an SME that does not know each buying company's value expectations, even though it stated it had processes in place to obtain such information. The data suggests that there is little agreement among the firms in the Corporate Travel Industry as to what elements of the brand the customer values most. The exception is the two market leaders, Travel 6 and Travel 7, whose ranking of the brand elements is almost identical, while the ranking by the other five companies is quite diverse. The former case studies give equal ranking at No. 1 to Superior Value and Usage Value (or Value in Use). At No. 2 is Value, while Price is placed at the lowest ranking (Refer Table 6.9).

The analysis now turns to responses to the question, "How does the firm go about building a B2B brand for their company." This question was chosen to address research objective 7, which is, “To identify if companies use resource based capabilities to create value and recognise the starting point or basic principle in building a brand is an assessment of brand values." The data indicates that the seven companies were able to identify brand values that build on the organisations' competencies and capabilities. Yet, not one company could explain a link between identifying the organisation's competencies and capabilities, and the pathway to a brand strategy formulation. When asked to explain the terms functional (tangible)
values and emotional values (in-tangible values) in the context of branding, all
companies responded by stating they had knowledge of such terms and one, Travel
4, responded with, “a clever company recognises that both go hand in hand.” No
other company provided information relating to processes of incorporating these
concepts into brand strategy formulation.

In response to the question as to whether there is an internal focus on the brand, the
data indicates that every company stated that its brand has an internal focus. Each
company stated that their employees understand the value of the company’s B2B
brand, and processes were identified in six of the seven firms. The remaining firm in
question had no specific document to inform or educate its employees as to the value
of the brand to the organisation. This is the same firm, Travel 3, that stated,
“employee understanding of the brand is of differing degrees with varying success.”
As to the leader being in tune with their brand, each company stated that this was the
reality. Every firm stated their brand is developed and managed internally by the
managing director in five of the seven cases. Two cases stated it was managed by
their marketing manager. Respondents stated that external assistance is sought from
time to time with reference to assistance with website development.

In this industry there are two market leader claimants. One is a firm classified as
large and the other is an SME. The SME stood out from the others, as the company’s
marketing strategies are evident in the marketing literature proffered. This literature
was very much focused on their competencies and capabilities, and only informally
identified brand elements. In contrast was one SME whose marketing strategies were
quite basic compared to the other companies. The company did not focus on brand
elements to the extent of the other companies and the data suggests a low level
awareness of the concept of B2B branding. No companies provided information as to
any existing model of brand strategy formulation.
The corporate travel industry is one industry where, for the cases studied, there is a focus on their identity in the market place. These firms understood that what they describe as their brand provides distinction and differentiation from other firms. The findings indicate they reinforce the image of their firm by endeavouring to have an understanding of the business buyer process in targeting buyer decision makers and building a relationship not only with the buyer company, but also with individuals within that company. Their purpose is to meet the value expectations of the buyer without formally identifying their own abilities to create value by way of their own special competencies and capabilities. The firms in this industry have an internal branding focus and their leader is brand oriented. However, the strategies employed can be classified as marketing strategies. There is little attempt to link brand strategies with marketing strategies, as there is slight evidence of any brand strategy formulation. The pattern that has emerged is that their branding is seen as a small sub-set of marketing management and lacks a strategic perspective. There is no realisation that it is considered crucial to align brand and business strategy (Kotler and Pfoertsch, 2007). It is clear from the findings of the firms that they lacked a framework to inform them about the "practice" of branding (Leek and Christodoulides, 2011).
CHAPTER 7
RESEARCH FINDINGS
INDUSTRY CROSS-CASE ANALYSIS

7.1 Introduction

In the previous two chapters, the findings of each firm in the chosen industries selected for this study were described and analysed. Chapter 5 presented the case summaries and organisational demographics, including interviewee information of each firm in the bread industry. From there, the remainder of the chapter was concerned with presenting the findings that relate to the responses to the eight selected research objective questions. The chapter then progressed to report on the analysis of each individual company, followed by within-industry cross-case analysis. Chapter 6 followed a similar structured format in relation to the corporate travel industry. Chapter 7 presents the cross-industry analysis of the two industries that are the subject of Chapters 5 and 6.

7.2 Cross-Industry Analysis

In this section, industry-by-industry cross-case analysis is conducted to identify potential differences or similarities across the industries. This level of analysis will facilitate the synthesising and theory-building process. In the data analysis, the process followed will include a reiteration of case references considered relevant in assisting the industry by industry analysis. The unit of analysis is the industry sector. Each case study in the respective industries is examined as to the responses given when asked questions in the interview process that are related to the research
objectives 1-8, as described in Chapter 3. Two industries were chosen for this study, namely the Australian bread manufacturing industry and the Australian corporate travel industry. The responses are summarised in Appendix 5.2 for the bread industry and Appendix 6.1 for the corporate travel industry. This data provides the basis for a cross case-study analysis or the logical sequence that connects the empirical data to the study’s initial research questions and, ultimately, to its conclusions (Yin, 2003).

One of the reasons for this analysis approach is that each industry function is quite different from the other. In addition, the findings show that in one of the industries in particular, there was little consensus in the responses of the individual cases in that industry to the questions asked for each research objective. Another reason is to validate conclusions drawn in the industry-by-industry analysis by direct reference to the case data. The two industries chosen are those that practice B2B marketing. That they do this with either a major or limited degree of success is testified by the longevity of each of the cases in the construct of the study. In the bread industry, the range of operation in years is from 16 years to over 50 years. In the corporate travel industry, the range of operation in years is from 12 years to over 30 years.

In both industries, the size of the cases is predominately SMEs employing between 20 and 200 people. In the bread industry, two of the six manufacturers are classified as large, that is, employ over 200 people while one is classified as small, that is, employs more than five, but less than 20 people. In the corporate travel industry, only one of the seven cases studied is classified as large. The other six are classified SMEs. These classifications are in accord with the Australian Bureau of Statistics (1997).

The bread industry, as defined for this research, is made up of manufacturers of bread type products that sell their product to other businesses, which, in turn, on-sell
their products. They are characterised by a substantial investment in capital equipment necessary for this production and are observed to have a “high” proportion of their staff engaged in the production process. There is much less proportional weight given to the marketing area of the business. This industry operation is in marked contrast to the corporate travel industry, which, as observed, is also engaged in a B2B marketing environment.

The corporate travel industry, while not manufacturing a product that requires extensive capital input, none-the-less "manufactures" a consumable product, such as a travel product, which may be thought of as an assembly of different ingredient inputs. The outcome is an end product that is tailor-made to meet specific requirements. They do this according to their description as corporate travel managers in a highly competitive marketing environment that requires highly specialised employees who are able to meet the demands of business and professional organisations. As such, their business focus was observed as not being divided between manufacturing and distribution, but rather on assembly and distribution. As such, it could be expected that attention to their marketing strategies would be of paramount importance.

7.2.1 Research Objective 1 – To identify the importance that B2B firms place on branding and what processes they use, if any, to develop their brand strategy formulation.

Companies in both industries reported knowing the difference between B2C branding and B2B branding and the need or necessity that business products or services should have brands. The understanding of this was more extensive in the corporate travel industry than in the bread industry. In the latter, the two market leaders were clear about the distinction between the two types of branding, but the other SME
companies indicated a lack of certain understanding. In both industries, when information was sought as to how their companies' brands could be described, a reference to a company brand name or an associated logo was produced. In many cases, the business name was stylised to portray distinctive or artistic lettering. No information was provided as to the brand being the sum of identified elements reflecting the value provided by the competencies and capabilities of the company and encapsulating all that the company stands for in one "bite." Processes that are designed to arrive at a brand strategy formulation simply do not exist in a recognisable formal format. The majority of firms taking part in the case studies had little appreciation knowledge that a brand was a bundle of attributes or that it is a bundle of functional and emotional values that portray a unique and welcome promise (Lynch and de Chernatony, 2007), or that it is a shortcut that is a summation of the attributes and benefits for which the brand stands (Kotler and Pfoertsch, 2007).

The cross-industry findings reflect the recognition that industrial branding is important (Kotler and Pfoertsch, 2007; Kuhn et al, 2008; Glynn and Woodside, 2009; Keller, 2009). However, the data further indicates that in the B2B branding context, the focus of the branding activities of the firms participating in the case study is on their brand name and logo, without the development of a more comprehensive brand identity (Homburg, 2010). Since the practice of branding does not simply rely on marketing, advertising, logo or signage (Buss, 1998), the findings suggest that, whilst some progress has been made in the last 10 years or so in the industries studied, there is little evidence of any formal direction in harnessing informal processes into a brand strategy formulation that is linked to their successful marketing strategies. There was little evidence that emerged from either industry that there were processes in place to develop a strategic vision or to set objectives of what was required of the brand to achieve. No processes were observed that led to crafting a strategy to achieve the objectives and visions, or to implement and execute the strategy.
7.2.2  Research Objective 2 – To identify if the implementation of a brand strategy formulation process contributes to a firm’s position in the industry and competitive advantage.

Confusion was evident in both industries relating to each company's industry position. Two companies in each of the interview groups in each industry claimed that they were the market leaders. These were the two large companies in the bread industry and the one large and an SME in the corporate travel industry. Whilst this could be accepted anecdotally in relation to the bread industry, there was no evidence in the corporate travel industry to back the claims of the companies concerned.

This question addresses the position of each company in their respective industries and whether or not their branding strategies have contributed to competitive advantage that has assisted the respective companies in reaching that position. The findings indicate that the SMEs in the bread industry had a basic positioning focus while the SMEs in the travel industry did not. The large firms in both industries attributed their industry position to identifiable brand elements that were designed to achieve competitive advantage. In addition, the remaining companies in both industries believed, that whatever their position, it was attributable to their brand.

Of the SMEs in both industries, there were no formal processes to develop a brand strategy designed to achieve competitive advantage, but rather a reliance on formal or semi-formal marketing processes. The lack of attention to branding to achieve competitive advantage was further highlighted in the data where only one firm indicated that there were existing processes or strategies designed to give the firm superior competitive advantage. This was a market leader.
Whilst the data suggests that the businesses in both of these industries recognise their brand has helped them in achieving the level of business success they held at the time of interview and at a sufficient level to sustain them over many years, formal brand strategy formulation in targeting competitive advantage or even superior competitive advantage are lacking in the majority of the firms. The exception is the market leaders in both industries. Yet, to maintain or achieve the sustainable competitive advantage offered by the brand, companies need to concentrate their resources and structures around this most important asset (de Chernatony and McDonald, 2003; Kotler and Pfoertsch, 2007). As brands are an important source of competitive advantage, they are claimed to be the basis of above average corporate performance in business and industrial marketing (Wally et al, 2007). In addition, a strong B2B brand can provide a significant competitive advantage (Beverland et al, 2007; Keller, 2009; Leek and Christdoulides, 2011).

7.2.3  Research Objective 3 – To identify if implementing brand strategy formulation processes and aligning brand elements with marketing elements in a brand strategy formulation is related to size of the firm.

The size of the firm is of interest in relation to the ability of the firm to implement branding strategies (Krake, 2005). The findings indicate that in both industries, firms believed size was a relevant factor. Financial constraints were identified by less than 10% in the bread industry, but almost 50% in the travel industry as a reason for their lack of any identifiable branding activity, as would have been expected of the SMEs. Actually, it was a situation that outlays had been made for external input from time to time, but that it was felt that those responsible for branding activity were more familiar with the firms’ attributes and the preference was for the brand to be managed internally. The exception was in the area of website development where external input was sought. The findings indicate that the size of the firm, in either industry,
was not the only determinant factor in how the brand was managed and/or developed.

In both industries, the brand is managed internally with recourse to external agencies from time to time. While branding was considered somewhat important in both industries, none of the cases in either industry gave evidence of any attempt to align their branding strategies with marketing strategies and there were no formal brand strategy formulation processes in place. Refer to Table 7.1 – Firm Size and Branding Implementation below for a summary of findings in both industries.

From the data relating to this section, Bread 2, a market leader, stated that the size of the firm impacts “absolutely” on the firm’s ability to implement successful branding strategies. The other five firms stated that they considered firm size was relevant, yet only one firm, the other market leader claimant, stated a “low budget” as the cause of limited branding activities. The reason given by the SMEs was similar in that they felt they knew more about their business activities than would an external consultant. The observation was made that knowledge of brand strategy formulation was not in the scope of the learning or practical experience of these companies.

In the corporate travel industry, two companies stated that they were at position No. 1, the market leader. Of these two, namely Travel 6 and Travel 7, the former is classified as large and the latter is classified as a SME. Of the other five firms in this industry, two did not know their position, one had "not thought about it", one said “Top 4” and one said "mid-range." In all, apart from the two market leaders and the one in the “Top 4”, other firms in this industry were not focused on their industry position or competitive advantage. The observation was made that firms in this industry relied more on their marketing strategies than those in the bread industry; however, there was little alignment with any brand strategies in a brand strategy
formulation and awareness that the advantages of a strong brand would assist them in obtaining competitive advantage.

At this stage of the analysis, an emerging pattern is that the firms classified as large were the ones claiming to be market leaders and were focused on their market superiority. It is beginning to appear that firm size was a factor in the positioning of companies in both industries, although, in the corporate travel industry, a firm classified as an SME also claimed to be No.1. The size of the firm did not necessarily reflect on how the brand was managed and/or developed. In the bread industry, Bread 1 employed a marketing director who constantly monitored the brand and optioned the use of external agencies. In Bread 2, no specialist was employed as the brand was managed internally "by the marketing team." External agencies were stated to be of value from time to time on a "needs “basis. Each of the SMEs stated that the size of the firm did not impact on their ability to employ external agencies, but, rather, there was a preference for the brand to be managed internally. Bread 3 stated that “branding ideas are generated internally”, so there was no need to employ external agencies. Bread 4 stated that they had “been there and can't see the result – there was little net benefit.” Bread 5 believed there was value in hiring the services of external agencies, but had not done so as yet. Bread 6, the smallest firm in the industry, stated a belief in the value of external input, but low margins and low volume (momentary constraints) prevented their use.

In the corporate travel industry, one firm, Travel 1, employed a marketing manager and another, Travel 6, a national sales manager. Both of these firms are SMEs. However, there was a qualification: an external agency was employed by Travel 1 for brand development and management, but other companies stated that financial constraints precluded the employment of external agencies. In contrast, Travel 6 stated it was not the budget that precluded the employment of external agencies. In
this case, responsibility for the brand was not in the hands of one individual, but
shared around the "selling team." In the other five companies in this industry, the
brand was managed internally by the managing director of each individual company.
Table 7.1 displays a comparison of the importance of branding by industry and the
size of the firm.
Table 7.1

Firm Size and Branding Implementation

<table>
<thead>
<tr>
<th></th>
<th>Large Firms</th>
<th>SMEs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Bread</td>
<td>Travel</td>
</tr>
<tr>
<td>Firm Size Relevancy</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Importance of Branding</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Importance of Brand Development and Management</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Responsibility for Brand Development and Management</td>
<td>Managing Director</td>
<td>National Sales Manager</td>
</tr>
<tr>
<td>Observed Processes Relating to Brand Development</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Brand Management</td>
<td>Both External/Internal</td>
<td>Both External/Internal</td>
</tr>
<tr>
<td>Brand Strategy Formulation Processes</td>
<td>No</td>
<td>No</td>
</tr>
</tbody>
</table>
7.2.4 Research Objective 4 – To identify if OBB is incorporated into brand strategy formulation and what the processes to obtain knowledge of OBB are.

Obtaining knowledge or understanding of OBB was not observed to be linked to any brand strategy formulation processes in either industry. Rather, it is a process that emerged in their marketing activity and was observed to be more important to some firms than others. In the bread industry, it was considered very important to the large firms and of far less significance to the SMEs. This was in contrast to the corporate travel industry, where it was almost unanimously accorded a high degree of importance.

Processes to obtain information were in evidence in both industries, except for the SMEs in the bread industry. In the bread industry, only three of the six firms considered it very important to have a knowledge and understanding of B2B organisational buyer behaviour. These were the two large firms and one of the SMEs. One of the remaining two companies considered such knowledge to be of some importance while the other did not attach any real importance to it. These firms had either limited processes or no processes at all in place to obtain such knowledge.

In comparison, most firms in the corporate travel industry recognised the importance of having knowledge and understanding of OBB, since six of the seven companies participating in the case studies in the corporate travel industry agreed it was important. The exception was an SME where no importance was attached to the necessity of obtaining this type of information, except by way of a basic profile of each company’s details. One SME was quite definite that obtaining this knowledge was "absolutely" necessary, while another SME stated that it was "absolutely important". With regards to whether processes were place to obtain this knowledge,
the responses of the SMEs varied. One SME had some processes in place, "such as relying on the experience of sales consultants," and another used "regular reviews of customer surveys". Yet another company stated that knowledge of OBB was absolutely necessary and they used “information obtained from tender documents and other contract information that came from the buyers." Travel 6 adopted “informal processes." Others stated they had processes in place, but did not identify what these processes were. The large firm had "informal processes." No firm indicated that they used documented processes.

As to whether it was known that buyers rank sellers in conjunction with a vendor rating system (Reid and Plank, 2000), only the large firms in the bread industry claimed knowledge of this, whilst this knowledge was widely claimed by all but one firm in the corporate travel industry. A summary of the Brand/OBB Link is found in Table 7.2 below.
Table 7.2
Brand/OBB Link

<table>
<thead>
<tr>
<th></th>
<th>Large Firms</th>
<th></th>
<th>SMEs</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Bread</td>
<td>Travel</td>
<td>Bread</td>
<td>Travel</td>
</tr>
<tr>
<td>Importance of OBB</td>
<td>Yes</td>
<td>Yes</td>
<td>Unsure</td>
<td>Yes</td>
</tr>
<tr>
<td>Information Processes to Obtain Information</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Knowledge that Buyers Rank Sellers</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Some</td>
</tr>
<tr>
<td>Attention to Brand Attributes</td>
<td>Yes and No</td>
<td>Yes</td>
<td>Yes and No</td>
<td>Yes</td>
</tr>
<tr>
<td>Most Important Attribute</td>
<td>Price</td>
<td>Quality/ Reliability/ Relationship with the Seller</td>
<td>Price/ Quality</td>
<td>Quality/ Reliability</td>
</tr>
<tr>
<td>Least Important Attribute</td>
<td>Risk</td>
<td>Price/ Vendor Profile</td>
<td>Reliability/ Risk</td>
<td>Risk/ Relationship with the Seller</td>
</tr>
</tbody>
</table>

Since all the firms in both industries had indicated they paid attention to brand attributes, firms were each asked to rank, in descending order of importance, various attributes of their brand the seller believed the buyer looked for. These attributes are Price, Quality, Reliability, Risk, Vendor Profile, Relationship with the Seller, Previous Purchasing Experience, Recommendation by Other Buyers and "other". The last was
to solicit input by of other attributes the seller considered important enough to be included.

Price was found to be the most important attribute in the bread industry by the large firms, yet Price was coupled with Quality in SME classification. This was in contrast to the travel industry where both the large firms and the SMEs agreed that Quality and Reliability were considered the most important attributes. While Price was still considered important in this industry, it was not the most important brand element. In fact it was considered the least important attribute by the largest firm in the travel industry.

The least important attribute in both industries was found to be Risk. This is considered to be an important finding since branding is considered to be a major factor in B2B transactions in reducing the perceived risk of a purchase, not only by way of organisational risk, but also of personal risk (Homburg et al, 2010). Other attributes considered of importance to note with both industries were that of Vendor Profile, Recommendation by other Buyers and Relationship with the Seller. Vendor Profile was ranked last, along with Risk with firms in the bread industry, and next to last with firms in the corporate travel industry; this seems to suggest that the company image was not considered by the seller. If this is so, then it may suggest that the brand is not considered to play an important role in buyer-seller transactions, even if the seller believes in the importance of branding.

Recommendation by other Buyers was considered next in ranking to the most important element by all companies in both industries, with the exception of the bread industry where it was ranked last by the large firms. Relationship with the Seller was considered of prime ranking with the large firm in the travel industry and in a secondary position by the large firms in the bread industry. It was relegated to next to
last and last by the SMEs in the bread industry and the travel industry respectively indicating that initiating and building relationships was not considered a priority and that relationship quality was not in their focus

A detailed summary of the ranking of brand elements considered by the seller as most important to the buyer is shown in Table 7.3.

**Table 7.3**

*Ranking of Brand Elements Considered by Seller Most Important to Buyer*

<table>
<thead>
<tr>
<th></th>
<th>Large Firms</th>
<th></th>
<th>SMEs</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Bread</td>
<td>Travel</td>
<td>Bread</td>
<td>Travel</td>
</tr>
<tr>
<td>Price</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Quality</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Reliability</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Risk</td>
<td>4</td>
<td>2</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Vendor Profile</td>
<td>4</td>
<td>3</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Relationship with the Seller</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Previous Purchasing Experience</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Recommendation by Other Buyers</td>
<td>4</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>
SMEs in both industries seemed to have similar conclusions, while the larger firms were not so much in agreement. While some obvious consistencies existed in the ranking between the two industries, and even between the two large firm size classifications within the two industries, enough variation was observed to exist to show that knowledge regarding OBB is lacking as are formal processes to obtain such knowledge, and that OBB is not part of any brand formulation strategy. This is reflected in the variation of the ranking of the attributes shown in Table 7.3 above.

The ranking is examined in more detail. In both industries, the scatter of ranking is interesting. In the bread industry, price was ranked as most important to four of the six companies, which included the two large companies and two SMEs. Price was relegated to a much lower ranking by the other two SMEs. Quality was ranked as most important in only two instances, with two SMEs. The two market leaders did not consider that Quality was of prime importance with one firm ranking it as third and the other ranking it as second, both below Price. The findings indicate the price sensitivity of the output of this industry by organisational buyers. Risk and Vendor Profile were considered of much lower ranking than most of the other attributes, yet the levels of rankings for these attributes were the same for the market leaders as for the smallest firm in the study. This may indicate the level of acceptance by industrial buyers of the competencies and capabilities of the companies in this industry that, whilst firm size may be a factor in nominated circumstances, it is not necessarily a barrier to competition, given the constraints of risk or the profile of the manufacturing firm. An interesting outcome was that only one company responded to the category “Other”. This was to nominate Value. At this point, a summary of results of the ranking of attributes by the firms in the bread industry may be useful.
For the two major manufacturers, the three most important brand attributes were:

1. Price; Relationship with the Seller and Previous Purchasing Experience for Bread 1; Quality for Bread 2
2. Quality and Reliability for Bread 1; Reliability for Bread 2
3. Risk; Vendor Profile

For the small manufacturer, as well as one SME, the three most important brand elements were:

1. Price; Quality; Reliability
2. Recommendation by Other Buyers
3. Relationship with the Seller; Previous Purchasing Experience
4. Risk

For the remainder of the SME companies in the bread industry the three main brand attributes were:

- Bread 3. Recommendation by other Buyers; Reliability; Company Profile
- Bread 4. Price; Relationship with the Seller; Reliability
- Bread 5. Quality; Reliability; Risk

The respondents in both the bread industry and the corporate travel industry were asked to rank the importance of various attributes of the brand. The attributes nominated were Price, Quality, Reliability, Risk, Vendor Profile, Relationship with the Seller, Previous Purchasing Experience, and Recommendation by other Buyers and the category called "Other". As with companies in the bread industry, some companies nominated attributes of equal importance. For example, six of the seven
companies ranked Reliability as the No. 1 attribute. The exception, Travel 6, ranked Reliability at No. 2. Equal first in ranking by four of the seven companies is Quality. Four companies also ranked other attributes as No. 1. In Travel 2, Risk and Previous Purchasing Experience were linked with the No. 1 ranking. Travel 3 included Risk and Relationship with the No. 1 ranking. Travel 6 included Previous Purchasing Experience and Relationship with the Seller in the No. 1 ranking. These results can be summarised.

The three most important attributes are:

1. Reliability
2. Quality; Previous Purchasing Experience
3. Relationship with the Seller

The one firm that did not rank Reliability at No. 1 was the large firm, which nominated a group of attributes at No. 1. These were Price, Relationship with the Seller, Previous Purchasing Experience and Recommendation by Other Buyers. Price was ranked as a No. 1 attribute by only one firm. However, it was ranked at No. 2 by three of the SMEs and at No. 3 for two other SMEs. The findings indicate that, while Price is a factor believed to be important to the industrial buyer, reliability was considered to be of utmost importance by all but one company taking part in the study. Even with this SME, it was ranked at No. 2, behind Price.

Five of the firms stated they have an understanding of their business from a buyer’s point of view, with the exception of two SMEs, which had little understanding. The two "market leaders" indicated they "use surveys to get an understanding of how buyers understand their business." The findings indicated the market leaders are more pro-active in the area of obtaining a knowledge and understanding of how
organisational buyers view the seller. With knowledge of the buyer’s expectations, the seller is able to structure their strategies to meet the needs and wants of the buyer.

As to whether the seller believes their brand is important in B2B buyer selection, two of the SMEs considered that the brand "is not so important", with one stating "the brand sometimes plays a part in B2B buyer selection." Three other SMEs "think" the brand plays a role in buyer selection. The two remaining companies, one an SME and the large firm "know" the brand plays a role, with the latter asserting they "have confirmation their brand plays a role in the B2B buyer selection process."

The data above suggests that, in the bread industry, Price was found to be the most important element that the seller believes the buyer looks for when making a purchasing decision to buy the relevant company products. Quality was ranked in a similar position as Reliability. Risk was considered of low importance generally in both industries. In the corporate travel industry, Reliability was considered to be the most important element. Quality was most important for four out of the seven firms, but relegated into second position for one and into third position for the remainder. Price was considered to be the most important for only one firm, while another three relegated it to a No. 2 ranking. Of interest is that three ranked it at No. 3 in the category of "Other". No bread companies volunteered a comment except for one of the large firms, which nominated Value. However, two travel companies responded. One SME believed “technology” was important and ranked it at No 2, while one other SME nominated "reporting capabilities" as important and ranked it at No 2.

A pattern emerging from the data is that in both industries, it was important for the large firms to have a knowledge and understanding of OBB. Whilst the large firm in the travel industry had processes in place to obtain this knowledge, only one of the
large firms in the bread industry had processes in place. The remaining firms in the bread industry believed that to have this knowledge was of some importance, yet none had formal processes in place to obtain an understanding of OBB. In contrast, six of the seven firms in the travel industry identified its importance. However, of the six, only two regarded such knowledge as "absolutely important and necessary." These were the SMEs. Responses were varied in both industries relating to knowledge as to who was at the centre of the purchasing decision and if the buyer ranks sellers.

The findings indicate that the subject of OBB was part of the process of every day business transactions in both industries; however, this was limited to logistical contact in the day-to-day transaction process in the case of the bread industry, but was more encompassing process in the corporate travel industry. Knowledge about its use in a marketing strategy sense was scant. Processes to obtain knowledge and understanding of how the buyer viewed the seller were identified in some cases, such as questionnaires and surveys. There was scant evidence that formal processes existed that used any organisational buyer information in any brand strategy formulation in either industry.

The findings do not indicate there is any generally recognised importance of OBB or that it is important for the seller to know the organisational buying situation, the way purchasing is conducted and by whom or at what level, such as central purchasing or divisional or plant level (Bing, 1990). In the ranking of attributes that the seller thinks the buyer looks for from the company or its products in making a purchasing decision, the results in the two industries are markedly different. In the bread industry, the attributes considered most important are Price first and Quality second. The SMEs considered Reliability another important attribute. In the corporate travel industry, the rankings were quite different and no corresponding pattern emerged. In
this Industry, they were Reliability first, Quality and Previous Purchasing Experience second, and Relationship with the Seller third. Risk was considered of low importance by companies in both industries. All companies in both industries thought their brand played a role in buyer selection, but its level of importance was low in the bread industry and varied between individual companies in the corporate travel industry, with only three companies asserting its importance.

7.2.5 Research Objective 5 – To identify if developing relationships is part of brand strategy formulation and what processes are used.

Regarding how the firms understand the term "relationships" and whether relationship building concepts are part of their marketing and branding strategies, it was found that the level of awareness of the importance of developing relationships was of medium order in the bread industry, varying from medium to high for the large firms and from low to medium for the SMEs. In contrast, in the corporate travel industry, the awareness was of a high order among the majority of firms. Of the remainder, it was still of a medium order. None of the bread industry cases had formal processes in any relationship development constructs, while the majority of firms in the travel industry did. However, these results do not necessarily support the findings of Wilson (1995) that buyer-seller relationships have become an integral part of B2B operating strategies. Even though developing buyer-seller relationships was a pattern with the firms in the corporate travel industry, there was no evidence that relationship quality was related to brand value (Han and Sung, 2008).

As to whether relationships were considered to be buyer or seller dominated, the large firms in both industries indicated there was an element of both, while the SMEs in both industries indicated that it was buyer dominated. The latter may have implications for buyers in that it may be possible for buyers to influence SMEs to
bend more to their purchasing requirements whether in price, quality, service or technical requirements. Another implication is that SMEs should plan to initiate relationship building in their brand strategy formulation and recognise that two goals of the brand is to create a relationship with its customers (Doney et al, 2007) and to improve buyer-seller relationships by establishing closer social bonds (Coleman, 2011). However, regardless of contacts between the buyer and the seller, whether they are for business purposes or social purposes, trust is engendered by frequent inter-action (Doney and Cannon, 1997).

Strategic management of buyer-seller relationships is considered an important element in fulfilling the needs of business customers (Rauyren and Miller, 2007). The importance of managing relationships is highlighted for the attention of both industries, but particularly the bread industry as a manufacturing industry, where a poorly managed reseller relationship can undermine the value of a manufacturer's brand (Glynn et al, 2007).

A pattern is emerging that the corporate travel industry is more focused on their brand than is the bread industry. As more evidence of this was emerging, it was considered important to look very closely at the data for similarities or differences that would confirm or reject this pattern.

A characteristic of the corporate travel industry was the attention given to relationship development by both the large company and the SMEs, and their ability to describe the processes. Relationship building strategies included interacting with their client base and engaging "key" personnel. On-site visits were supported by buyer surveys designed to obtain information relating to the "degree of satisfaction" of buyers. Attention was given to targeting key people in the decision making process and remembering their birthdays. Some of the firms in this industry had their own "loyalty
rewards club”. The large company in the industry usually held one large function and several small ones during the year, as did the SME who claimed to be the market leader. The aim of these functions was to maximise business and social contact.

All the companies were able to describe the relationship building processes. One SME and the large company recognised that buyer-seller relationships involved "our commitment to providing the requirements of the buyer." They recognised that relationships have to be built and the culture is customer related. They engaged in regular "mail-outs" to customers. Another described their relationship building processes as being tailored around the Five+ Group, which was described as a professional sales and marketing advocacy organisation that advises marketing companies. It advocates processes that bring the seller closer to the buyer and that building relationships is about "getting people to like you", because "people buy from people they like." Another SME described their process as "helping the buyer to achieve their aims" and that management was absolutely committed to incorporating relationship-building processes.

The large firm described the meaning of the term buyer-seller relationships as, "the building of trust, taking an interest in the business of the buyer and looking for ways to help them." This company believed buyer-seller relationships were so important that the subject was allocated a special chapter in the Staff Induction Manual. The other SME that aligned itself with the large company as the market leader believed buyer-seller relationships included "building on the points of contact." Both of these companies organised special events, which were business and socially integrated. In contrast, the bread industry had little focus on building relationships and no anecdotal evidence was provided in the interviews, nor was there any observation of buyer-seller activities.
A summary of the findings relating to the Brand/Relationship Development Link is presented in Table 7.4 below.

Table 7.4
Brand/Relationship Development Link

<table>
<thead>
<tr>
<th></th>
<th>Large Firms</th>
<th>SMEs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Bread</td>
<td>Travel</td>
</tr>
<tr>
<td>Awareness of Importance of Developing Relationships</td>
<td>Medium to High</td>
<td>High</td>
</tr>
<tr>
<td>Formal Processes</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Buyer/Seller Dominated</td>
<td>Both Buyer and Seller</td>
<td>Both Buyer and Seller</td>
</tr>
</tbody>
</table>

Turning to the ranking of elements in their order of importance in building B2B relationships, the following were nominated by company respondent selection as important or more important than others: Company Credibility, Trust, Loyalty, Special Treatment and Building on the Promises of the Brand.

An important outcome relating to how sellers ranked the importance of relationship brand elements was the total agreement between both industries that Delivering on the Promises of the Brand was the most important relationship brand element. For the large firm in the corporate travel industry, this element was linked in importance with Company Credibility, Trust and Loyalty, thereby suggesting a link between all four elements. A similar link was randomly made by the travel SMEs where the
findings show that they distinguish between Trust and Loyalty. This distinction was also made by the bread SMEs, suggesting that Trust may engender Loyalty or that Loyalty engenders Trust, but they are not considered the same thing. Customer loyalty generating factors are considered important to the success of industrial brands since, in the B2B context, the loss of a few customers can significantly impact on revenue (Kuhn et al, 2008). Loyalty is also manifested in repetitive orders, which lower marketing costs and provide a greater resistance by loyal customers to competitive rival suppliers (Caceras and Paparoidamus, 2007). These findings are considered important in a brand strategy formulation process that relates to relationship quality.

The element of Special Treatment was considered of a second level ranking to Delivering on the Promises of the Brand in the travel industry. In contrast, it was ranked of minor importance in the bread industry. A summary of the findings of the ranking of important relationship brand elements is found in Table 7.5 below.
In addressing the question as to whether relationships were buyer dominated, seller dominated or both, five of the companies believed they were buyer dominated, with another stating that relationships may be either buyer or seller dominated, and yet another stating that relationships are not dominated by the buyer or seller. This compares with the bread industry where, as has been seen, three of the companies stated they were buyer dominated, two stated they were both buyer and seller dominated, with Bread 2 declaring that they were in the ratio of 60/40. The remaining firm believed that relationships are seller dominated.

These results do not necessarily support the findings of Wilson (1995) that buyer seller relationships have become an integral part of B2B operating strategies. However, the data indicates that while developing B2B relationships is important,
there is no evidence that relationship quality is linked to brand value (Han and Sung, 2008). In the corporate travel Industry, the data suggests activity in building relationships strategies is more pronounced than in the bread industry. In the former industry, the products that they market are complex or high in value and buyers expect value-adding relationships to enrich their buying experience (Coleman et al, 2011). Customer relationship processes for B2B brands enhance buyer identification with the brand (Glynn, 2011). The findings reveal that in the corporate travel industry, Price is not the most important element in the value context, but rather Superior Competitive Advantage. This outcome supports the literature that contends there is a slow replacement of competitive adversatorial buying where costs improvement comes from lower prices, by a situation where savings accrue through cost reductions in total operations. Companies can benefit by way of buyer-seller relations, not just lower prices (Wilson, 1995).

In ranking the elements considered to be important in the construct of building B2B relationships, delivering on the promises of the brand was nominated as the most important element by respondents in both industries. This element is related to supply competence. The findings support the literature, which argues that supply competence is one of a number of major antecedents to relationship performance and that relationship quality has a positive effect in customer supplier commitment (Rauyruen and Miller, 2007; Han and Sung, 2008; Rauyruen et al, 2009). In addition, technical quality and the actual performance of the provider, that is, service and technical reliability have been found to influence trust (Doney et al, 2007). Relationship quality has become a key construct in the relationship paradigm. Other factors included in the antecedents are trust and loyalty (Han and Sung, 2008; Čater and Čater, 2010). The elements of Trust and Loyalty were ranked at the highest level of importance by three out of the six cases. In the case of the large companies, Trust was ranked at the level of No. 1 by one company with Loyalty consigned to the No. 2
position in the level of importance. The other large company ranked Trust and Loyalty at No. 3 positions on the ranking scale indicating that Trust and Loyalty were considered of relatively little importance in building B2B relationships by a company describing itself as a market leader.

A similar situation is evident in the data provided by the corporate travel industry where three of the seven firms did not nominate Trust and Loyalty as foremost in ranking in importance. An analysis of the data indicates Trust and Loyalty are not considered to be the most important elements in building B2B relationships. This outcome conflicts with the findings of other researchers that suggest Trust and Loyalty are of extreme importance (Rauyruen and Miller, 2007; Caceras and Paparoidamis, 2007; Han and Sung, 2008, Čater and Čater, 2010), and that the focus of differentiation has moved to building a unique relationship with business partners and to understanding and managing the quality of individual business relationships. In linking buyer satisfaction with industrial brand trust, Han and Sung (2008) found that, in general, supplier confidence, purchasing value and organisational buyer satisfaction may well have a greater direct effect on brand trust and loyalty (Caceras and Paparoidamis, 2007; Han and Sung, 2008).

The question was asked as to who dominates the relationship between the buyer and the seller. Data from the bread industry indicates that the large firms considered they were buyer dominated while the SMEs and the SE stated they were buyer-seller dominated. In the corporate travel industry, five of the seven firms stated that, in relation to B2B marketing, relationships were buyer dominated. The large company in this industry stated that neither dominated. Another SME stated that the relationships may be either buyer or seller dominated: this depended on the buying company and the amount involved in the transactions. The majority of firms taking part in the study believed their B2B relationships were buyer dominated which suggests they are yet
to recognise the need to motivate buyers to work together with sellers for mutually beneficial objectives. Further, it is argued it is critical for suppliers to initiate and sustain relationships and that brand relationships are connected to the brand response, which converts to an intense loyal relationship between the customers and the brand (Kuhn et al, 2008). Of interest is an observation by one of the market leaders in the bread industry that B2B relationships may be relationships between individuals (or soft human contact). This supports the literature proposition of Iacobucci and Ostrom (1996) that relationships are not just between B2B firms, but also involve individual-to-individual (Iacobussi and Ostrom, 1996; de Chernatony, 2006).

7.2.6 Research Objective 6 – To identify if branding elements linked to the marketing strategies that the customer values are part of the brand formulation process.

Providing customer Value is an important marketing strategy and branding is concerned with the alignment of core values of the brand (Sheikh and Lim, 2011). In B2B markets in any given environment, the value of a product offering can be thought of as a cornerstone of marketing strategy (Anderson et al, 1993). Further, perceived value may be seen as the reason for the buyer's preference for a product and Superior Value as providing benefits greater than those obtainable from alternative suppliers (Doney et al, 2007).

A pattern emerging from the data from the cross-industry analysis of the two industries investigated and in the context of customer Value, indicated a different set of assessments, namely the brand/customer link by the size of the firm, rather than the industry in which the firm operates.
The large firms in both industries recognised the customer brand link and the need for the brand to incorporate value, as well as the knowledge of the reason for the choice by the customer of their brand. Yet, while the large firm in the travel industry was unable to define Value, it had knowledge of its customers' value expectations and recognised the importance of branding in the value context. In contrast, in the bread industry, the large firms were able to define Value, but there was some uncertainty as to the knowledge of the customers' value expectations and the importance of the branding in the value context varied between of "some" importance to important.

The SMEs in both industries were similar in all categories of the brand/customer value link, with the only significant variance being in the category of how important branding was considered in the value context. The bread industry SMEs believed it was important, while the corporate travel industry SMEs showed quite a degree of variance from "some" importance to important. A conclusion can be drawn across the industries, that providing customer Value is recognised as an important element of the marketing strategy of both the large companies and the SMEs. The difference is in the matter of degree. The results of the findings indicate that the large firms attach more importance to its significance. None of the firms provided evidence that providing Value was particular significance in any of their branding strategies and there was only a notional link to their marketing strategies. A summary of the findings is presented in Table 7.6 below.
Table 7.6
Most Important Customer Value Brand Elements as Ranked by Seller

<table>
<thead>
<tr>
<th></th>
<th>Large Firms</th>
<th></th>
<th>SMEs</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Bread</td>
<td>Travel</td>
<td>Bread</td>
<td>Travel</td>
</tr>
<tr>
<td>Price</td>
<td>1/2</td>
<td>3</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Superior Value</td>
<td>3</td>
<td>1</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Value</td>
<td>2/1</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Usage Value</td>
<td>4</td>
<td>1</td>
<td>4</td>
<td>1</td>
</tr>
</tbody>
</table>

Note: 1 = Most Important, 4 = Least Important

In the ranking by the seller of the brand elements they nominate as being most important to their customers, the findings of the two industries show a wide variance in the two industries. There is general agreement by all firms in both the bread industry and the corporate travel industry as to the ranking of the most important customer value brand elements. However, it can be seen that, to both industries, the rankings are quite dissimilar. In fact, the two lowest ranked elements in the bread industry are Superior Value and Usage Value. In the travel industry, Superior Value and Usage Value are ranked in the highest category. Other elements are discussed in turn.

Price was ranked as the prime brand element by most companies in the bread industry, together with value, but it was ranked at a lower level by all firms in the travel industry. The findings show the large firms in the travel industry ranked it last, as did the SMEs. Value was ranked generally lower than Price for the large
companies in both industries, yet at the highest ranking for the SMEs. The findings are discussed in more detail.

A pattern emerging from the findings from the bread industry suggests Value, or providing Value, is considered, along with Price, to be the most important of the four elements suggested. This is reinforced by the respondents, who were all able to define Value. Yet, no two definitions were the same, suggesting that there is no consensus as to an industry conception of Value. As to Price being the element in their brand that the customer values most, this was ranked equal to Value by four of the six firms, with the other two firms ranking it immediately below Value.

A pattern emerging from the data of the travel industry suggests Value was considered the most important element in their brand that the customer values most by four of the seven companies, as distinct from Price, which was ranked, as most important by just two of the interviewees. Three companies were unable to define “value”, yet ranked it as the most important element. As to the reason why companies chose their brand, the answers varied from company to company and no clear pattern emerged. Superior Value was ranked equally with Value by three of the seven companies, but was ranked in second place by three other companies and in last place by the seventh one. In this industry, the data showed a connection between value and the company brand. It was considered “very important” to three of the seven companies, “important” to another three and “of some importance” by the one remaining company.

When the data from the two industries is examined, a pattern emerges that the perception of what firms consider are of the elements of their brand that firms consider that the customer values most, the first and foremost is Value. In the bread industry, Price is considered of equal ranking as Value by four of the six firms in
comparison with the corporate travel industry where Price is considered of equal importance to Value by only two of the seven respondents. It was ranked in the third category by three firms indicating that, while Price was considered an important element by some firms in the industry, it was considered of lesser importance than in the bread industry. Superior Value was ranked of equal first importance by two of the five firms in the bread industry and by four firms in the corporate travel industry, indicating that it is considered important by some but certainly not all of the companies in both industries. In the context of Value, branding was considered to be “very important” for three of the firms in the corporate travel industry in contrast to the bread industry where no firms considered it to be "very important". A similar number in each industry considered it to be "important", while there were representative firms in each industry who considered it to be of "some importance."

Ranking of Value varied between companies in the same industry, as well as between the industries themselves. An unexpected element to emerge was a concept of Value that was not buyer orientated, but rather seller orientated, that is, "more sales, more repeat business" as stated by a market leader in the bread industry. Responses to the question as to what brand elements the seller believes the buyer values most were not the same in the two industries. In the bread industry, Price and Value were ranked as the most important by four of the six cases. Of the two dissenting cases, the ranking was simply interchanged with Value replacing Price as the next most important element. The indication of the data is that some firms consider that Price is Value and Value is Price. In addition, the data does not indicate an understanding of the broader aspects of Value. In answer to the question relating to Superior Value, the majority of firms in the bread industry lacked an understanding of the concept and as such, these firms did not identify any processes to achieve it. A summary of the findings of the most important customer value brand elements, as ranked by the seller, is found in Table 7.7 below.
### Table 7.7
Brand/Customer Value Link

<table>
<thead>
<tr>
<th></th>
<th>Large Firms</th>
<th></th>
<th>SMEs</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Bread</td>
<td>Travel</td>
<td>Bread</td>
</tr>
<tr>
<td>Ability to Define Value</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes/No</td>
</tr>
<tr>
<td>Processes in Place to Evaluate Customer Service</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Some</td>
</tr>
<tr>
<td>Customer Brand Value Link</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes/No</td>
<td>Yes/No</td>
</tr>
<tr>
<td>Knowledge of Customer Value Expectation</td>
<td>No/Yes</td>
<td>Yes</td>
<td>No/Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Knowledge of Reason for Brand Choice by Customer</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes/No</td>
<td>Yes/No</td>
</tr>
<tr>
<td>Importance of Branding in Value Context</td>
<td>Some Importance to Very Important</td>
<td>Important</td>
<td>Some Importance to Very Important</td>
<td></td>
</tr>
<tr>
<td>Recognition of Need for Brand to Incorporate Value</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes/No</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Four of the six companies in the bread industry stated they recognised the need for the brand to incorporate Value and were able to define Value. The remaining two companies did not. Yet, they were all able to offer a definition of value. For example,
Bread 1 defined Value as "more sales, more repeat business, more customers". This response may be interpreted as company-centric, not customer-centric, and more related to brand equity rather than creating utility for the buyer. Bread 2 stated it was "Value and Price". To Bread 3, Value was "a lower price." Bread 4 stated that "Value was keeping the major's honest". Bread 5 said it was "right price, right time, what they ordered". Bread 6 stated the reasons B2B customers value their brand is "seven-day delivery and distribution flexibility." The participants from each company were asked to rank in order of importance what the seller considered the buyer values most. Four elements were nominated: Price, Value, Superior Value and Usage Value (or value in use).

Value was nominated as the most important element by five of the six companies while four of the six nominated Price as the most important value element of their brand. Of the two firms that ranked Value ahead of Price, one was Bread 1, a market leader and the other was Bread 5, who positioned themselves as "first behind the majors." As described above, Bread 1 defined Value as "more sales, more repeat business, more customers" while Bread 5 defined Value as "right price, right time, what they ordered". In the ranking sequence, Superior Value and Usage Value were ranked as the least important by the two market leaders. One company, Bread 4 stated that they did not even consider Superior Value and Usage Value, yet this company claimed to be the first behind the majors. Of the other companies, one of the market leaders offered no response to the question as to "how their brand provides their customers with Superior Value and the purchase and use of their products goods or services." One company stated it provides Superior Value "by way of creating local jobs" and another company stated their brand provides Superior Value "but it can't be quantified." The company classified as small stated their brand provides Superior Value "in some aspects", which were not identified.
As to the question of what is known of each buying company's value expectations of their products, one market leader, Bread 1, did not respond. Bread 2 stated they knew "quite a lot". Bread 3 had no processes in place to obtain this knowledge. Bread 4 did not know and Bread 5 and Bread 6 stated they "had some knowledge."

In answer to the question of why they thought customers chose their brand, Bread 1 stated "because of the value it offered", as did Bread 2. Bread 3 stated it was because of "better quality at a lower price." Bread 4 did not offer a response. Bread 5 claimed this was "because of the same reasons as to value provided such as right price, right time, what they ordered." Bread 6 had no knowledge of why customers chose their brand. Yet, in response to the question of whether, in the value context, branding is considered as being not important, of some importance, important or very important, the majority of the companies stated it was important. The exceptions were Bread 2, a market leader, and Bread 3 who each considered branding to be "of some importance." It must be observed from the latter statements that there seems to be some uncertainty in this industry as to brand relevance. Since the findings show risk is low, a link may be made with brand relevance to the purchase decision process (Backhaus et al, 2011).

As to why customers choose their brand, most firms stated it was because of the value that the brand offered. This is confirmed by the majority of the firms stating that the brand was considered important in the value context. The minority considered it to be of "some importance." One of these two firms was a market leader who had answered the question as to "why do you think B2B customers choose their brand" with the statement, “because of its value”; and as "to what extent do you think your brand embodies customer value and delivers on its promise of value" with the statement, "high degree-proved by longevity of relationship and accounts". Superior Value was considered to be most important by two companies, important by one
company and of relatively little importance by the remaining three companies. Usage Value or Value-in-Use was given the lowest ranking by all the firms. It was observed that this attribute of Value had not previously been considered (Ballantyne and Aitken, 2007).

In addressing Research Objective 6 for the corporate travel industry, all the companies stated it was important for the brand to incorporate value with the exception of Travel 5, which stated they had little knowledge of its importance. However, three firms were unable to define Value. For those that could, Travel 1 stated that it was "service level agreement that emphasises company performance." For Travel 2, it was "reliability and credibility and a reduction in business costs." For Travel 3, Value was not defined, but "thought to be provided by a service level agreement." Travel 4 defined Value "is being a step ahead of the clients." Travel 5 did not define Value, but responded with "look at the website." Travel 7 stated "Value was what people define as value."

A question was then asked about the reasons for which the sellers thought their B2B customers valued their brand. Travel 1 stated it was by website responses and sales approach feedback. Travel 2 nominated “Trust: 35 years experience." For Travel 3, it was providing "a point of distinction of being local and boutique, but with global expertise." Travel 4 stated "reliability." Travel 5 stated "value and service." Travel 6 thought it was "the product reputation." Travel 7 nominated "service expertise and knowledge."

In ranking in order of importance the elements of their brand that the sellers considered the buyer valued most, whether Price, Value, Superior Value and Usage Value (or Value-in-Use), two of the seven companies in the corporate travel industry stated Price as the most important element and two stated Value. Superior Value
was ranked most important by four companies. Two companies ranked Usage Value as most important. In this section, Superior Value was considered the most important of all the brand elements by the majority of the firms participating. Those that ranked Superior Value as the most important element provided reasons for this ranking outcome. Travel 1 believed their brand provided Superior Value "by employing more experienced staff than many competitors and by the use of Quality Checks as an indicator of available opportunities to create extra value." Travel 3, another firm who ranked Superior Value as most important, stated that their brand provided Superior Value by "its relationships with and concern for clients and planning to give them a value added experience." Travel 4 stated Superior Value as providing the buyer "with an available Emergency Report/Customer Location Alert so that companies can know where their people are." Travel 5 suggested its brand provided Superior Value by numerous examples, but they did not nominate any.

The companies were asked the question whether, in the value context, they considered their brand to be not important, of some importance, important or very important. For the seven companies in the corporate travel industry, three companies considered it "very important", three stated it was "important" while one considered it of "some importance". This was a similar result to companies in the bread industry. This result could be expected since "risk" was allocated a low ranking in the attributes it is considered that the buyer looks for from the seller or its products in making a purchase decision. Yet, unlike the bread industry where the purchase risk of its products is relatively low, the products of the corporate travel industry can be considered to be more complex and as such, carry a higher degree of risk. Depending on the brand’s ability to reduce perceived risk, buyers could be expected to rely more on brands when making purchasing decisions (Backhaus et al, 2011). Since risk was considered low in both industries, it is possible brand relevance carries across product categories. Yet branding has been observed to be more
widely practiced in the corporate travel industry. It is not clear if the brand of the
corporate travel firm, even in a rudimentary stage of brand strategy formulation, has
reduced perceived risk. Should it be the case that it does, then branding is highly
relevant in this industry.

7.2.7 Research Objective 7 – To identify if companies have a process that
links their brand elements or brand values to their marketing resource-based
capabilities and competencies in creating value in a brand strategy
formulation.

This research objective involved identifying if the companies participating in the case
studies had a resource based, brand-building strategy. It is recognised that the
starting point in building a brand is an assessment of brand values that build on the
organisation’s competencies and culture and that a brand is a bundle of functional
and emotional values (Lynch and de Chernatony, 2007). To achieve this purpose, a
number of questions were asked. One was whether a clear set of brand values that
build on the competencies and capabilities of the company had been identified.
Another was had these values being classified into functional and emotional values.
The final question related to knowledge as to whether processes were in place that
built on the resource based competencies and capabilities to add value to the
offering to customers.

In both industries, a pattern emerges that responses by the large firms in both
industries were similar with all questions. The responses by the SMEs in both
industries were similar as well, but different to the larger firms. Another pattern to
emerge is that the responses by both size categories of firms in the travel industry
were identical. The pattern for the bread industry from both size categories of firm
was similar, but different from the travel industry. More detail provided by the analysis is considered.

In the bread industry, only one of the six firms had identified a clear set of brand values. This was one of the large firms. This firm identified the ability to supply bread products that had "intrinsic freshness and softness." The other large firm stated they had no clear set of brand values that build on the competencies and capabilities of the organisation. Instead, they relied on "their historical track record." Brand values are not well defined. The SMEs did not nominate a clear set of brand values relating to specific competencies and capabilities. In a general sense, they stated these to be service orientated either by way of a 24/7 supply system or flexibility in meeting quick delivery requests. There is no evidence they were used in a brand strategy formulation process.

In reference to an understanding of functional and emotional brand values, the emergent pattern is that it is lacking in the bread industry, but very much a focus in the corporate travel industry. In the bread industry, the exception is a comment by a one of the large companies that "there is but a little role for emotional brand values in B2B transactions as customers resist anything but functional and tangible aspects." Other companies indicated only a basic understanding of the terms, and while they may have been some use in their marketing processes, there was no link to brand strategy formulation. In the corporate travel industry, all firms understood the difference between both functional and emotional values, but only two firms volunteered a more detailed response. One was that "a clever company realises that both go hand in hand" while the other was that the emotional aspect "is important."

The findings show that there was no recognition of the brand/resource based capabilities link by any of the SMEs in the bread industry and by only one of the two
large firms in this industry. This is in contrast to the travel industry where every firm recognised the link. The findings highlight that in neither industry are there formal processes in place that identified a set of brand values based on the organisation's competencies and capabilities and that were used in any brand strategy formulation in creating value for the customer or, for that matter, assisting in creating competitive advantage for the firm.

Yet, by comparison, in the corporate travel industry firms stated they could identify brand values that build on the organisation competencies and capabilities. One SME stated they were "customer orientation and superior technology." By this, they meant computer systems and programs that enhance the commitment to the buyer or their description of themselves for the buyer as "your business travel partner." This includes technologies such as the ability to track the whereabouts of each person on a 24/7 basis. This is said to provide the ability to "alert" the business traveller to changing events that might impact on their safety or freedom of movement. It is also a ready device to inform the buyer company, which in turn is able to provide information to concerned relatives, of the current state of the traveller's welfare if required. Another SME stated the brand values built on their competencies and capabilities as "core values that provide results in service, value and control." Yet another stated that their competencies and capabilities enabled them to provide "great service – whatever it takes on a 24/7 commitment."

However, with the exception of Travel 7, no company identified processes or any brand strategy formulation. While all companies stated they understood what is meant by functional and emotional values relating to a brand, only two companies commented further. It was Travel 4 that stated "a clever company realises that both go hand in hand." Travel 6 stated that the emotional aspect "is important." As to the question if they knew how and why their brand delivered value to their business-to-
business customers, all but one other company said they did. Travel 4 stated that it was "consistency." The exception, Travel 5, which was referred to above, stated they had "no knowledge."

The data provides an insight into firms in the two industries as to whether value creation based on the firm's competencies and capabilities is practised. Firstly, no formal strategies emerge as to any firm identifying competencies and capabilities to provide building blocks for a resource based brand value model, as described by Lynch and de Chernatony (2007) or as argued by others as part of their marketing strategy (Day, 1988, 1994; Stalk et al, 1992; Hunt and Morgan, 1995; Hunt, 1997). The result of an analysis of the data emerging from the bread industry supports the contention of Ngo and O'Cass (2009) that little is known about how value creation is incorporated into business practices. Yet, firms must attempt to deliver value and to do this they need value creating capabilities, especially in a B2B environment. (O'Cass and Ngo, 2012). A perception emerges that there is an externally centred concentration of providing value for buyers, whatever that value is perceived to be, rather than an internal focus of building a brand based on an assessment of brand values which build on an organisation's competencies and culture. This is evident from a market leader in the bread industry who stated they had not identified a clear set of brand values that build on the organisation's competencies and capabilities. The other market leader said they had identified a clear set of brand values, but they were not defined. This result is in agreement with the SMEs and SE. This is the situation even though early research shows that industrial buyers value the intangible brand values provided by the sellers, as well as the functional benefits (Glynn, 2011).

In contrast, each company in the corporate travel industry stated they could identify brand values, which could be classed as functional, but relied on emotional elements as well. However, in every case, no processes were identified that incorporated them
into a brand strategy formulation. With the exception of one company, the other six firms of the seven taking part in the case study in this industry stated they knew why and how the brand delivered value to its customers. However, while the respondent of each company was able to understand the concepts of functional or tangible and emotional or intangible brand values, there was no recognition they could be part of a brand strategy formulation. In both industries, while there is general knowledge about what constitutes tangible and intangible brand values (de Chernatony et al, 2004; Han and Sung, 2008; Glynn, 2011), evidence was not obtained that these values are being used in the creation of a brand strategy formulation.

Companies in both industries believe they know why and how their brand delivers value to their customers. However it must be observed that this knowledge has been derived from informal processes rather than formal processes and the concept of linking marketing elements with brand elements in a brand strategy formulation is not practiced. A comparison of the brand/resource based capability link by industry and by firm size is shown in Table 7.8 below.
Table 7.8
Brand/Resource Based Capability Link

<table>
<thead>
<tr>
<th></th>
<th>Large Firms</th>
<th>SMEs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Bread</td>
<td>Travel</td>
</tr>
<tr>
<td>Brand Values Identified</td>
<td>Yes/No</td>
<td>Yes</td>
</tr>
<tr>
<td>Functional Brand Values</td>
<td>Yes/No</td>
<td>Yes</td>
</tr>
<tr>
<td>Emotional Brand Values</td>
<td>Yes/No</td>
<td>Yes</td>
</tr>
<tr>
<td>Formal Processes to Evaluate How Value is Created</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Knowledge that the Brand Delivers Value to Customers</td>
<td>Yes/No</td>
<td>Yes</td>
</tr>
</tbody>
</table>

7.2.8 Research Objective 8 – To identify if the company’s brand has an internal dimension which is included in a brand strategy formulation and how identification with the brand at all levels of employment takes place.

Research objective 8 addressed identifying if a company had an internal focus on selling the brand to its employees, such as having brand documentation and a brand-education process for its employees. In addressing this subject of an internal brand dimension, answers to a number of questions were sought relating to whether
company executives were brand leaders and advocates of the brand and whether employee knowledge of the value of the company's brand could be harnessed into a process to make them into brand ambassadors.

A pattern emerges in each industry that is industry specific. An internal brand focus was found to be widely practiced in the corporate travel industry, but was not evidenced in practice in the bread industry. In the bread industry, the findings indicate that an internal focus of the brand may have been a notional idea rather than a formal reality for both the large firms and the SMEs. This was evident in that there was uncertainty that employees understood the value of the brand. No formal educational processes were in place. In contrast, in the corporate travel industry, both the large firm and the SMEs all indicated that the process of internal branding was an established reality. Education of employees was by way of staff manuals, induction manuals, quality management systems, staff meetings and policy procedures manuals.

Several questions were asked in this section such as is there “a publication or other internal document designed to inform and educate the employees about the brand?” and "is there an identifiable process in your company that informs and educates employees about the brand?” Another question asks "is there evidence that your 'leader' is in tune with your brand."

In reference to the leaders of the firms being "in tune" with their brand, in the corporate travel industry it was widespread, but it was not in the bread industry. As to the question of formal education processes, while each industry indicated there was an internal focus of their brand, informing and educating employees was far more organised in the corporate travel industry than in the bread industry. In the bread industry, some informal processes existed, but there was no formalised strategy. In
contrast, in the corporate travel industry, the majority of firms recognised the need for an internal focus of the brand and referred to internal documentation to achieve the objective of informing and educating employees.

In the bread industry, while the concept of the brand as having an internal focus was readily acceptable, yet the means to achieve this end was not formalised. One explanation for a lack of identifiable processes suggests that even if their leader is in tune with their brand, the concept of an internal branding lacks direction. If it exists, it does so on a single ‘ad hoc’ basis rather than as a defined strategy brand objective. That this exists in relation to the market leaders in this industry is considered significant.

In comparison, in the corporate travel industry, each of the seven firms stated there was an internal focus on the brand. Examples of processes to accomplish this were varied. One SME stated they had an internal document entitled “Brand Values” to inform and educate the staff about the brand. For another, the method of education used was by way of sales meetings with the process achieving varying success. Another used a reward system for staff with policies for sales referrals with staff travel benefits. Others utilised an “online” Policies and Procedures Manual that was constantly updated, or a Travel Management System. For others, a Staff Manual informed and educated employees about the brand. The intranet was used as well. The large firm had an Induction Manual where key items of the brand were identified and explanations were given as to why and how brand elements were important. In both industries there was general agreement that their employees should understand the value of the brand or “live” the brand. However, it is observed the approach to employee training was not a formal process, but rather relied on the responsibility of employees to connect with the brand. There was no evidence that internal brand
elements were part of any brand strategy formulation in either industry. A summary of the findings of this section is shown in Table 7.9.

### Table 7.9

**Internal Brand Focus**

<table>
<thead>
<tr>
<th></th>
<th>Large Firms</th>
<th>SMEs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Bread</td>
<td>Travel</td>
</tr>
<tr>
<td><strong>Internal Brand Focus</strong></td>
<td>Some</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Employee Understanding of the Value of the Brand</strong></td>
<td>Unsure</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Formal Education Process</strong></td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Leader in Tune with the Brand</strong></td>
<td>No/Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

#### 7.3 Chapter Summary

This chapter has provided an analysis of the findings of the practice of branding in the two industries chosen for the study. It was observed in both industries that the concept of the brand beyond the idea of it being a sign or logo was very limited. There was little evidence of recognition that a brand is a bundle of attributes that need to be tied together by way of a business brand process. Overall, it was found that little was known about a brand strategic vision or that setting objectives and crafting a strategy to achieve the objectives and vision, together with implementing
and executing the strategy, is a business process, and not only a business process, but a process that requires the direction and input of the CEO, MD, MM or owner-operator. Managers of firms, irrespective of size, in both industries were observed to concentrate on operational effectiveness, rather than on strategy development.

It was observed that the brand was the focus in six of seven firms in the corporate travel industry where just one large firm existed alongside other SMEs. It was observed that all of the companies predominately “sold” other company products which each corporate travel company could claim to access. To arrive at a position of distinction which a brand allows, the data indicates that in their marketing activities, there was some brand association as a marketing thrust which was based on business acumen or experience of what works and what does not. An example is OBB. In any marketing endeavour, the end result is a sale to a buyer. Identifying who makes a buying transaction is part of the process in a face-to-face context, but knowing who is behind the face and the how and why the decision favours their company is not so certain.

In the context of the bread industry, branding in a B2B context is not systemically practiced. While the SME and the SE believed their product offering had wide acceptance in the market place, there was little attempt to brand themselves in a B2B context. It has been seen that branding is all about what a company is and does. However, in the bread industry, a sense of because "I am, I can" was evident in the two large firms that dominated the Industry. They needed to co-exist, because one company could not absorb the production of the other without massive capital investment, residual under-utilisation of production capability and distribution capabilities not withstanding. It seems the philosophy of the SMEs was to wait and hope that, in their geographical marketing area, the majors made a mistake either by complacency or by mis-adventure. Either way, their output of manufacture was from
one site that positions them from competition from the other SMEs, because of transport logistics in moving “fresh” bread over large distances. The data indicates that while B2B branding was recognised as a desired circumstance, the knowledge of branding was limited.

Both marketing strategy theory and brand strategy theory have recognisable major operational marketing differences between large and small manufacturers. Three basic areas have been identified, namely, the difference in marketing objectives, the lack of marketing expertise and limited financial and organisational resources. In the two industries studied in the Australian B2B marketing context, the findings do not support the theory.

While every firm participating in the case studies expressed agreement with the marketing elements presented, no firms could provide any reference to formal processes that addressed the concept of the necessity of strategy formulation in B2B branding. When their marketing strategies were suggested as a base on which to link a corresponding brand element, respondents were observed to be in agreement. The concept of branding can best be described as providing an element of distinction between competing firms in the same industry based on their name or logo rather than a systematic design process that builds their brand based on the company's ability to provide anything but a commensurate service akin to their competitors with little or no concentration on superior value. This was more pronounced in the bread industry. The corporate travel industry had informal processes to create superior value. In the area of resource capabilities, to provide value in a B2B marketing environment and in recognising that the industrial brand needs to meet the requirements of industrial buyers, the data shows that this is not the case. That a rudimentary form of B2B branding exists is shown by this study and that it is
practiced to a lesser or greater extent is revealed by recourse to the data collected in both industries.

However, the outcome of the cross industry analysis indicates that while both industries recognised that giving attention to their brand should be important, little evidence emerged that there was any attempt to link their marketing strategies with any brand strategy formulation processes. In the case of the bread industry, marketing strategies were not categorised, but were the result of consequences and situations encountered in a specific industrial marketing environment, as seen in the example of OBB above. In the travel industry, the findings show that there was a greater awareness and categorisation of marketing strategies; and while the findings were not linked to a brand strategy formulation outcome in a formal process, they indicated a rudimentary connection between their marketing strategies and the branding process. This was reinforced by the findings that there was a strong connection with the companies’ managing directors and the respective brands.

However, in both industries, it was found that the concentration of marketing activities was on achieving operational effectiveness rather than on strategy development. This was found to be the case in Australian industries back in 2001. More than ten years later, little change has been observed in the industries studied. While the previous study was not concerned with branding, this study has shown that formalised processes relating to a brand strategy formulation simply do not appear to exist in the Australian industries participating in this study.

The results of this study confirm the findings of Leek and Christodoulides (2011) that, despite the benefits of B2B brands, branding is not widely practiced across B2B companies. This may be due to a lack of cohesive academic theory. Without a significant body of research knowledge on the subject, B2B brand managers are
eager for guidance since industrial branding is still in its infancy and there is a clear need for further research.

A discussion of the summaries of the collected data for each research objective has been discussed with reference to the extant marketing and branding literature and is used to justify a Brand Strategy Formulation Model that is detailed in Chapter 8.
CHAPTER 8

CONCLUSION

8.0 Introduction

This final chapter discusses the findings, key contributions and implications of this thesis regarding the B2B branding processes as practiced in two Australian industries. It consists of five parts. Section 8.1 reviews the key elements of the research. Section 8.2 addresses the implications of the findings for theory and model development. Section 8.3 discusses implications for practice. Section 8.4 identifies limitations of the research and Section 8.5 identifies areas for further research.

B2B marketing is a highly competitive business environment. In Australia and other developed countries, it encompasses a very large number of goods and services that may be thought of as production inputs into a wide range of industrial processes. Although branding is widely recognised in the extant literature as a key element in B2C marketing, less is known of the practice of B2B branding. Although theoretical perspectives relevant to B2B are broadening, there still exists a lack of cohesive academic theory. While interest in B2B branding continues to grow, studies have been slower to emerge in this domain than those that examine the roles of branding in consumer markets. Additionally, there is a lack of understanding of the process which B2B marketing companies use in developing their brand. While employing marketing strategies that contribute to their operational success in the market, it is not known if they link brand elements to their marketing strategies in a brand strategy formulation.
This thesis aims to contribute to B2B branding theory by addressing a gap in the literature through the development of a B2B brand-strategy formula process model. This model links marketing elements together such that, in practice, they will provide a cohesive theoretical basis for B2B brand managers. This contribution involves understanding as to whether firms engaged in B2B marketing identify any benefits of building a brand and of those that do, what elements of B2B branding they target as vital in brand-strategy formulation.

Emerging from the data in Chapters 5, 6 and 7 is the lack of any formally structured approach to brand-strategy formula processes in the cases studied in two Australian industries involved in B2B marketing over a minimum period of 12 years in their respective industries. The extant branding literature identifies the value of B2B branding as a means of differentiating a company from its competitors and providing a pathway to competitive advantage (Beverland et al, 2007; Ohnemus, 2008; Keller 2009). Whilst the data indicates most companies understand the difference between B2B branding and B2C branding, and that brands are necessary to give the company a distinctiveness or an identity, a consistent image, or by conferring uniqueness (Leek and Christodoulides, 2011), there are no formal brand-strategy formula processes evident. The findings indicate there is less strategic emphasis put on branding in the cases studied that target business customers (Homburg et al, 2010). Branding should not be a small subset of marketing strategy (Kotler and Pfoertsch, 2010). Up to this point, despite increased interest in B2B branding, empirical studies on the subject are relatively rare and have largely focused on a limited set of issues (Zablah et al, 2010). Branding remains an issue for many companies.

The findings in the corporate travel industry reveal activities that coincide with the extant branding literature, namely, branding elements have been identified that seem to work in practice in creating competitive advantage. Such elements are knowledge
of OBB, the advantage of building relationships, creating value for the customer and for the brand to have an internal dimension. In the bread industry, these elements are relatively unknown in a brand strategy formulation context. Yet, in the corporate travel industry, while some of these brand elements are identified, they are not formally recognised or utilised in any brand strategy formula structure. Marketing managers received little guidance from marketing academia (Homburg et al, 2010). Although past research in B2B branding is somewhat fragmented, various studies have identified numerous benefits for organisations. Academic research needs to develop knowledge about branding in a B2B context, in a cohesive, coherent manner (Leek and Christodoulides, 2011). To be successful in the B2B world, a holistic branding approach is required (Kotler and Pfoertsch, 2007).

Emanating from the reiterations of the literature and the case data, a theoretical model has emerged of a process leading to a brand-strategy formula that builds on the extant theory. This model also provides B2B brand managers, whether they are executives of large firms, managing directors or owner-entrepreneurs of SMEs, with a means of comparing their current branding activities with the model's framework or for using the model as a basis for their own brand building activities. Up to this point, despite increased interest in B2B branding, empirical studies on the subject are relatively rare and have largely focused on a limited set of issues (Zablah et al, 2010).

8.1 Key Findings

In this section, the key findings relating to the research question and research objectives are summarized.
In order to answer the research question: “Do firms engaged in B2B marketing in a given Australian industry context link B2B brand strategies with marketing strategies in a brand strategy formulation process?”, the eight following research objectives were the subjects of specific examination in this thesis. They were developed to provide data about how B2B branding is practiced by firms, what processes they employ and empirical knowledge of what brand elements are used in their brand strategy formulation. These are:

1. To identify the importance that B2B firms place on branding and what processes they use, if any, to develop their B2B brand-strategy formulation.
2. To identify if the implementation of a brand strategy formulation process contributes to a firm's position in the industry and competitive advantage.
3. To identify if implementing brand strategy formulation processes and aligning brand elements with marketing elements in a brand-strategy formulation is related to the size of the firm.
4. To identify if OBB is incorporated into brand strategy formulation and what the processes to obtain knowledge of OBB are.
5. To identify if developing relationships is part of brand strategy formulation and what processes are used.
6. To identify if branding elements linked to the marketing strategies that the customer values as part of the brand strategy formulation process.
7. To identify if companies have a process that links their brand elements or brand values to their marketing resource-based capabilities and competencies in creating customer value into a brand strategy formulation.
8. To identify if the company's brand has an internal dimension which is included in brand strategy formulation and how identification with the brand at all levels of employment within the organisation takes place.
The findings from this research, relative to each of these objectives, are now addressed.

The first key area is the identification of the importance that company principals, responsible for the company brand, place on branding and what processes they use, if any, to combine brand elements into a brand strategy formulation. In reference to the cases studied for this thesis, knowledge of the effectiveness of B2B branding varied considerably between the industries, irrespective of company size. All company respondents were aware of distinguishing their company by a brand name or logo, but most lacked a formal, cohesive suite of brand elements that were incorporated into a brand strategy framework. The findings support the branding literature that companies targeting business customers often put less strategic emphasis on branding than companies targeting consumers (Homburg et al, 2010).

The cross-industry findings reflect recognition that industrial branding is important (Sinclair and Seward, 1988; Shipley and Howard, 1993; Thomas, 1993; Mudambi, 1995; Kim et al, 1998; Bendixen et al, 2003; Kotler and Pfoertsch, 2007; Kuhn et al, 2008; Glynn and Woodside, 2009; Keller, 2009). However, the data further indicates that in the B2B branding context, the focus of branding activities is on the brand name and logo, and lacks a more comprehensive brand identity (Homburg et al, 2010). Since the practice of branding does not simply rely on marketing, advertising, logo or signage (Buss, 1998), it can be argued that whilst some progress has been made in the last 10 years, the findings indicate there is little evidence of any formal direction in harnessing informal processes into formal processes of brand-strategy formula and execution.

The second key area is concerned with identifying industry position ranking and whether the brand is recognised as having potential for creating competitive
advantage. In general, creating competitive advantage was practiced as a marketing strategy in the cases studied, but was not an integral part of the brand strategy formulation. The findings relating to both industries reinforce the notions that branding helps provide a high degree of protection from competition and that a brand can assist in providing sustainable competitive advantage (Bendixen et al, 2007; Ohnemus, 2008; Keller, 2009). Further, effective brands can be an important weapon in establishing industrial market positioning by way of competitive advantage (Shipley and Howard, 1993). Attention to the firm's position in their respective industry was not a priority in most cases. However, those that had a clearly identified position for their firm were found to be the ones that gave attention to their brand and recognised that their brand contributed to their competitive advantage. Yet, in general, it was found branding strategies designed to enhance or create competitive advantage were not specifically part of any brand-strategy formula. It was also found that the firms that did not have a focus on their position in their respective industries did not associate their brand with competitive advantage. To them, competitive advantage emerged from their marketing strategies. Their brand only offered them a point of distinction.

The third key area concerns identifying if firm size impacts on the ability of firms to implement successful branding strategies. In the bread industry, firm size was not considered a limiting factor in implementing successful brand strategies. Yet, in the same industry, apart from one market leader, any B2B brand-strategy formula process was not a formally recognised or integral part of the management focus. In the corporate travel industry, brand management was considered to be important, with attention to branding being a confirmed focus for all but one of the cases. The case evidence in the bread industry at first seemed to give support to the literature relating to firm size, in that firm size acts in limiting the ability of SMEs in formulating a branding strategy (Krake, 2005) and is related to similar disadvantages, as
discussed in a marketing strategy context (Weinrauch et al, 1991; Reijonen and Laukkanen, 2010; Sheetal et al, 2012). Yet, the findings indicate another interesting component: the SMEs in this industry had a limited recognition of brand benefits and, therefore, showed little incentive to allocate appropriate managerial or financial resources to a strategic process.

The case evidence of the SMEs in the corporate travel industry indicates that attention to branding was a focus. Yet, for the large company in this industry, the focus on the brand was not a management priority, as there was little emphasis on brand-strategy formula and no processes were evident. These outcomes do not necessarily support the literature that larger firms value branding more highly than smaller firms or that the capabilities of small firms are the limiting constraint to successful branding outcomes. This suggests that there may be contextual differences at work in these two Australian B2B sectors.

The findings in the bread industry give some support to the concept that large firms value branding more highly than small firms, when brand-naming practices are the focus (Shipley and Howard, 1993). The observations were that the firms in this industry did not have a brand strategy making or strategy executing process that involves developing a strategic vision, setting objectives and crafting strategies to achieve the objectives and vision. The larger firms did not necessarily engage marketing specialists to be responsible for their brand. In the case of one large firm, it seemed that nobody owned responsibility for their brand. The evidence in the two large firms was the attitude that the brand “was” and “is” and “will continue” to be.

This was not found to be the case for the corporate travel industry, where the findings challenge the above references. In this industry, not only did the large firm employ a national sales manager, who managed a sales team stated to be responsible for the
brand, but two SMEs employed a marketing manager. The remaining four firms were SMEs with managing directors who were stated to be responsible for the brand. It was seen that, overall, there was a clearer branding focus. Company literature and advertising material was made available at the time of the interviews and showed that their brand as a stylised mark or logo was certainly in evidence. What was also observed was that, while their marketing strategies were accented, there were only informal processes that strategically linked their brand to them. It was evident, as found in the bread industry, that what was needed was the knowledge that a strategic vision for the brand was the beginning of the brand process and that they needed to set objectives and craft strategy to achieve their objectives and vision by executing and implementing strategy; this would be undertaken by linking their brand elements to their successful marketing strategies in a brand strategy formulation that was linked to these marketing strategies by business processes that ultimately executed such strategic alignment to build a strong brand.

The fourth key area is the identification of whether it is important to have knowledge and understanding of OBB and if this knowledge is utilised when formulating B2B branding strategies. The data reveals that, in the bread industry, the importance of profiling OBB was of a low priority. It only consisted of a basic level of knowledge about the buyer personnel, with a lack of certainty of the knowledge of the way the purchasing firm arrives at a buying decision. That being said, each firm had a perspective as to which brand elements the buyer looks for when making a purchasing decision. For most firms in the bread industry, the elements were Price, Quality and Reliability.

The perceived order of importance of other brand elements, such as Risk, Seller Profile, Relationship with the Seller, Previous Purchasing Experience and Recommendation by Other Buyers, varied widely. The element of Relationship with
the Seller and Previous Purchasing Experience were considered of most importance by the majority of all cases in the bread industry. Risk was considered of low importance in the buyer expectations. This result offers insight as to why processes to design a brand-strategy formula are not seen as a high priority in the bread industry. The food products manufactured in this industry need to be of a regulatory level of quality. This perceived level of required quality may serve to mitigate the risk that products of this industry will not satisfactorily perform their intended function, which therefore impacts on brand relevance (Backhaus et al, 2011). However, the findings of this study may assist in addressing the recognised lack of studies examining the relationship between purchase risk and the B2B brands' level of influence on the decision making of organisational buyers (Brown et al, 2011).

In the travel industry, the findings show that a knowledge and understanding of OBB were an important part of the firms’ marketing strategy. Price, Quality and Reliability were believed to be the elements the buyer considered the most important in making a purchase decision, followed by Relationship with the Seller, Previous Purchasing Experience and Recommendation by other Buyers. Risk was considered of high importance for most, but not all, firms in this industry. Most firms in this industry clearly relied on their brand and certain branding elements to create trust and reputation and such a reliance on the brand was evidenced by the identification that the perceived purchase risk was considered higher in their specific product or purchase situation where the products sold, namely airline travel involving numerous flight sectors and pre-booked accommodation need to be closely co-ordinated. Having important buyer personnel at conferences or arriving at appointments with buyers on time was critical for the firms in the corporate travel industry.

Whilst firms in both industries believed their brand may impact upon the buying decision, many concluded the brand is not that important, except in relation to some
of the marketing elements noted above. The findings offer support for the contention that branding does not seem to be an important issue for many B2B marketers (Leek and Christodoulides, 2011). None of the cases had a formally documented OBB information gathering process, although, in two cases, semi-formal processes included buyer surveys. The findings for both industries suggest that OBB considerations do not have a formal role in a brand strategy formulation in either industry. While the literature suggests there is growing empirical evidence that brands play an important, functional role and do influence organisational buying decisions, the importance of branding was not widely recognised by the firms taking part in the study. Yet, based upon the literature assertions, knowledge of OBB is important to enable B2B brands to succeed by accommodating the perspectives and needs of buyers (Lynch and de Chernatony, 2007; Han and Sung, 2008; Kuhn et al, 2008; Zablah et al, 2010).

The fifth key area is the exploration of the processes used by the firm in incorporating relationship-developing initiatives in their brand strategy formulation. The case data suggests that buyer-seller relationships have not become an integral part of most company B2B branding strategies. The findings highlight that relationship-building processes are practiced somewhat widely in the travel industry, but not so widely in the bread industry. While developing B2B relationships was observed to be occurring in the travel industry, there was little evidence that firms sought to link relationship quality to their brand. In addition, in neither industry was there formal recognition that brands can be important facilitators of relationships (Roberts and Merrilees, 2007) or that one goal of the brand should be to create a relationship with its customers (Aaker and Joachimsthaler, 2000). This could be an area of high priority for SMEs, since it was found that relationships were considered to be buyer dominated in most cases, indicating more SMEs could engage customer relationship oriented marketing.
practices. (Reijonen and Laukkanen, 2010). A corresponding brand element could be linked to this marketing strategy in a brand strategy formulation.

The findings for both industries do not necessarily support the findings of Wilson (1995) that buyer-seller relationships have become an integral part of B2B operating strategies. However, the data indicates that while developing B2B relationships is important, relationship quality is the link to brand value (Han and Sung, 2008). In the corporate travel industry, the data suggests activity in building relationships strategies is more pronounced than in the bread industry. In the former, the products they market are complex or high in value and buyers expect value-adding relationships to enrich their buying experience (Coleman et al, 2011). In the latter, the output of this industry is not relatively complex and is of relatively low value. This suggests that the complex nature of the products in the travel industry act as a unique factor in the relationship-development process. Customer relationship processes for B2B brands enhance buyer identification with the brand (Glynn, 2011) and brands are a facilitator of relationships (Roberts and Merrilees, 2007; Leek and Christodoulides, 2011). The findings reveal that in the corporate travel industry, price is not the most important element in the value context. but, rather, superior competitive advantage is. This outcome supports literature that contends there is a slow replacement of competitive adversarial buying, that is, where the seller and buyer view themselves as adversaries fighting for the best price outcome, with becoming trusted participants by way of buyer-seller relations, not just lower prices (Caceras and Paparoidamus, 2007; Kuhn et al,2008). Cost reduction comes from lower prices to a situation where savings accrue through cost reductions in total operations. Companies can benefit not just by lower prices, but by way of buyer-seller relations Wilson, 1995).
In ranking the elements considered important in the building of B2B relationships, Delivering on the Promises of the Brand was nominated as the most important element in both industries. This element is related to supply competence. This finding supports arguments that supply competence is one of a number of major antecedents to relationship performance and relationship quality (Han and Sung, 2008; Leek and Christodoulides, 2011). Relationship quality has a positive effect in customer supplier commitment (Rauyruen and Miller, 2007; Han and Sung, 2008; Rauyruen et al, 2009). Brands were also recognised as enhancing relationship quality by most cases in the corporate travel industry (Roberts and Merrilees, 2007) where there was integration between the two aspects of customer supplier commitment and relationship quality, referred to above. In addition, technical quality and the actual performance of the provider, that is, service and technical reliability, have been found to influence trust (Doney et al, 2007). Relationship quality has become a key construct in the relationship paradigm and is enhanced by trust and loyalty (Han and Sung, 2008; Čater and Čater, 2010).

The elements of Trust and Loyalty were ranked at the highest level of importance by three out of the six cases in the bread industry. In the case of the large companies, Trust was ranked as most important by one company and Loyalty as the second most important. The other large company ranked Trust and Loyalty as equal third in importance. This indicates that Trust and Loyalty were considered of relatively little importance in building B2B relationships by a company describing itself as a market leader. This conflicts with the findings that Trust and Loyalty are the main brand-value generating variables and that Trust plays an important role in maintaining profitable relationships (Han and Sung, 2008; Rauyruen et al, 2009).

A similar situation is evident in the data provided by the corporate travel industry where most firms nominated Trust and Loyalty as foremost in ranking in importance.
An analysis of the data indicates Trust and Loyalty are not considered by all firms to be the most important element in building B2B relationships. This finding is not consistent with prior studies that suggest Trust and Loyalty are of extreme importance (Rauyruen and Miller, 2007; Caceras and Paparoidamis, 2007; Han and Sung, 2008, Čater and Čater, 2010). The focus of differentiation has moved to building a unique relationship with business partners and understanding, and managing the quality of individual business relationships. In linking buyer satisfaction with industrial brand trust, Han and Sung (2008) found that, in general, supplier confidence, purchasing value and organisational buyer satisfaction may well have a greater direct effect on brand trust and loyalty (Caceras and Paparoidamis, 2007; Han and Sung, 2008).

Regarding who dominates the relationship between the buyer and the seller, data from the bread industry indicates that the large firms considered they were buyer dominated while the SMEs and the SE stated they were buyer-seller dominated. In the corporate travel industry, five of the seven firms stated that, in B2B marketing, the relationships were buyer dominated. The large company in this industry stated that neither dominated. Another SME stated the relationships could be either buyer or seller dominated; this depended on the buying company and the amount involved in the transaction. The majority of firms that took part in the study believed their B2B relationships were buyer dominated which suggests they are yet to recognise the need to motivate buyers to work together with sellers for mutually beneficial objectives. Further, it is argued that it is critical for suppliers to initiate and sustain relationships and that brand relationships are connected to the brand response which converts to an intense and loyal relationship between the customers and the brand (Kuhn et al, 2008). However, this has not been supported in the data. One of the market leaders in the bread industry observed that B2B relationships may be relationships between individuals (or soft human contact). This supports the view that
relationships are not just between B2B firms, but involve individual-to-individual contact as well (Iacobussi and Ostrom, 1996; de Chernatony, 2006).

The majority of the cases taking part in the study believed their B2B relationships were buyer dominated. There was some evidence that sellers were initiating relationships in the travel industry, which would support the literature (Kuhn et al, 2008). Yet, in the bread industry, the SMEs state relationships were buyer dominated, but no instances were given of a formal strategy process to initiate relationships by the seller. There was only one case in the bread industry where the firm recognised that relationships might also be between individuals and companies and could underpin the brand, as well as company-to-company relationships. In contrast, every case in the travel industry indicated there was an attempt to build relationships with individuals in the buyer organisation. This practice supports the literature which was discussed by Iacobucci and Ostrom (1996) and de Chernatony (2006). No company indicated that they viewed relationship development as a possible means of differentiation (Čater and Čater, 2010) and no company referred to a specific focus on relationship quality (Rauyruen and Miller, 2007; Caceres and Paparoidamis, 2007; Han and Sung, 2008).

The sixth key area concerns why and how a company’s brand may provide value to B2B customers. Four criteria were presented to each company: Price, Value, Superior Value and Use Value. An analysis of the data from each industry reveals differing views as to what each company believed the buyer valued most in the exchange transaction. In the bread industry, the most important elements of the brand the customers were thought to value most were Price and Value. In the corporate travel industry, Superior Value was considered as the most important element, with Value ranked ahead of Price. The data reveals that knowing the value expectation and providing value is targeted in the corporate travel firm’s strategic
marketing plan in the majority of firms. In contrast, firms in the bread industry did not know the value expectations of the buyers, indicating a lack of formal processes to obtain such information. In the findings in the corporate travel industry, six of the seven cases responded that they had a considerable knowledge of the customer value expectations, yet only three used formal processes to obtain this information. The findings support the notion that providing the customer with value is important, but that firms need to recognise that knowing what customers the firm wants and what the customers want from the firm are part of the process (Graham, 2001).

The findings relating to how the brand may provide customer value in both the bread and corporate travel industries indicate that the wider concept of Value was not part of the firms’ understanding of Value. Their understanding of Value was explained as “value for money”; whilst Superior Value was defined as “much more value for money.” There was little knowledge of the wider concepts of Value as found in the B2B literature, such as: the concept of Value-in-Use (Wind, 1990; Woodruff, 1993); that value is the concept that explains the “why” of the purchasing decision (Reid and Plank, 2000); that value is considered important in business markets for a number of reasons, including, but not limited to competitive advantage (Wind, 1990; Reddy, 1991; Kotler, 1994; Woodruff, 1997; Cravens et al, 1997, Reid and Plank, 2000; Donath, 2001; Keller, 2009; de Chernatony et al, 2011); or that it assists in customer retention (Reichheld and Sasser, 1990). All the cases operate in highly competitive markets, yet there was no evidence that any cases in either industry attempted to frame value perceptions to off-set customer pressure for the firm to cut prices. However, price pressure was recognised as common in B2B purchasing transactions, particularly when products are similar (Keller, 2009).

The seventh key area concerns how businesses build their B2B brand, with a particular focus on brand values, what they are and whether they include tangible
(functional) or intangible (emotional) elements. In the bread industry, only one case identified competencies and capabilities used to create value that were linked to their brand. The other cases in this industry had a knowledge gap in the concept of their brand. In contrast, each of the seven cases in the corporate travel industry was able to identify their firm’s competencies and capabilities. They also recognised their role in creating superior competitive advantage for the customer and how to achieve competitive advantage over competitors (Ngo and O’Cass, 2009). Whilst these cases showed evidence of using their firm’s resources and capabilities to create competitive advantage, this was a marketing strategy with little evidence of a link to branding. This result does not support the literature that firms should seek to position their brands around their capabilities (Beverland et al, 2007). Further, no cases in either industry recognised that identifying a relevant set of brand values, which build on the firm’s competencies and capabilities, is a starting point in the process of developing a brand-strategy formula and that brand managers must take a strategic approach (Lynch and de Chernatony, 2007).

Creating customer value is important, specifically in a business-marketing context where there are relatively fewer customers than in a consumer-marketing context and where customer retention is argued to be important (Reichheld and Sasser, 1990). Creating customer value is a source of competitive advantage where it is argued that delivering superior customer value leads to an increase in the value of an organisation. As organisations turn more of their attention to markets and customers they are called to re-orient strategy toward superior customer value delivery (Woodruff, 1997). Customer value is something perceived by their customers (Zeithaml, 1988; Wind, 1990; Reddy, 1991; Kotler, 1994; Woodruff, 1997; Cravens et al, 1997; Reid and Plank, 2000; Donath, 2001). To further pursue what the firms knew about buyer expectations and whether the firms realised customer value was a customer perception, Usage Value (or Value-in-Use) was included as an element to
be considered in the overall value context. Industrial customers do not simply consume value but create value for themselves (added value) and increase their purchasing satisfaction (Woodruff, 1997). Particularly in industrial products, the value analyst is primarily concerned with the performance and reliability of the product, that is, the Use Value or Value-in-Use rather than its nominal value.

Owing to the fundamental nature of Value and business markets, it is critical for managers to gain estimates of Value as seen by their customers in particular transactions and to learn how it can be enhanced (Wind, 1990; Anderson et al, 1993). However, Value-in-Use, or Usage Value, was relegated in the bread industry to the ranking of No. 4, or the lowest rating whilst in the corporate travel industry, three companies ranked it at No. 1 and two companies ranked it at No. 2. This observation suggests that the concept of Value-in-Use may not be a relative concept for the firms in the bread industry. However, Usage Value is an important element in creating value and the need to orientate value creation to the buyer into transactional strategies linked to branding value has emerged as being of importance to market-oriented companies seeking to maximise superior competitive advantage (Blombäck and Axelsson, 2007; Han and Sung, 2008).

In the bread industry, the SMEs had some knowledge of why buyers chose their brand, but there were no processes in place to obtain knowledge of customer value expectations or to create value, based on their competencies and capabilities. Whilst the two market leaders identified various processes to obtain information regarding customer value expectations, as with SMEs, little or no focus was evidenced as being on their creation of value based on their competencies and capabilities other than what already existed. As highlighted before in other parts of this study, whilst technical innovation is constantly occurring in bread flour-based products, it was observed that the firms in this industry did not have a focus on their competencies
and capabilities, and on taking advantage of these technical innovations. The degree of importance of branding in the value context varied from "some importance" by one large firm and one SME to "important" for the remaining firms.

In the corporate travel industry, all seven firms were aware of the importance of the need for the brand to incorporate value. Three firms were able to offer a definition of Value, while one firm responded that Value is defined as "what people define as value" (Zeithaml, 1988; Cravens et al, 1998). The ranking of the suggested elements of branding indicate that what the selling firm believed a customer values most was scattered, with no industry consensus, which could indicate that they simply did not know. However, six of the seven firms in the corporate travel industry believed branding is important in the value context. Knowing what customers you want and what they want from you is the objective (Graham, 2001). Customer value is the concept that defines the "why" of the purchasing decision (Reid and Plank, 2000).

The data suggests there is general knowledge about terms such as functional (tangible) and emotional (intangible) values across both industries. In one case, in the bread industry, it was identified that there was little role for emotional values and that B2B buyers discounted emotional messages to a "no value" status; as such, the firm promoted their functional values as being important in their business marketing strategy. This outcome supports the observation that many business firms rely on functional or tangible elements, but the data from the travel industry suggests that every company in this industry also recognised that emotional or intangible values were very important (Mudambi, 1995; Bendixen et al, 2003; Han and Sung, 2008; Kuhn et al, 2008; Roper and Davies, 2010). The data from both industries suggest there is a lack of understanding or recognition of the link between resource-based capabilities and brand values, and that the starting point in building a brand is an
assessment of brand values (Lynch and de Chernatony, 2007). As such, a brand strategy formula framework has not been identified in either industry.

The eighth key area is concerned with identifying if a company has an internal focus on selling its brand to its employees. Of the two industries participating in the case study, the data from the bread industry revealed that three of the six cases believed their employees understood the value of their brand. Yet, no documentation was referenced among the cases in this industry of training programmes to produce an internal employee identification with the corporate brand (Baumgarth and Schmidt, 2010) or any recognition in the corporate branding literature of the importance of employees having an attachment to the brand (Keller, 2009; Baumgarth, 2010; Coleman et al, 2011; Sheikh and Lim, 2011). Further, there was little knowledge that the employee and customer views' of a company’s reputation are causally related (Roper and Davies, 2010). However, in every case in the corporate travel industry, training employees was evident in varying degrees of application. This supports the ideas that training is often used as a motivator of employees that helps to reinforce the psychological contract between employees and management and leads to both increased employee satisfaction and employee retention within the organisation (Roper and Davies, 2010).

In the bread industry, while there is some existing documentation relating to internal branding, it is apparent from the data there is little formal training. This is in contrast with the corporate travel industry, where there is more dedicated documentation. The respondents were more informed. The data further suggests that, in this industry, the "leaders" of the companies were involved in the strategic direction of internal branding as a desired branding outcome. The literature has emphasised the importance of internal branding in that it describes one of the most important roles for the CEO as being to ensure that, from the top down, the employees understand the
value of the brand and the importance of internal branding. CEOs should be a brand’s best friend (Smith, 1999). Further, for brand-strategy to be of value to the brand’s stakeholders, it requires the support of senior management (Anderson et al 1992; Woodruff 1997; Viau, 2001). For a brand to be trusted, the personality of the corporate brand should be the same to both internal and external groups; the employee view of the brand has a direct correlation with the customer view of the brand (Roper and Davies, 2010).

The value of workforce internalisation of the brand is defined as internal brand equity by Baumgarth and Schmidt (2010). The level of internalisation is determined by organisational and individual behaviour such as brand orientation, internal brand commitment, internal brand knowledge and internal brand involvement. The data from the corporate travel industry supports the literature in recognising that it is important that managers and staff at all levels “live” the brand, that managers should promulgate brand-oriented values (Baumgarth, 2007) and that the behaviour of the employees should be as consistent as possible with the brand identity and should express brand values. There should also be a personal identification with the brand, an emotional attachment to it, the motivation to become involved with a branding strategy in direct interaction with customers and that there should be a strong internalisation of brand identity at the customer interface (Baumgarth and Schmidt, 2010). This has been found, in varying degrees, to be practiced by firms in the corporate travel industry, but it is only practiced by one firm in the bread industry. There was no evidence that internal brand elements were part of any brand-strategy formula in either industry.

As for CEOs being “in tune” with their brand or identifying with their brand, the data from the bread industry indicates it is not seen as the role of management. The data does not support the literature that it is important for managers and staff at all levels
to live the brand with a strong internalisation of brand identity. In the corporate travel industry, a majority of the companies recognise that the internalisation of the brand is a desired objective and is supported by the majority of managing directors of the SMEs. However, the data reveals semi-formal documentation was relied upon, with few formal procedures having been put in place to achieve the objective. Nevertheless, in this industry, senior management is stated to relate to their brand and use a variety of internal documents to inform employees. These are many and varied and include internal publications or intranet documents, such as brand guidelines, quality management systems, staff training manuals, induction manuals, policies and procedures. In both industries, systematic and comprehensive training procedures did not appear to be in evidence. Managers and staff at all levels need to "live" the brand (Baumgarth, 2010) and the objective of internal branding is to ensure that employees transform brand messages into brand reality for customers and other stakeholders, and that successful internal branding engenders the employees' commitment to, identification with and loyalty to the brand (Punjaisri and Wilson, 2007).

8.2 Implications for Theory

The findings from this thesis offer eight contributions to the understanding of the practice of B2B branding in two distinctly different Australian industries. These contributions include adding new knowledge and broadening and enhancing existing knowledge about how B2B branding is currently practiced in the two Australian industries taking part in the study. New knowledge is added through broadening our understanding of: the nature of the B2B brand-strategy formulation process; how it is structured; and how branding is perceived by Australian businesses engaged in B2B marketing. Through examining the B2B branding context, a deeper understanding is gained of whether the brand is considered worthy of strategy processes. It broadens
the knowledge base relating to firms that have some recognition of the benefits of branding, as to whether processes exist that include developing a strategic brand vision and objectives, crafting a strategy to achieve the vision and objectives and then implementing and executing the strategy. Are related brand elements linked to the marketing strategies and incorporated into a brand strategy formulation? The result of this new knowledge about this specific area has resulted in the generation of new insights and, as a result, the development of an emergent B2B brand-strategy formula model. This thesis makes a theoretical contribution by advancing branding research, but also addressing a managerial need for information that assists in the assessment of industrial branding efforts (Kuhn et al, 2008; Homburg and Schmidt, 2010; Leek and Christodoulides, 2011). From this study, it has been found that considerable gaps exist between theory and practice.

Contributors to the extant literature agree that B2B branding is still in its infancy and there is a clear need for further research (Leek and Christodoulides, 2011). The lack of research dealing with B2B brands is remarkable given most exchanges are B2B exchanges and it must be concluded that surveying a larger number of B2B firms would help build on existing work (Roper and Davies, 2010). Research providing brand identity processes to management has the potential to be of considerable academic and managerial interest (Coleman et al, 2011). This is because companies targeting industrial or business companies often put less strategic emphasis on branding (Homburg et al, 2010).

By comparing the B2B branding practice of the cases studied with current academic theory relating to B2B branding, our understanding of how these practices are different from or similar to the extant literature is broadened and enhanced. This enhancing of knowledge includes the generation of insights enabling the development of a brand strategy formulation process model.
The first contribution of the thesis arises from the limitations of existing B2B branding theory and the lack of empirical B2B branding studies, particularly in an Australian industrial setting. Despite the recognition in the literature of the importance of B2B branding to B2B marketers, it has been found there is a lack of insight in the process of brand strategy formulation in the two industries that were studied in the Australian B2B marketing context in order to provide understanding of B2B branding activity in practice. It is important that industrial marketers focus on what their brand means to their B2B customers (Glynn and Woodside, 2009).

However, this is not what has been observed in the case study findings. In the bread industry, firms did not direct much attention to any brand processes irrespective of the size of the firm. In the corporate travel industry, the majority of the firms had some brand processes in place and considered what their brand represented was important. However, while there was some connection with their marketing strategies, there were few processes that attempted to incorporate marketing strategies into a brand strategy formulation.

Regarding the eight marketing elements that were focused on in this thesis, all firms in both industries acknowledged that they were recognisable in their marketing strategies, but linking them by a process to their brand in a brand strategy formula was not evidenced. Few companies were found which realised that developing a brand strategy formulation was a process that would assist them in realising the benefits of branding; as a result, brand managers needed the results of brand strategy formulation research to provide a framework. As at this moment in time, it has been found they have very few frameworks to inform them of their practice, but they are eager for guidance (Leek and Christodoulides, 2011).
Successful brands are said to be those that are a coherent blending of marketing resources, by way of organisational and marketing processes, that use all the elements of the marketing mix. It is not just a focus on one element of the marketing mix, but represents the results of a carefully conceived array of opportunities across the whole spectrum of the marketing mix (de Chernatony et al, 2011). They argue that it needs to be carefully considered how marketing resources are used to support brands and that consumers support marketing activity; but this thesis argues that rather than accept a narrow concept that marketing resources support brands, that, more widely, brand elements need to be strategically linked to corresponding marketing elements in a brand strategy formulation process. While moving somewhat in the direction of brands being supported by general marketing elements, de Chernatony et al (2011) do not present a nominated basket of marketing elements. Rather, it is their view that brands succeed when marketers regard them as a result of a well-integrated marketing process, that is, the brand is part of the marketing process. This may well prove to be the case.

This thesis addresses nominated marketing elements, which are already part of a market-oriented firm’s marketing elements. It also addresses a substantial gap in the extant literature by bringing together related elements of branding and marketing theory and research in a systematic framework of brand strategy formulation that theoretically meets the requirements of B2B brand managers for guidance in either benchmarking their current practices or re-inventing their brand, or to enable companies that lack a B2B branding action plan to develop an effective B2B brand identity. The emergence of this theoretical framework is important in the extension of knowledge relating to B2B branding strategy formula. It will aid this discipline by providing a theoretical model that represents a collection of substantive theoretical and empirical findings that relate to B2B branding in a holistic model of brand formula strategy.
The second contribution of this thesis addresses the lack of theory and empirical attention afforded competitive advantage in a brand strategy formulation. Brands perform many functions; possibly the most basic of these is to provide an identification for businesses, as well as to differentiate them from the competition. Another is to provide significant competitive advantage (Keller, 2009). Yet another is to fuel long-term growth strategy (Kotler and Pfoertsch, 2007). They also serve as a barrier to competition and entry into a market (Beverland et al, 2007). The creation of effective brand names is recognised as being important in B2B marketing environments (Sinclair and Seward, 1988) and small firms must also bring marketing expertise into brand name development, with future branding research taking the effects of firm size into account (Shipley and Howard, 1993). Substantial gaps exist in the knowledge base of B2B branding literature about the connection between aligning competitive advantage with a brand strategy within a brand strategy formulation in both SME brand formula activities, and how SMEs actually undertake B2B branding activities.

As such, the findings in this thesis are important because they provide a comprehensive insight into the branding activities of two industries in an Australian B2B marketing context which includes a mix of large firms and SMEs; this thus provides a side-by-side comparison to be made of firms of different size and of the attention given to branding by those companies which include the market leaders and those companies that do not have an industry position focus.

A distinct lack of formal brand strategy formulation processes was found across the cases. One large company, a marker leader in the bread industry, showed signs of having semi-formal brand strategy processes in place. Yet the other large firm, which also claimed to be the market leader, had no specified or documented processes in
place. The SME cases in the bread industry did not have formal processes in place that included the elements of an industry position focus or a competitive advantage focus in a brand strategy formulation. The findings from the data indicate that this result was industry specific and was not common across the two industries. In the corporate travel industry, SMEs were observed to be more brand oriented with a focus on competitive advantage. The findings do not support the idea that larger firms value branding more highly than SMEs (Shipley and Howard, 1993; Krake, 2005). In fact, the findings were quite the reverse in the corporate travel industry. Thus, this research provides further insights into the brand "mind-set" of companies engaged in B2B branding in the two nominated industries, which further deepens our understanding of the practice of B2B branding.

The third contribution is by way of identifying whether the size of companies engaged in B2B marketing is relevant in implementing successful branding strategies. Substantial gaps exist in the knowledge base between what is known in the industrial branding literature relating to company size and branding and its practice, particularly in an Australian B2B industry context. The findings of this study do not support the literature that large firms value the benefits of branding more than small firms (Shipley and Howard, 1993). In the bread industry, only one of the two large firms was brand focused. The other large company lacked a specific focus on objectives, deciding strategy and specifying criteria in the same way as the SMEs. The focus of the SMEs was minimal. However, the research findings deepen our understanding by suggesting that, rather than large firms assigning more importance than small firms to setting objectives, deciding strategy and specifying criteria, this was not the case in either industry. The reason for "brand-related problems" was not an insufficient budget or that branding was only for the big companies with huge budgets; as the findings reveal in the corporate travel industry, SMEs can achieve success in branding without big budgets (Krake, 2005). Rather, it was a capabilities issue where
CEO alignment with the brand and an internal brand dimension was shown to be lacking in the bread industry. The findings from the cases in the corporate travel industry did not support the literature as the research identified that SMEs in the corporate travel industry did value branding and did set objectives – albeit in a semi-formal manner. In addition, budgetary limitations were not quoted as a reason for or against the level of branding focus. These findings deepen our knowledge by indicating other impediments to SME brand-strategy formula may exist that are not reflected in the extant B2B literature.

The fourth contribution of this thesis is identifying if knowledge about OBB is embedded in brand strategy formulation. There has been extensive research into the identification of knowledge of OBB as being a useful tool in B2B marketing (Han and Sung, 2008; Homburg and Schmidt, 2010). The connection is also made as to the importance of OBB and branding (Mudambi, 2002). Substantial gaps exist in the knowledge base between what is known in the broader B2B literature and what is specifically known about OBB in the two industries operating in a B2B market in an Australian context. Only the large organisations in the bread industry had a focus on organisational buyer behaviour, but, even at that level, there was a general lack of formal market research, with reliance on informal processes being the norm. This also applied to the SMEs. In the corporate travel industry, the importance of knowledge of OBB was endorsed by all the companies who tended to have more communication with buyers. Yet, no formal processes were identified to obtain any specific knowledge. Processes observed were of a semi-formal nature.

There tended to be industry consensus of the brand elements that cases believed to be most important for the industrial buyer. In the bread industry it was Price, Quality and Reliability. In the corporate travel industry, it was Quality and Reliability. Risk was ranked low in importance by both industries. This supports the literature that
higher perceived quality may serve to mitigate any risk that accompanies the uncertainty of purchase decisions, and greater perceived risk makes brands more important (Backhaus et al, 2011). The data does not support the literature that suggests that low-risk buying situations induce high levels of brand sensitivity, but rather that there is a definite benefit for B2B brand building in low-risk situations (Brown et al, 2011), which was observed to be the case in the corporate travel Industry.

The idea that the brand plays a role in the B2B buyer selection process was confirmed by every case in the bread industry. In the corporate travel industry, three out of the seven cases were unsure of the importance of the brand in the buyer selection process. These findings were not expected. Attention to branding in the bread industry commanded little attention and could lead to a conclusion that branding was not considered so important, yet the findings show that the brand is recognised as being important to the buyer in the buyer selection process. In this industry where the findings strongly suggest that branding does not have a consistent focus, the expectation would be that, as the brand is recognised by the seller as being important to the buyer in the buyer selection process, attention to building a strong brand would be of critical importance. This empirical evidence challenges the literature that argues brands are important to B2B marketers (Bendixen et al, 2004; Beverland et al, 2007; Backhaus et al, 2011; Brown et al, 2011; Herbst and Merz, 2011).

However, the findings support the literature that questions whether brands are considered important to buyers in influencing their purchasing decisions (Han and Sung, 2008); whether B2B branding is considered either irrelevant in business markets; or, given that brands do play some role in organisational decision making, when are they likely to be influential (Zablah et al, 2010; Leek and Christodoulides,
By identifying contextual differences with the literature, these findings offer further insight into the importance of B2B brand elements in a brand-strategy formula. Therefore, the findings in this thesis are important, because they add to the depth of knowledge as to the importance or otherwise of including OBB in a brand-strategy formula.

The fifth contribution relates to how businesses in the B2B branding process incorporate relationship-building processes in their brand strategy formulation. The importance of businesses building relationships has received extensive attention in the literature and is recognised as being generally important in the branding context (Aaker and Joachimsthaler, 2000; Han and Sung, 2008; Leek and Christodoulides, 2011). Brands are important as facilitators of relationships (Roberts and Merrilees, 2007). Incorporating relationship building elements is considered important for a number of reasons, including a means of providing suppliers another way of differentiating themselves from their competitors and as a means of improving their customers' commitment and loyalty. They also offer opportunities for competitive advantage by adding another dimension of distinction (Čater and Čater, 2010). Added relationship commitment includes a dimension of relationship quality of which the higher order construct is relationship satisfaction, trust and commitment (Caceres and Paparoidamis, 2007; Rauyruen and Miller, 2007). This research expands and deepens the B2B knowledge base by providing general support for the importance of building customer relationships (Caceres and Paparoidamis, 2007; Coleman et al, 2011).

A focus on building relationships was particularly pronounced in the corporate travel industry, but not so much in the bread industry. The findings in the bread industry suggest scant recognition of the importance of developing buyer-seller relationships, except as a functional enactment associated with day-to-day purchasing exchanges and delivery of product. More notably, the findings in the bread industry do not
support the extant literature that buyer-seller relationships have become an integral and strategic part of B2B operating strategies (Glynn, 2010; Coleman et al, 2011). In the bread industry, the findings show that the take-up of the output of this industry are price driven and that buyer-seller relationships are not recognised as an element of any brand formula strategy. The implication is that the purchasing commitment is one of an adversatorial nature bringing conflict between the buyer and the seller, and not a mutual commitment that builds a relationship on mutual advantage (Wilson, 1994).

While processes were observed to be lacking in the marketing strategies of most firms in the bread industry, the same firms recognised that company creditability, trust and loyalty were important, as was delivering on the promises of their brand. It may well be possible that giving more attention to buyer-seller relationships will moderate the attention given to price by increasing a focus on quality and value in the buyer-seller transaction and as a barrier to commoditization. In the corporate travel industry, where building relationships was recognised as a most important marketing strategy, a concentration on price in the buyer seller transaction was not observed to be the case. Rather, the emphasis was on quality and delivering on the promises of the brand. These findings tend to lend support to this proposition. To include building buyer-seller relationship elements into a brand-strategy formula would be important. Already delivering on the promises of the brand has been recognised in the literature as an important attribute in any exchange, including B2B exchanges (Blombäck and Axelsson, 2007). This research expands and deepens the B2B knowledge base by providing information relating to the importance or lack of it in building customer relationships (Caceras and Paparoidamis, 2007; Coleman et al, 2011).
The sixth contribution relates to increasing the understanding of providing value in a B2B brand strategy formulation. Value has received extensive attention in the literature and is recognised as an important attribute in any exchange, including B2B exchanges (Anderson et al, 1993; Woodruff, 1997; Cravens et al, 1998). Creating customer value is specifically important in a business marketing context where, compared to B2C marketing, there are relatively few customers and where customer retention is important (Woodruff, 1997; Wally et al, 2007; Han and Sung, 2008). This research has identified a number of areas relating to value that appear to differ from the extant literature in relation to B2B branding practice. These areas include: the lack of recognition and knowledge that it is critical for seller companies to gain knowledge of the estimates of the value of their products; how that value can be enhanced (Wind, 1990; Anderson et al, 1993); knowledge of value-in-use (Woodruff, 1997); and a recognition that customer value is the "why" of the purchasing decision (Reid and Plank, 2000).

The general concept of value for most firms was observed to be "the most for the least" or the highest quality level at the best or lowest price – a trade-off of what you get for what you pay. The findings indicate that in both industries, all firms were aware of the necessity to provide "value" to their customers, some more highly than others.

In the bread industry Value was not identified as something to be included in their brand. Providing "value" at the "right price" with good service were the value elements that firms in the bread industry identified with. None of the large firms or the SMEs in this industry have processes in place to obtain value expectations of the buyer. Contrary to the literature considered above, Value was a simple concept and was a basic marketing element. It did not appear to take on the importance given to it in the literature. Is the reason for this that the product of this industry is resold by the
B2B buyer? Here, value becomes a function of the perceived preferences of end users rather than their B2B customers as a value offering to the buyer by the seller. So how is it known what the customer thinks or what the customer considers value? It would be expected that there would be processes in place for the buyer to find out this information. However, this was not the case in the bread industry.

In each case in the corporate travel industry, providing Value to the customer was of high priority. Price was considered a "very important" element to only a minority of firms in this industry. Providing Value and Superior Value was a target for the majority of the firms. Usage Value was virtually an unknown concept. In this industry, the value offering by the seller to the buyer is highly tuned to the expectations of the buyer due to the utility of the buyer being readily conveyed to the seller. Companies use customer surveys and questionnaires to solicit information about value expectations of the buyers. These findings deepen our understanding in this area by offering insight into how providing Value to the customer as an element in a brand-strategy formula is practiced.

This research extends existing B2B branding research by identifying what is generally known about providing superior customer value in the two nominated industries. In the travel industry, every company had a value orientation. Creating superior customer value was a focus for four of the seven cases, which included one large firm and three SMEs. The concept of Value-in-Use was only considered important by two cases in the corporate travel industry, who nominated it as most important. Yet, Usage Value represents the value associated with the performance of the product in any given customer application (Anderson et al, 1993; Ballantyne and Aitken, 2007). The findings show that the literature is not supported by the outcome of the cases studied, namely that knowledge of value is critical for supplier firms (Anderson et al, 1993) and that it is necessary to take particular care in framing value
perceptions that differentiate a B2B brand in the market place (Glynn and Woodside, 2009). These findings deepen our understanding of Value through providing insight into how Value for the customer as an element in a brand strategy formulation is perceived by companies in the two nominated B2B industries operating in Australia.

The seventh contribution of this thesis arises from the limitations of existing B2B studies and their lack of attention to a resource based value creation theory as an element in any B2B brand strategy formulation process. Resourced based value creation as a marketing strategy is not a new concept and found its way into the literature over fifty years ago (Selznick, 1957). Capabilities are recognised as a complex bundle of skills and accumulated knowledge that are exercised by firms through organisational processes and which are said to enable firms to make use of their assets. Competencies, on the other hand, may be said to be well-defined routines that are combined with firm-specific assets to achieve the planned output (Day, 1994). It could be expected that resource based marketing strategies would be observed in the firm's studied due to the length of time in their respective industries and their appreciation that providing value to the customer was said to be important, most notably by the two large companies and two out of four of the SMEs. However, this was not found to be the outcome.

The findings in the bread industry show little attention is given to the resource based capabilities of the firm being used to create value. This industry is a manufacturing industry and is capital intensive. Little innovation has been evident in the majority of cases, in the bread industry over the past years. There was little awareness observed in the cases studied in this industry that existing plant and equipment could be utilised to create value by way of manufacturing new varieties of bread that could add to a buyer's range of products, allowing them to reach a new market segment. Interestingly, utilisation of resources to create value was not entirely lacking as it was
observed to be evident in one of the large firms in the industry, but not the other. It was not evident in any of the SMEs, except for one manufacturer. These findings indicate that resource base value creation in this industry was not an industry focus, irrespective of firm size. These findings support the literature contention that little attention has been paid to resource base value creation strategies or the knowledge that they can provide superior value to customers and, thereby, help the firms to obtain a competitive advantage (Lynch and de Chernatony, 2007; Ngo and O’Cass, 2009).

However, in the corporate travel industry, attention had been given to resource based capabilities as a marketing strategy initiative and added to their brand by semi-formal practices. This area of investigation was linked to identifying if cases, when identifying customer value creation from a resource-based perspective, realised they could identify a relevant set of brand values based on those capabilities and competencies which would enable them to build a brand (Lynch and de Chernatony, 2007). The findings show that, in the capital intensive bread manufacturing industry, there was not a clear understanding of a resource based value creation process that can increase value to the customer or provide superior value as a means of increasing competitive advantage, or that an assessment of brand values should be a starting point in a cohesive brand strategy formulation.

In contrast, in the less capital intensive, but more technically sensitive industry, namely the corporate travel industry, more attention was evident of how each firm could derive competitive advantage by creating value from resource based capabilities. Some firms in this industry invested in innovative communications technology that provided the necessary resources to be utilised by existing competencies, that is, by technically trained and computer efficient staff able to provide value and, in some cases, superior value over and above those of their
competitors. An example was the ability to track their corporate traveler on a 24/7 basis with the capability of reaching their client with urgent “from home” news or warning their client of “negative safety alerts”. This represented quite a resource based value creation outcome resulting in competitive advantage for the time being.

Therefore, the findings in this thesis are important because they provide a more comprehensive insight into the role of resource based capabilities in creating value. They also help to determine whether processes exist that use this element in a brand-strategy formula in two different industries in Australia.

The eighth contribution relates to identifying if the brand has an internal focus of selling its brand to its employees, which includes an educational process teaching the importance of the brand, a reliance on internally generated documentation and support by senior executives of the company. Embracing and fully recognising the internal dimension of the brand, especially in the B2B context, is most important (Punjaisri and Wilson, 2007; Keller, 2009; Baumgath and Schmidt, 2010). The findings of this research have identified a widely accepted agreement in both industries that employees should be aware of the brand and the importance of an internal brand focus; but training, communicating and monitoring processes were almost non-existent in the bread industry. In addition, there was little support from senior management, with only one case indicating that their CEO was absolutely connected with their brand.

The observation made in the bread industry interviews was that the role of the CEO, MD or manager, as the head of the organisation, did not include having a brand focus. The brand was their company name and logo, with, sometimes, the addition of a slogan. This is how they are known and identified, so what more is there? The findings in this industry do not support the literature that top CEOs know that their
brand is their company’s most strategic asset and one of the most important roles of a CEO is to ensure, from the top down, that employees understand the importance of the brand and “live” the brand (Smith, 1999; Baumgarth, 2010). The findings also indicate there is a lack of understanding that internal branding activities need to be both designed so that all members of an organisation are properly aligned with the brand and include training, communicating, performance appraisal and monitoring (Keller, 2009).

In the corporate travel industry, the findings show the processes followed a semi-formal structure. A broader concept of the brand was observed. The same basic idea prevailed that the brand was the company name and logo, but, in the majority of cases, it was usually tagged with a slogan. The findings indicated that the CEOs, MDs or managers linked their brands, to some degree, with their marketing elements. The more active marketers had a very high awareness of the importance of their brand. Five of the cases were SMEs and their managing directors were brand advocates. These findings support the literature that highlights the importance of top executives in reinforcing brand principles and the CEO, in particular, as being the ultimate brand ambassador (Keller, 2009).

Our understanding is broadened through the knowledge that there was no industry agreement relating to the necessity of implementing internal branding directives and training procedures. None of the cases had a formal, documented procedure in place for employees to understand what the brand is, how it is built, what it stands for and what their role is in living the brand. The case evidence is that a semi-formal, fragmented internal branding approach exists in the corporate travel industry, whilst in the bread industry, internal branding is not a conceptual part of any branding philosophy and is virtually non-existent. These findings relating to the practice of
internal branding deepen our understanding and highlight the gap between B2B theory and practice.

Notably, contrary to prescriptions in the branding literature, alignment of the brand with business strategy was not considered crucial. Rather, it was seen as a small sub-set of marketing management (Kotler and Pfoertsch, 2007; Wise and Zednickova, 2009). No formal processes were identified. What processes were observed lacked a systematic strategic approach and seem to be the result of the experience and expertise of the CEO or MD or manager. Instead, it appears that before being confronted with the elements identified in the research objectives, the cases had not linked their brand with marketing strategies. Therefore, there was no brand strategy formulation in place or even contemplated.

When presented with the eight marketing elements identified in this thesis, the majority of firms recognised most, if not all of these elements in their current marketing strategies. When questioned if they thought they could be linked in a brand strategy formulation, the majority of firms in both industries were in agreement. What was lacking was a framework; a guide to show them how to design processes in a brand-strategy making, strategy execution process. A question to be asked is "are the findings of the cases in the two chosen industries in the Australian B2B marketing context" indicative of other industries operating in an industrial market? Are all manufacturing industries lacking in a brand focus because their "leaders" are otherwise engaged and, as such, little attention is given to the process of a brand-strategy formula? Or is it really that brand managers have very few frameworks to guide them through how to practice branding based on cohesive academic theory? (Leek and Christodoulides, 2011).
8.3 Implications for Practice

Academic research that develops knowledge about branding in a B2B context in a cohesive, coherent manner is valuable and can provide insight into how B2B marketers make informed decisions about their branding strategies (Homburg et al, 2010; Coleman et al, 2011; Leek and Christodoulides, 2011). It has been seen that brand managers or executives responsible for the brand have very few frameworks to inform them and further research would provide them with guidance to practice branding that is based on cohesive academic theory (Leek and Christodoulides, 2011). A need for further research has been recognised, together with a need to stimulate research studies to advance theory and to help B2B managers grow their brands. Therefore, the findings relating to the research objectives, that is, regarding understanding the B2B branding process as practiced in two Australian industries, offer contributions and strategy prescription areas that could be of assistance to companies in developing processes to craft a strategy that achieves their vision and objectives that relate to their brand and to execute them in a brand strategy formulation.

The findings of this research provide an insight into the practice of B2B branding in two industries where, apart from one or two public stock exchange listed companies in each group, the remainder of the firms fell into the SME category. Irrespective of size, the majority of firms displayed a lack of understanding of a brand strategy formulation process. As previously noted, a brand to them was a stylised brand name and logo which was usually associated with a slogan. It was most obvious that a holistic understanding of what a brand stands for was either non-existent or fragmented at best.
The observed practice in the bread industry was that five of the six cases did not have formal processes in place to execute any brand-strategy formula. Each case exhibited a focus on meeting customer needs with regards to marketing elements, such as delivering products of acceptable quality at a negotiated price with deliveries planned to meet the buyer time-frames. To these companies, their brand was their name or logo. They were jealous of their reputation and did not want to engage in activities that would harm "their good name and reputation."

Their concentration was on manufacturing and distribution, and not on branding or, as is observed by Joseph et al (2001) in a study of Australian manufacturing SMEs, the concentration by managers has been on achieving operational effectiveness, rather than strategy development. The findings have shown that in one particular industry little has changed. However, in this case the observation is made that there is no strategic approach where the brand is considered. The lack of attention to marketing strategies is understandable, because bread manufacturing is highly capital intensive and volume outputs are high. If they were to default on any aspect of their manufacturing and marketing processes, this could create major problems that could result in lower production runs and high production costs.

Yet, despite all the theoretical attention given to the benefit of brands, only one of the large firms in the bread industry referred to brand processes. Of the eight marketing elements used in a process of brand strategy formulation, the most important to the large firms was OBB, Relationships and Customer Value, with Price considered to be the most important component of Value. For the SMEs, the most important brand element was Customer Value, with Price considered the most important component of Value. The bread industry was generally characterised by little attention being given to brand processes and a brands strategy formulation, irrespective of whether they were large firms or SMEs.
In the bread industry the findings in relation to the practice of branding were in marked contrast to the corporate travel industry where limited brand processes were observed within the majority of the firms in that industry, irrespective of company size. While lacking formal definition, some brand elements were linked to their marketing strategies and some basic processes were driven by their CEO, MD or manager. These were OBB, resource value creation and an internal brand focus. As distinct from the bread industry, the corporate travel industry is much less capital intensive. It is very much Internet dependent and, because the technology used is in the form of communication services and can easily be copied, firms need to be constantly looking for innovation. This is because the products they sell are not manufactured by plant and equipment, but rather by the skill of trained personnel who assemble travel requirements to suit the needs of the corporate client. The following Table 8.1 presents a Comparison of Business Activity by Industry.
<table>
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<th><strong>Table 8.1</strong> Comparison of Business Activity by Industry</th>
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<tr>
<td><strong>Customer Reason for Purchase</strong></td>
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<td>In selling to retail customers satisfaction is a function of perceived preferences of their customers.</td>
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<tr>
<td><strong>Perceived Range of Products</strong></td>
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<td><strong>Technology</strong></td>
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<td><strong>Capital Investment</strong></td>
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<td><strong>Competitive Environment</strong></td>
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<td><strong>Contact with Buyer</strong></td>
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<td><strong>Relationship Activity</strong></td>
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<td><strong>Necessity for Brand-strategy Formula Attention</strong></td>
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It can be seen from Table 8.1 above that the two industries studied are very different. Yet, in neither industry does the data identify that management viewed the subject of their brand as a matter of process. Within the firms, the brand was considered a mark or logo and no formal processes were in place that led to a brand-strategy formula by a strategy making, strategy-executing process. Why is this so? Is it typical of all industries in an Australian industry context? For that matter, is it true of all the firms in a given industry and can a similar outcome be expected? It has been observed that the market leaders in the bread industry are public companies; each operating several strategically placed plants close to high-density population areas, whilst the SMEs only operate one plant each. Is the lack of attention to brand processes because no amount of brand and effectiveness is going to overcome the disadvantages of size and location? Further, the industry is capital intensive and SMEs do not have access to the amount of capital required to build more plants. Yet, both the public companies indicated they had informal brand processes that were not directed to any brand strategy formulation or linked to their marketing strategies. Apart from a logo or slogan that differentiates each firm, brand processes to achieve a brand strategy formulation appear to be largely irrelevant in industries that are capital intensive where, in particular, those industries are identified as being dominated by one or two large companies and several SMEs.

Another observation is that the buyers of the products of the bread industry comprise a peculiar mix. On one hand, their buyers are supermarket chains with their own distribution and warehousing. On the other hand, their B2B buyers are a broad mix of independent businesses. All are involved in on-selling to retail customers. It was observed that the focus of the manufacturer was not on a B2B brand, but on the consumer brand. In other words, whatever focus there might be, it is not directed at the B2B buyer, but at the retail buyer. In the bread industry, firms did not direct much
attention to any brand process, irrespective of whether they were large firms or SMEs.

The practice of branding by the corporate travel industry was observed to be more closely aligned with their marketing strategies, particularly in the areas of OBB and relationships. It was observed that some processes were in place to align brand elements with their marketing elements, as identified in their promotional literature. However, as in the bread industry, the concentration was on the name and logo and a slogan.

The findings show that when the subject of a brand development process was discussed in the interviews, firms wanted to know more about the subject. It was evident that most firms in both industries could relate to the eight marketing strategies presented to them and yet it was also obvious that none had been thought of as being used to link them in a brand strategy formulation. They all expressed an interest in knowing more. As it has been shown from the literature that managers receive little guidance from marketing academia (Homburg et al, 2010), and since B2B branding is still in its infancy (Leek and Christodoulides, 2011), this thesis is an attempt to bring together B2B marketing research and B2B branding research in a practical alignment of strategies through business processes to provide a theoretical brand strategy formulation process model that links branding strategies to nominated marketing strategies that are based on academic branding, marketing theory and empirical research.

Thus, the contribution of this thesis to the practice of branding in companies involved in B2B marketing has been established. Companies operating in an industrial marketing environment can compare or “bench-mark” their current understanding of the brand process with the theoretical model, as presented in this thesis. An
opportunity is also presented to firms engaged in B2B marketing to engage a framework developed from marketing and branding theory in the form of a model of a brand strategy formulation process that links branding elements to marketing elements. A prescription for the practice of implementing processes for the companies involved in this study to achieve a brand strategy formulation linked to marketing strategies is presented. Each of the practices of these firms is summarised together with particular reference to the eight marketing strategies that are referred to in the research objectives.

Whether the interviewees were transformed in any way other than to express “an interest” in knowing more, the expression of interest indicated their thought processes relating to branding were being aroused. As to an observation of any immediate behavioural change, or if they were actively thinking about how all aspects of their business could be expressed in their brand, none was evident at the time of the interviews. It is suggested these questions could be answered by future research.

They were advised that the plan was that the findings of the research could be made available to their companies particularly with reference to a model emerging from the theory and as a framework for their guidance in developing a successful branding process linking their effective marketing strategies with brand attributes in a brand strategy formulation.

First, the findings relating to the research objectives suggest several issues that could be considered by companies engaged in B2B marketing that have the aim of maximising their brand strategy formulation. Not all of the marketing elements presented were part of the brand element mix. There were marked differences in the two industries. Turning to an overall summary of what marketing elements were observed to have received limited brand attention in the two industries studied, Customer Value was almost universally recognised. It was considered important to
give the buyer "value for money", as the term is frequently referred to. In the bread industry particularly, the emphasis was on Price. Value was a given. In the corporate travel industry, whilst Price was important, the quality of the offering was of paramount importance. The linking of their brand elements with their other marketing elements was more obscure. The only other element of some importance discovered in the bread industry was OBB, but mainly at "grass roots" level. In the corporate travel industry, several marketing elements received limited brand attention. Apart from Value referred to above, these were OBB, Relationships, Resource Based Value Creation and an Internal Focus on the Brand.

In both industries, any link with marketing was not a process, but something that emerged by reason of their experience in the industry. Most firms could not identify any construct. It just happened as a matter of consequence. Knowledge of a brand strategy formulation process was almost non-existent in either industry. Therefore, each of the eight marketing elements is examined in turn to provide a practical framework process for market-oriented companies to follow. B2B companies requiring a makeover of their existing brand strategy formulation, or a new company just starting out, need to know what a brand is and what it is not. The existing perception that a brand is just a stylised name or logo which is systematically used on business cards, letterheads, brochures, company products and associated packaging is not branding in its complete sense. It can be said that everybody, sooner or later, is exposed to branding, usually as a consumer. People believe they know what a brand is and that a brand delivers a promise to them when they purchase that brand. A brand is about confidence and security.

What is not generally known is there is a wider implication and meaning ascribed to a brand than has historically been accepted. Effective branding is usually the result of a calculated brand strategy formulation process designed to make the brand a
distinctive bundle of attributes or elements that creates a lasting impression with the buyer and accomplishes the company vision and objectives for the brand. As B2B CEOs, MDs and business executives have a concept of B2C branding as buyers of consumer products, it is necessary that they distinguish between B2C branding and B2B branding if they are to effectively engage in a B2B brand strategy formulation exercise. They need to know that corporate branding is an activity that aims to align different strategic elements to create a coherent and powerful brand (Sheikh and Lim, 2011). Companies could consider a pro-active approach by engaging with the extant academic branding literature to address the lack of knowledge relating to B2B branding that is evidenced across all the cases.

Second, companies, especially SMEs, in a given B2B marketing environment would do well to be aware that improving their position in the industry should be in their focus and they need to concentrate on competitive advantage to improve their industry position (Shipley and Howard, 1993; Krake, 2005). The findings show it is the companies that have an industry-position-focus that have relatively more knowledge about the benefits of branding and endeavour to engage even a very basic brand strategy formulation framework. The findings also suggest that SMEs with even a competitive advantage focus are able to compete more effectively with the larger market leader companies than SMEs without such a focus.

Further, SMEs can bring more marketing expertise into brand development, since the creation of an effective brand is an important element in establishing industry position and reduces the risk of yielding advantage to competitors. SME practitioners should consider how they can obtain competitive advantage by use of strategic brand elements targeted at building their brand. Companies need to concentrate their resources and structure their finances around this most important asset, as the advantage of a brand is that it offers a crucial point of differentiation and a
sustainable form of competitive advantage. The company with the highest and most consistent branding intensity will develop competitive advantage over time (Ohnemus, 2008; Keller, 2009).

Third, SMEs need to be aware that the benefits of branding are not just the domain of their larger competitors. While the literature has indicated that large firms value the benefits of branding more highly than small firms and assign more importance than small firms in setting objectives and deciding strategy (Shipley and Howard, 1993), this study has shown that this is not necessarily the case. SMEs need to recognise that the executive responsible for the brand can play an important role in the building of the brand, as the responsibility for the brand lies at the highest management level (Krake, 2005). In both industries, there is evidence that people want to create a well-known brand, yet there is a lack of knowledge as to the wider implications of a brand strategy formulation process that, through linking brand elements to their current marketing elements, can build a strong brand. Put simply, the findings show they just do not know how to go about it. Having this new knowledge may well be an incentive for SMEs. Rather than an insufficient budget being a brand problem, as identified by Krake (2005), the findings show that there are other brand problems and these are company specific. The evidence demonstrates overall that there is a specific need for each firm to recognise and give attention to linking brand elements with their marketing strategy in a brand strategy formulation and to design processes that will achieve this outcome.

Fourth, given the nature of different B2B marketing industries, care should be taken to obtain information relating to the organisational buyer that goes beyond transactional information obtained in buyer-seller exchanges. At a fundamental level, company research is necessary to identify the deeply held values of organisational buyers and ensure the brand elements communicated are meaningful for those
buyers by targeting their value or product performance expectations and other related findings of their information gathering process. The findings show that there is a need across both industries to source information on the elements of the brand that are important to the buyer. For example, the bread industry was observed to be price driven with a quality requisite. The indication is that knowledge of OBB is not a high priority in this same industry. As a consequence, different companies selling to the same buyer provided a different set of criteria as to what the seller thought the buyer considered to be the most important brand elements. Sellers need to link brand elements into the context of their marketing strategies that focus on OBB so as to determine to whom branding attributes are important. In the corporate travel industry, there is general agreement regarding the brand attributes that the buyer values most in a seller’s brand, indicating there is more knowledge about OBB in this industry than in the other. The process to obtain information relating to OBB may include customer surveys that include topics such as customer satisfaction, performance criteria, technical support and other subjects considered to be important.

Fifth, B2B marketing practitioners must realise it is critical for suppliers to initiate and sustain relationships, as brand relationships are connected to brand response which converts to an intense loyal relationship between the customers and the brand (Keller, 2001; Han and Sung, 2008). Brands are recognised as important facilitators of relationships. In the corporate travel industry, the findings suggest the importance of developing relationships was recognised and practiced. In the bread industry, little attention to developing relationships was observed. In both industries, the most important element of the brand was recognised as "delivering on the promises of the brand." Also, there was a recognition by the majority of firms studied that relationships are determined by the buyer. This was not limited to SMEs. In the bread industry, the two largest firms held the view that relationships were buyer dominated, but one qualified this to a 60/40 outcome, that is, dominated 60% by the buyer and
40% by the seller. One of the larger SMEs stated the relationships were seller dominated, while the majority of the other SMEs indicated that relationships were buyer dominated.

It was observed that this was an area that had not been given much attention. While the majority of the firms were aware of the benefits of building relationships from a marketing perspective, no processes were observed that really addressed relationship development from a brand perspective. A similar outcome was observed with the corporate travel industry. The large firm believed the buyer and the seller had equal dominance while the remainder of the firms believed relationships were buyer dominated. The findings of the interviews in the corporate travel industry, suggests firms in industries with a marketing strategy that emphasises the importance of relationships, will focus on the importance of the brand to enhance these relationships. As a consequence, these firms have some brand strategy formulation processes in place, yet may also stand to benefit from the more informed guide that arises from the research of this thesis.

The findings in both industries indicate that the majority of firms believed the buyer determined the relationship; this may be a sustainable outcome from a purely marketing perspective since the firm exists to sell to a customer what they want and deliver when they want, with the buyer delivering on what they promised in return for the product. The size of the seller firm is not necessarily related to the concept of the buyer dominating the relationship, as no firms seemed to realise that the brand could be a facilitator of relationships. Furthermore, sellers seeking to maximise their brand impact need to concentrate on relationship quality, because this impacts on relationship effectiveness. Building a unique relationship with business partners offers another dimension in differentiation from their competitors, especially when, as
usually occurs in the same industry, suppliers find it very difficult to distinguish themselves from their competitors solely on product alone (Čater and Čater, 2010).

Sixth, companies need to be aware of the various meanings of Value, especially in a B2B branding context. Value is determined in the eyes and mind of the buyer (Cravens et al, 1998). Creating Superior Value creates a value premium over Price and may result from many factors including higher product quality, technical superiority, innovative leadership, higher satisfaction and relationship quality that promote superior, deeper and richer customer experiences (Cravens et al, 1997; Keller, 2009). A strategic use of the brand that can attain a positive image of core values, and other values that differentiate it should be of the highest priority to any company. The overall brand image created by the total brand association, as perceived by customers, provides a means for B2B companies to gain sustainable competitive advantage (Bendixen et al, 2003). It seems that for the bread industry, as a manufacturing industry, value is a myopic perspective of the market acceptability of the products of that industry. Apart from manufacturing processes, other processes to create value were not evident. The size of the firms was not a determinant in this context.

The findings show that in the bread industry, Value means Price and Quality. Quality means conformity to a basic collection of ingredients and manufacturing processes associated with the product offering that may be no better or no worse than any other competitor. In this industry, the creation of Superior Value was not identified in current marketing or branding strategies. All companies in this industry could do well to understand that creating Superior Value is a valuable brand element as a point of distinction from their competitors. In the corporate travel industry, the findings show that creating Value for the buyer was a focus with Superior Value being part of that focus.
It was expected that firms in both industries would have processes in place that would prioritise obtaining knowledge of a buying company's value expectations. However, this was not found to be the case. Since there was little evidence of such processes to be found in the bread industry and only fragmented processes in the corporate travel industry, irrespective of company size, companies need to recognise that discovering the buying company's value expectations can enable them to frame value perceptions that differentiate their brand in the B2B marketplace (Anderson et al, 1993; Glynn and Woodside, 2009).

Seventh, industrial practitioners should be aware that the first step in building a brand is an assessment of relevant brand values. A brand is a bundle of functional and emotional values that extend a unique and welcome promise to the buyer and they are important because they influence the attitudes and behaviour of buyers (Lynch and de Chernatony, 2007). These brand values are those that build on the organisation's competencies and capabilities. The findings in both industries are different. All companies in the bread industry lacked the realisation that identifying their competencies and capabilities is a necessary business process, that it has a role to play in the value-creation process and needs to be part of a brand strategy formulation process initiative that is incorporated in their brand building activities. SMEs in particular, in this industry, will need to be pro-active and incorporate into their brand strategy formulation activities those value elements that are known to be of value to the industrial buyer through market and individual buyer research. In the corporate travel industry, the findings indicate that, whilst core brand values were identified and marketing strategies included the competencies and capabilities of the organisation, no processes were in place to include them in systematic brand strategy formulation.

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All of the companies in both industries need to realise that their competencies (assets) and capabilities (processes) should be linked to creating customer value and incorporated into their brand strategy formulation. In both industries, the knowledge of value creation that is based on their resources and that includes their competencies and capabilities of the firm was scant.

Eighth, B2B companies should foster a positive attitude in their firm that enlists their employees as brand ambassadors under the tutelage of their CEO, MD or manager. CEOs need to be a brand’s best friend or the ultimate brand ambassador (Smith, 1999; Keller, 2009). The findings suggest that internal branding initiatives are virtually non-existent in the bread industry. The observed lack of CEO, MD or manager involvement may be an explanation for why this industry is marked by a lack of brand strategy formulation processes and why little real attention is given to the brand. Brand strategy formulation processes in this industry should consider the introduction of internal branding activities, with documented processes and training procedures that target employees and have the aim of ensuring a personal identification with and an emotional attachment to the brand. Executives in this industry need to align and associate themselves with the brand and “live” the brand (Keller, 2009). Training generally leads to increased employee satisfaction, which impacts on customers and increases the competitiveness of the firm, so it is important that CEOs, MDs, alongside their managers and staff at all levels, "live" the brand (Baumgarth, 2007; Kotler and Pfoertsch, 2007).

The findings in the corporate travel industry suggest that internalisation of the brand is practiced, in most cases, with the involvement of the MD, particularly in the case of the SMEs, which were found to have semi-formal documentation in place. The findings also show in this industry that there is more personal contact by staff, as travel managers, with organisational buyers by way of direct interaction with them in
organising client travel arrangements. This provides motivation for operatives to be somewhat involved with whatever branding strategy may exist, even in a rudimentary form. To benefit from internal branding, companies need to implement processes to make and execute appropriate internal strategies and to incorporate internal elements into their brand strategy formulation.

Whilst the findings of this study may be of value to the individual companies taking part, a broader application of the findings may be considered to be of value to other companies involved in B2B marketing in relation to their brand strategic processes, as directed to the practice of B2B brand strategy formulation development. From the findings relating to branding practice, specifically how companies develop their brand in the two industries studied, while the differences of structure and operation have been noted, there needs to be recognition that dissimilar marketing environments are associated with differences in marketing (Hallén and Johanson, 1985). Be that as it may, a commonality amongst firms is that it is widely accepted that marketing should see the needs of the customer as a starting point (Kotler, 1985). Therefore, it can be recognised that marketing strategies need to be developed to meet customer requirements. Once this has been done, these marketing strategies form a base on which to link corresponding brand elements to their marketing strategies to produce a brand strategy formulation with which to enhance the image of the brand for he best competitive advantage. It has already been seen from the findings that, where such linkages have occurred, albeit in rudimentary and random instances, it has served to position the firm above its competitors.

This thesis presented eight elements of marketing strategy that emerged from the literature review as being of importance to marketing companies. It had been observed from the companies taking part in the study that some, but not all, of these elements were incorporated in their current marketing practices. However, when the
elements were presented to them in the interview process, they expressed great interest in knowing about them. There are various implications for practice emerging from this study.

First, firms in a B2B marketing environment develop a strategy making, strategy execution process to marketing that is adapted to their particular marketing environment and based upon their marketing strategic vision (Thompson et al, 2005). It may be practical for them to base this on the theoretical and empirical marketing strategy elements examined in this study.

Second, as we know that branding is all about everything a company does (Kotler and Pfoertsch, 2007), companies need to have a strategic brand vision, just as they need to have a strategic marketing vision. The implication is not that the companies have a "mind-set" of the need to brand, but rather that they extend their vision of what a brand is. At this point in time, they think they know what a brand is (Mudambi, 1995) but it is not simply their name or logo (Mudambi, 1995; Kotler and Pfoertsch, 2007; Murquardt et al, 2011).

Until the broader concept was discussed in the interviews, a holistic concept of a brand was not generally known. The implication is that companies in any B2B industry need to have a strategic approach to their brand. Without processes in place to develop a holistic brand-strategy vision, to set objectives, to craft a strategy that uses their marketing strategies and to develop a brand-strategy formula that links and builds on their marketing strategies, companies can expect little to change in the future from what they have done in the past. The implications for practice present a prescription for firms in any B2B marketing atmosphere to build their brand based on theoretical and empirical foundations as presented in this study.
8.4 Emerging Theoretical Model

Considerable gaps between theory and practice have been identified. In accord with research objective 9, the interaction between the case data, as derived from the insights and findings flowing from research objectives 1-8, and the extant literature, was the basis for a theory-building process. As a consequence, a theoretical model emerges that provides a framework to guide brand strategy formulation processes to develop a strategy and execute it. This framework provides B2B brand managers with a means of comparing their current branding activities with the theory or using the theory as a basis for their own brand-building activities. It is built on the eight research objectives more particularly described in Section 8.2 – Implications for Theory and Section 8.3 – Implications for Practice, both of which have been the subject of the case studies. Up to this point, despite increased interest in B2B branding, empirical studies on the subject are relatively rare and have largely focused on a limited set of issues; research to identify elements critical to effective brand strategies continues (Zablah et al, 2010).

While many models were investigated under the rigor of the literature review, none were found that sought to identify and align a firm's current marketing strategies with brand elements in a brand strategy formulation process. There has been some recognition that the brand should be the result of a coherent organisational and marketing approach that uses all the elements of the marketing mix. It does not just focus on one element, but represents the consequence of a carefully conceived array of strategic activities across the whole spectrum of the marketing mix. The brand should be regarded as the result of strategic thinking; that is, integrating a marketing program across the complete marketing mix (de Chernatony et al, 2011). However, providing a comprehensive list of marketing strategies does not seem to have been attempted by previous contributors to the literature. It has been shown that, to most
businesses, brands are nothing but names, logos and slogans. It has been shown in this thesis that, while both brand theory in relation to marketing strategies and the benefits of a brand have been discussed in the extant literature, no attempt has been made to align brand elements with the marketing strategies that already exist in most firms and have wide support from the marketing literature, in a holistic sense. The theoretical model of this thesis is based on specifically identified marketing strategies and links brand elements that provide a framework for businesses to follow that is supported by academic theory and empirical observations.

A B2B brand strategy formulation framework process may be thought of as a plan for the business brand. The process begins with a strategic vision by management. A company’s strategy is typically recognised as a blend of pro-active actions on the part of management to improve their company's market position and financial performance. Crafting and executing strategy are top-priority managerial tasks. Every company manager has a strategy making, strategy-executing role (Thompson et al, 2005). The findings of this research suggest that, except for one or two firms that had a designated marketing manager, this role had not necessarily been seen as a defined role for any particular executive in the large firms of either industry. As to the findings relating to SMEs, a similar outcome prevailed in one industry. In the other, even though their processes could be classified as rudimentary and, hence, informal, what processes existed were with CEO, MD or managerial involvement. A theoretical brand strategy formulation process model has been developed for this thesis and is shown below.
MODEL 1

MARKETING STRATEGY PROCESS MODEL

1. Where are we now? 2. Where do we want to go? 3. How will we get there?

MODEL 2

BRAND STRATEGY FORMULA PROCESS MODEL
MODEL 3

BRAND-STRATEGY FORMULA PROCESS MODEL
LINKING MARKETING STRATEGY

The emerging model above is the outcome of a combination of two intermediary process models. These are: Model 1. – The marketing strategy process model and Model 2. – The brand-strategy formula process model. The first model involves the company’s marketing strategists asking the questions: 1. Where are we now? 2. Where do we want to go? 3. How will we get there? The first step in the process is for management to identify their marketing strategies and to categorise them into the strategies numbered 1-6, as shown in the diagram.

In the second model, the brand strategy formulation process model, the brand processes involve the company nominating an executive/s to be responsible for the company’s brand. It is expected that the executive would be a CEO, MD, owner-
entrepreneur or a marketing executive. It would also be expected that the same executive already responsible for the company marketing strategies would be well placed to participate in this position. After the choice of the "who" of the process, the nominated executive/s would proceed to determine the strategies relating to columns 2, 3, 4 and 5 of the model.

The third model links the company's brand strategies from Model 2 with the marketing strategies of Model 1 to provide a brand strategy formulation process model that links strategic elements of the brand to the similar category of marketing strategy, as identified from numbers 1 to 6 and shown in the related diagram. Hence, a brand strategy process model is the outcome of the combination of the previous processes; this provides a framework that builds on important market-based assets resulting from the process that began with the firm's marketing program, which is directed at its previously identified target customer base (Glynn, 2011). The resulting model, therefore, provides a useful framework for brand managers, which is based on research knowledge and has previously been found to be lacking (Leek and Christodoulides, 2011).

This study emphasises the importance of the internal implementation of the brand concept and a brand-strategy orientation in the practice of B2B branding in firms involved in B2B marketing.

A brand strategy formulation process framework for companies operating in a B2B marketing context, and based on brand theory, is presented below. Its purpose is to supplement the brand-strategy formula process model above and to be a guide for the "who" of the process in developing a brand vision, setting objectives and crafting a strategy to achieve the objectives and vision of the brand. There needs to be a clear understanding by executives responsible for marketing in market-oriented
companies of the concept of B2B branding and companies engaged in B2B marketing need to recognise the benefits of branding (Shipley and Howard, 1993; Keller, 1993; Mudambi, 2002; Bendixen et al, 2003; Beverland et al, 2007; Wally et al, 2007; Kuhn et al, 2008; Han and Sung, 2008; Glynn, 2011).

1. The Base for Building the Brand and the Creation of Value
The starting point in building a brand is an assessment of brand values that build on an organisation's competencies, capabilities and culture (Lynch and de Chernatony, 2007). Distinctive competencies are a combination of the organisation's assets (brand image and marketing capabilities) and skills (innovation) employed in achieving the desired outcomes (e.g. new products of the essential processes of the business) and, ultimately, superior customer value. A company must identify how and where it excels and the differentiating capabilities that generate superior customer value (Cravens et al, 1998).

Creating value by the firm by way of its resource based capabilities is vital in a new dominant logic for marketing, with the degree of the value offering being the highest for innovation-based value creation, second highest with market-based capability and lowest with production-based capability (Ngo and O’Cass, 2007). Branding strategies need to be aligned with marketing or business strategies in a holistic approach to brand strategy formulation. Marketing and brand management is critical to a company’s success (Kotler and Pfoertsch, 2007; Sheikh and Lim, 2011).

2. Industry Position and Competitive Advantage
A focus on industry positioning and competitive advantage is required (Shipley and Howard, 1993). The brand needs to contain brand elements that are chosen because they contribute to competitive advantage (Bendixen et al, 2003; Lynch and de Chernatony, 2007; Han and Sung, 2008; Ohnemus, 2008; Keller, 2009). Competitive
advantage is important, because it is a basis for superior financial performance (Hunt and Morgan, 1995). The brand is a most important asset and offers businesses the ability to create and maintain sustainable competitive advantage (Kotler and Pfoertsch, 2007). In this model, the marketing elements contributing to competitive advantage are highlighted and linked into the brand-strategy formula.

3. Firm Size

It must be recognised that firm size is not an inhibitor to constructing an effective brand strategy formulation process model. Small firms must bring more marketing expertise into making their brand effective in an industry where they compete with large firms (Shipley and Howard, 1993; Krake, 2005). Effective branding is not practiced universally by large firms and varies within the same industry; the aim is to have a more effective brand-strategy formula than the competitors (Glynn, 2011).

4. Organisational Buyer Behaviour (OBB)

Executives responsible for marketing need to have processes in place to obtain knowledge of OBB (Mudambi, 2002; Keller, 2003, 2007; Bendixen et al, 2004; Lynch and de Chernatony, 2004; Blombäck and Axellson, 2007; Beverland and Napoli, 2007, Kuhn et al, 2008; Han and Sung, 2008; Leek and Christodoulides, 2011). It is necessary to understand the structure of the decision-making unit, whether it is a person, a buying team or buying centre where input towards the buying decision may come from various other company units. Be aware, however, that sometimes, industrial customers deliberately make it difficult for suppliers to determine who actually makes the buying decision (Han and Sung, 2008).

Supplier organisations need to gather information about the buying centre composition, roles and expectations; the seller must also identify the deeply held values of organisational buyers so that the brand values presented are meaningful.
for those buyers (Lynch and de Chernatony, 2007). It is also necessary to understand the characteristics and structure of the purchasing decision (Leek and Christodoulides, 2011) and to know the relative importance of brands in both organisational operations and organisational buying decisions (Zablah et al, 2010). Understanding the needs of the buyer, and having a concern for the buyer, builds trust and contributes to the ability of the buyer and the seller to engage in a sustained relationship (Doney et al, 2007). This information usually flows from the firm’s existing OBB marketing strategy.

5. Buyer-Seller Relationships

It is necessary for the supplier to build buyer-seller relationships. Existing marketing strategies are a rich source of relationship building elements. Relationship building strategies are a means for companies to differentiate themselves from their competitors (Čater and Čater, 2010). Management needs to provide a process to link brand elements with the existing marketing elements. The brand may be viewed as a customer's partner and, as such, the brand behaviour helps to build the brand (Han and Sung, 2008). One goal of the brand is to create a relationship with its customers (Coleman et al, 2011). Relationship quality is important, as is relationship commitment (Caceras and Paparoidamus, 2007), and is viewed as the amount of communication sharing and the quality of communication in markets where products are complex or high in value, as is frequently the case in B2B markets, for example, the corporate travel industry. In this industry, buyers expect value-adding relationships to enrich their buying experience.

Meaningful relationships in B2B markets are built on both functional and emotional brand values which help drive competitive advantage (Coleman et al, 2007). Industrial buyers value the intangible (emotional) benefits as well as the functional (tangible) elements (Lynch and de Chernatony, 2007; Glynn, 2011). It is critical for
suppliers to initiate and sustain relationships due to the small number of potential buyers (Kuhn et al., 2008).

6. Provide Customer Value

It is necessary for brand elements to include what the seller wants the brand to mean to the buyer and to frame value perceptions (Glynn and Woodside, 2009). As a most important brand function, the value a brand can provide to a business buyer and seller can be crucial in determining brand relevance (Kotler and Pfoertsch, 2007). As external or customer values change so too should added values (i.e. values appreciated by customers) (Sheikh and Lim, 2011). Providing value to the buyer provides a causal link to supplier-buyer commitment by having a positive effect on organisational buyer satisfaction. This is highlighted by a firm’s existing value proposition, which is manifested in the firm's marketing strategies. A need exists for marketing executives to initiate and create appropriate processes to link the current marketing strategy to a brand in a brand-strategy formula process. Creating brand value has to be translated into buyer-seller performance by way of management identifying what industrial customers value and how to continuously create net worth for them, thereby influencing organisational buyer retention (Han and Sung, 2008).

7. Internal Branding

A necessary brand element is for managers and staff at all levels to "live" the brand (Baumgarth, 2010) and document training procedures to inform, educate and motivate employees into action with the brand. Employee and customer views of the brand are causally related and the employee view of the brand causes the customer view of the brand (Roper and Davis, 2010). Training psychologically connects management and staff, leads to increased employee satisfaction and facilitates the up-dating of capabilities. All of which, in turn, provide benefits for customers and boost competitiveness, while increasing employees’ commitment to the organisation.
(Roper and Davies, 2010). Bringing the brand to life for employees is critical in turning employees into brand champions (Wise and Zednickova, 2009), which is vital for both new and existing brands. Employees need to have a personal identification with the brand, an emotional attachment to it and motivation to become involved with branding strategy in direct interaction with customers (Baumgarth and Schmidt, 2010). Building, championing, supporting and protecting the brand is everyone’s job, beginning with the CEO (Kotler and Pfoertsch, 2007). Employees are responsible for fulfilling the brand’s promise and, as such, internal branding is of great importance (Punjaisri and Wilson, 2007).

8.5 Limitations to the Study

A number of limitations are acknowledged in this study, including the industries selected, the number and composition of the cases and their location, as well as limitations connected with the data-collection process and techniques used. The research is limited to the data collected from theoretically rich cases in both industries with the goal of maximising variation in the brand strategy formulation process. These consisted of six cases in the bread industry and seven cases in the corporate travel industry to develop a rich in-depth understanding of firms involved in B2B marketing and branding. The goal was to provide a holistic understanding of how B2B branding is understood and practiced in two distinctly different industries in order to deepen our insights and for theory building, rather than statistical generalisation to a larger population.

Although companies selected in these cases are reflective of the bread industry in Australia and generally reflective of the corporate travel industry in Australia, caution should be used in generalising these findings to other industries involved in B2B marketing, whether in Australia or globally. In the travel industry, cases were chosen
on the basis of industry association recognition as being "high achievers" and national award winners or finalists in the Australian Federation of Travel Agencies annual awards in the appropriate corporate travel industry classification. It is possible that non-award winners may have a different set of contextual factors, other than a brand focus, that have contributed to their lack of competitive advantage or high achievement recognition; therefore, the findings and theory development should not be generalised to all companies in this industry. The cases studied are involved in on-going business activities and the data collected represents a snapshot of their branding activities at that moment in time. Therefore, this study does not take into account changing internal or external factors.

An in-depth interview process was used in this research with company personnel nominated as responsible for branding matters. The interviews were of the same time duration in every case. While the same questions were asked in all cases, reflections and responses of the individuals involved had the potential to limit the generality of the findings and theory developed from this research.

The research was conducted by a single researcher using rigorous methods of qualitative research design, data collection and management to ensure the quality and credibility of the research, together with its dependability and conformability. Even so, there is still the potential for bias as a result.

The B2B cases selected were all in the same nominated industry groups. Although beneficial in building theory with internal and external validity, extrapolating the findings as a general prediction as to the extent of B2B practice in these industries as a guide to the practice in other industries needs to be viewed with caution.
8.6 Future Research

The findings of the research provide a practical insight into the extent to which B2B branding is practiced and if brand elements are aligned with marketing strategies in a brand-strategy formula process by firms from two Australian industries involved in B2B marketing. Academic researchers continue to call for empirical research and theory building effort in the field of B2B branding. The results of this study indicate that the extant branding literature is challenged where it suggests that branding is more widely practised by large firms than small firms, that SMEs are at a competitive disadvantage on account of a weaker brand orientation than in larger companies, that B2B branding is widely used across industrial companies or that brand strategy formulation processes are the domain of large companies when compared to SMEs. This was not found to be the outcome. Diametrically opposite results were found in the two industries, suggesting that more empirical research needs to be undertaken to obtain more knowledge of impediments that hinder firms undertaking B2B branding, whether large or small, in the industries studied.

The findings further suggest that the practice of B2B branding in the firms studied lacks reference to academic theory relating to the knowledge of the benefits of branding. The model emerging from this theory is a holistic model of B2B branding that uses, as a basis, known attributes of marketing that are integrated into a brand strategy formulation and may be of some usefulness to companies that already have an interest in B2B branding, or are prepared to reinvent their brand based on the structure of the model. As a result, future research could test the relationship between the use of the brand strategy formulation process model which is linked to the marketing strategies presented in this thesis, with empirical research as to the benefits or otherwise accruing from such a model. Alternatively, companies may identify other marketing strategies that better suit their industrial environment and link
their brand strategy formulation processes to them. Either way, empirical studies could be of benefit in understanding the practice of branding in a wider dimension of other industries operating in an Australian B2B marketing environment. Other contributors to marketing and branding theory may find the findings of this thesis of benefit in the wider field of global research.

This study therefore provides an additional motivation for an increasing research effort in future research projects in a broader industrial marketing context, whether in Australia or other countries (Baumgarth, 2010).


Ngo, Liem Viet (2009), Thesis submission for PhD degree.


APPENDIX 4.1

INTERVIEW PROTOCOL

Thank you for making your time available today. The interview should take approximately an hour. The interview will focus on eight issues with questions designed to explore how your firm undertakes and develops its branding strategies and how you think your firm performs. The questions and your thoughts and feelings focus on your firm’s brand. It is really important to answer honestly and if you not sure or don’t know that is okay.

1. UMBRELLA QUESTION

Do you think there is a difference between business to business branding and business to consumer branding?

Probe 1: What is your brand?

Probe 2: What does your brand represent in the marketplace?

Probe 3: Consumer products have brands. Do you think business products or services should have brands?

Probe 4: Can you name any other business to business brands?

2. UMBRELLA QUESTION

Marketers of products or services have marketing strategies that are designed to give the firm superior competitive advantage. Does your brand include identifiable elements that contribute to your firm’s competitive advantage?

Probe 1: What do you consider is your position in your industry?

Probe 2: How do you consider your brand has played a role in helping your firm to achieve this position?

Probe 3: Do you think changing your brand strategies can assist in improving your position? If so, how?

Probe 4: Is there anything else you can think of?

3. UMBRELLA QUESTION

Do you think that the size of your firm impacts on its ability to implement successful branding strategies?

Probe 1: If your firm size precludes the employment of a marketing manager, do you think there is value in hiring the services of specialised agencies to assist with brand development? If not, why not?
Probe 1: Can you tell me in your own words if there are any processes in your Organisation that seek out knowledge about the customers or buyers behaviour, as it is related to their buying processes.

Probe 2: Can you tell me are there processes in place to provide an understanding or explanation of how purchasing is conducted by your business customers for your products? Yes? No?

Probe 3: If yes, can you tell me if your Company has an awareness if your customer uses a supplier evaluation system to rank suppliers a) yes b) no? If a) how was this awareness obtained?

Probe 4: Do you know who is at the centre of the decision making process for purchase of your products, of your existing or potential customers?

Probe 5: Do you know if your targeted customers have a single buyer, a buying team or a buying centre?

Probe 6: What do you think are the attributes the buyer looks for from your company and its products in making a purchase decision a) price b) quality c) reliability d) risk e) vendor profile f) relationship with the seller g) previous purchasing experience h) recommendation by other buyers i) other. Of a score of 1 – 10, how would you rank each of these attributes?

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**Probe 7:** Can you tell me in your own words, if you think your Brand plays a role in business to business buyer selection?

**Probe 8:** Can you tell me if your firm has an understanding of your business from a customers’ point of view?

**Probe 9:** Is there anything else you can think of?

**5. UMBRELLA QUESTION**

Can you explain to me if there is a process of developing relationships in your branding strategies? How can the effectiveness of relationships be measured?

Precursor: Relationships can be viewed as being vertical between members of the value added stream (such as buyers, distributors or agents) and horizontal (between industry members and competitors.) The questions below relate to the vertical notion of relationships.

**Probe 1:** Can you tell me in your own words what you understand is meant by the term buyer-seller relationships?

**Probe 2:** Can you tell me if management incorporates relationship building concepts, a) In its marketing strategies and b) in its branding strategies?

**Probe 3:** If so, can you describe them?

**Probe 4:** Can you tell me if your relationships in B2B marketing tend to be buyer dominated or seller dominated? I.e. is the relationship determined by (a) the buyer (b) by you, the seller or (c) both?

**Probe 5:** On a scale of 1-5, how would you rank the following as being important in building B2B relationships? 1) Company creditability 2) Trust 3) Loyalty 4) Special treatment 5) Delivering on the promises of your brand.
Building B2B Relationships | Rank 1-5
<table>
<thead>
<tr>
<th>1 - Least Important</th>
<th>5 – Most Important</th>
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<tbody>
<tr>
<td>1). Company creditability</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>2). Trust</td>
<td>1 2 3 4 5</td>
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<tr>
<td>3). Loyalty</td>
<td>1 2 3 4 5</td>
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<tr>
<td>4). Special treatment</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>5). Delivering on the promises of your brand</td>
<td>1 2 3 4 5</td>
</tr>
</tbody>
</table>

Probe 6: What strategies do you have in place to build long term relationships with your business to business clients (a) distributors (b) high volume users of your products or services and (c) low volume users of your products or services?

Probe 7: Is there anything else you can think of?

**6. UMBRELLA QUESTION**

Do you know why and how your brand may deliver value to your B2B purchasers?

Probe 1: How do you define “value”?

Probe 2: For what reasons do you think your B2B customers value your brand?

Probe 3: Can you rank in order of 1-4 what you consider are the elements of your Brand that the customer values most? 1) Price 2) Value 3) Superior Value 4) Usage Value i.e. the value related to the use of your product?

<table>
<thead>
<tr>
<th>Can you rank in order of 1-4</th>
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</thead>
<tbody>
<tr>
<td>1 – Least Important</td>
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<tr>
<td>Price</td>
</tr>
<tr>
<td>Value</td>
</tr>
<tr>
<td>Superior Value</td>
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<tr>
<td>Usage Value</td>
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</tbody>
</table>
Probe 4: Can you tell me in your own words how you consider your Brand provides your customers with superior value in their purchase and use of your goods or services.

Probe 5: If you consider your Brand to be powerful in the business to business market place, what particular elements of the brand do you think are responsible?

Probe 6: a) How does your company create value for its business to business customers? b) Does it change its strategies to meet market orientation? i.e. To respond to changes in the market place?

Probe 7: What do you know about each buying company’s value expectations of your products 1) a lot 2) a little 3) none?

Probe 8: Why do you think B2B customers choose your Brand?

Probe 9: To what extent do you think your brand embodies customer value and delivers on its promise of value?

Probe 10: In the value context do you consider branding to be (1) not important (2) of some importance (3) important (4) very important?

Probe 11: Is there anything else you can think of?

7. UMBRELLA QUESTION

How do you go about building a business to business brand for your company?

Probe 1: Has your firm identified a clear set of brand values which build on the organisations competencies and capabilities?

Probe 2: Can you tell me what these brand values are?

Probe 3: What do you think the terms (1) functional values and (2) emotional values mean in the context of branding?

Probe 4: How would you describe the terms (1) tangible and (2) intangible in relation to the resource capabilities of a firm?

Probe 5: Into what group, either (1) or (2) in Probe 3, would you categorise your firms’ facilities, equipment and cash reserves? Into what group would you categorise such capabilities as skills and knowledge of your employees, knowledge of customers, knowledge of competitors’ capabilities, product knowledge and the like?

Probe 6: Into what group namely (1) and (2) of Probe 2 above would you categorise such brand values as quantity, reliability and innovative performance in one group and peace of mind, trust, security, ambition, pride and empowerment in another?

Probe 7: Do you know why and how your brand delivers value to your business to business customers?
8. UMBRELLA QUESTION

Do you know if branding your company or its products has an internal focus by “selling” your brand to your employees?

Probe 1: Do you think that from the top down, your employees understand the value of your B2B brand?

Probe 2: Is there an identifiable process in your company that informs and educates your employees about the brand?

Probe 3: Do you know if there is any published guide book or other internal document in the organisation that has the CEO’s, MD or owner/proprietor endorsement that is aimed at employees to help them understand the value of your brand? If yes, can you tell me what it is?

Probe 4: If no, what type of information in relation to your brand, do you think would be of value for communication to your employees for them to perform their role as ambassadors and supporters of the Company’s brand?

Probe 5: Can you tell me in your own words, is there evidence that your “leader” is in tune with your brand, employees and customers?

Probe 6: Is there anything else you can think of?
APPENDIX 4.2

INFORMATION STATEMENT

For the Research Project:
A Study to Determine the Extent to which Business to Business Branding is Vital to Strategy Formulation.

Dear <Name>,

REF: Research for PhD Degree in Marketing and Management

Invitation

You are invited to take part in the research project identified above, which is being conducted by William Cater in the Faculty of Business and Law at the University of Newcastle.

William Cater is conducting the research as part of his PhD Degree in Marketing under the supervision of Associate Professor G. Pires and Dr P. Rosenberger, from the Faculty of Business and Law at the University of Newcastle.

The purpose of the research is to identify B2B branding strategies as practiced by Firms in a competitive market environment with theoretical hypotheses as to how Firms should practice B2B branding strategies to maximise their effectiveness in this important area of business activity.

A review of the published literature has shown that this is an area that has been somewhat neglected by research analysts.

Selected Industries

Two industries have been selected for case studies:
1. The Corporate Travel Industry
2. The Bread Manufacturing Industry

The first, because business travel marketing is conducted by Corporate Travel Companies to maximise their penetration into the lucrative business travel area. It is known that B2B activities occur between companies that request their personnel to travel either domestically, globally or both.

The second, because of relationship marketing of bread between the Bread Manufacturers and large supermarket chains. Research in the UK has shown that Company brands of the large plant bakers have become virtually extinct and this possibly is gathering momentum in Australia. The research asks the question ‘do B2B branding strategies exist in an identifiable form and if so what drives them’.

Requirements of Participation
Participation will require an interview with yourself or your nominated employee/s to seek answers to a prepared Questionnaire which is provided as a basis of discussion.

It is requested the nominated employee consents and their participation in the research is voluntary.

If agreed, the interview may be tape recorded to assist note taking. If this is acceptable, the participants may review on tape, the transcript and edit or erase their input. The estimated time frame for the interview is 60 minutes. We appreciate time is recognised as an extremely valuable resource for any business executive and this time frame will be respected. Should a supplementary interview be desirable your agreement would be sought. Participation in the research is entirely your choice as is withdrawal from the project at any time without giving a reason. Information provided is treated in strict confidence to maintain the privacy and/or anonymity of each participant or participating firm. Issues pursued in the interview are concerned with branding. The research is not concerned with sales, profitability or any financial or other matters considered being of a company private or personal nature.

**The Value Return for Participation**

Your participation in this ‘new knowledge’ generation will be welcome. It will not cost you anything in choosing to participate apart from the interview time mentioned above. The collected information is to be presented within a Formal Thesis of the Research findings. In addition, it is planned that each participating Company receive Aggregated Data as well as a Presentation on how its own Brand Strategies compare with academic knowledge to improve B2B branding strategies.

This opportunity is viewed as an extremely valuable resource to any Company wanting to improve its positioning, overall revenue and subsequent return to its shareholders that effective B2B branding provides by way of superior competitive advantage. The question is asked ‘how are your branding strategies formulated to differentiate your company from its competitors?’

Thank you for considering this Invitation. Your response within two weeks will be welcomed.

**Contact Details**

My contact details are:  
Mobile: 0409 243 201  
Email: c2109178@uon.edu.au

Supervisor’s details are:  
Associate Prof. G Pires and Dr P. Rosenberger III  
The University of Newcastle  
Graduate School of Business  
Ph: (02) 4921 8749

**Consent Requirement**

If you would like to participate, please complete the attached Consent Form and return to PO Box 77, Charlestown NSW 2290. I will then contact you to arrange a suitably convenient time for the interview.
Footnote

1. This project has been approved by the University's Human Research Ethics Committee, Approval No. – H-871-0804.

2. Should you have concerns about your rights as a participant in this research, or you have a complaint about the manner in which the research is conducted, it may be given to the researcher, or, if an independent person is preferred, to the Human Research Ethics Officer, Research Office, The Chancellery, The University of Newcastle-Human-Ethics@newcastle.edu.au

Signature:

PhD CANDIDATE
WILLIAM H CATER
B. Comm (Econs) Hons
APPENDIX 4.3

CONSENT STATEMENT

For Further Information:
Mr. W. H. Cater
PO Box 77
CHARLESTOWN NSW 2290
Mob: 0409 243 201
Email: c2109178@uon.edu.au

TITLE OF PROJECT

“A STUDY TO DETERMINE THE EXTENT TO WHICH BUSINESS TO BUSINESS BRANDING IS VITAL TO STRATEGY FORMULATION”

CONSENT STATEMENT

I have read the Information Letter referring to the Research Project title above which is to be conducted by William Cater, a PhD Candidate from the University of Newcastle, and I understand that the project will be conducted as described in the Information Statement.

I understand that personal and/or confidential information will remain confidential to the Researchers.

I have the opportunity to have questions answered to my satisfaction.

I agree to participate in this investigation on behalf of my Company. I may delegate tasks associated with our commitment to the research to other employees of the company as appropriate and/or desired. I understand that I can withdraw from this project at any time without giving a reason.

Signature:____________________

PRINT NAME:________________
### APPENDIX 5.1
#### RESEARCH OBJECTIVES

<table>
<thead>
<tr>
<th>Research Objective</th>
<th>Corresponding Interview Questions</th>
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<tbody>
<tr>
<td><strong>Research Objective 1:</strong> To identify the importance that B2B firms place on branding and what processes they use, if any, to develop their B2B brand-strategy formulation.</td>
<td>1</td>
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<tr>
<td><strong>Research Objective 2:</strong> To identify if the implementation of a brand strategy formulation process contributes to a firm's position in the industry and competitive advantage.</td>
<td>2</td>
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<tr>
<td><strong>Research Objective 3:</strong> To identify if implementing brand-strategy formulation processes and aligning brand elements with marketing elements in a brand-strategy formulation is related to the size of the firm.</td>
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<tr>
<td><strong>Research Objective 4:</strong> To identify if OBB is incorporated into brand-strategy formulation and what the processes to obtain knowledge of OBB are.</td>
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<tr>
<td><strong>Research Objective 5:</strong> To identify if developing relationships is part of brand strategy formulation and what processes are used.</td>
<td>5</td>
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<tr>
<td><strong>Research Objective 6:</strong> To identify if branding elements linked to the marketing strategies that the customer values as part of the brand strategy formulation process.</td>
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</tr>
<tr>
<td><strong>Research Objective 7:</strong> To identify if companies have a process that links their brand elements or brand values to their marketing resource-based capabilities and competencies in creating customer value into a brand-strategy formulation.</td>
<td>7</td>
</tr>
<tr>
<td><strong>Research Objective 8:</strong> To identify if the company’s brand has an internal dimension which is included in brand strategy formulation and how identification with the brand at all levels of employment within the organisation takes place.</td>
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</table>
**APPENDIX 5.2**

**SUMMARY OF RESPONSES TO RESEARCH OBJECTIVE QUESTIONS BY INDUSTRY AND BY CASE**

<table>
<thead>
<tr>
<th>FIRM CODE</th>
<th>BREAD 1</th>
<th>BREAD 2</th>
<th>BREAD 3</th>
<th>BREAD 4</th>
<th>BREAD 5</th>
<th>BREAD 6</th>
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<tr>
<td>2</td>
<td>Yes - No.1 in the Industry. Their brand has contributed to their position. Branding strategies identified. Brand processes semi-formal.</td>
<td>Declare absolutely they are No.1 in the industry. Their brand has contributed to their position. Some branding strategies identified but processes informal.</td>
<td>Position in Industry unknown. Some branding strategies identified. Their brand has contributed to their position. Their brand is their name. Brand processes informal.</td>
<td>No. 3 in the Industry. Branding strategies identified. Their brand has contributed to their position. Their brand is their name. Brand processes informal.</td>
<td>Position in Industry, 2nd behind the major 2. Branding strategies identified but little focus on branding strategies. Their brand has contributed to their position. Their brand is their name. Brand processes informal.</td>
<td>Position in industry – lowest. Some branding strategies identified. Their brand is their name. Changing their brand strategies cold possibly improve their position. No strategies identified to give them superior competitive advantage. Brand processes informal.</td>
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<td>The size of the firm is stated to impact ‘absolutely’ on its ability to implement successful branding strategies. Company has Marketing Director employed who constantly monitors the brand and options use of external agencies. Existing processes in place to constantly monitor the brand internally. Semi-formal brand process.</td>
<td>The size of the firm is stated to impact ‘absolutely’ on its ability to implement successful branding strategies. External agencies of value in brand development from time to time on a ‘needs’ basis. Brand is managed internally because branding ideas are generated internally. Informal brand process.</td>
<td>The size of the firm impacts on its ability to employ external agencies. The brand is managed internally. Some previous experience of paying for external agencies has shown little net benefit. Informal brand process.</td>
<td>The size of the firm impacts on its ability to employ external agencies. The brand is managed internally. Informal brand process.</td>
<td>The small size of their firm precludes employment of a marketing manager. Financial constraints such as low margins and low volumes preclude the employment of external agencies. The brand is managed internally. Informal brand process.</td>
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<td>3</td>
<td>Very important to have a knowledge and understanding of OBB. It has processes in place to achieve this. They know of buyers ranking sellers. They know who is at the centre of the decision making process. They have an understanding of their business from a buyer’s point of view. They think...</td>
<td>Very important to have a knowledge and understanding of OBB. No processes in place to achieve this. They know buyers have an evaluation or ranking system of suppliers because B2B customers say so. They know who is at the centre of the buyer’s decision making process. Whether a single...</td>
<td>Of some importance to have a knowledge and understanding of OBB. There are limited processes in place to obtain such information. They know of a supplier evaluation system to rank supplier but suggest ‘bribes’. They do not know who is at the centre of the buyer’s decision making...</td>
<td>Of some importance to have a knowledge and understanding of OBB. Processes are in place to achieve this. They know buyers have a ranking system of suppliers and can identify who is at the centre of the buying decision. They are aware of a ranking system of suppliers by soliciting feedback from the buyer.</td>
<td>Not important to have a knowledge or understanding of OBB. There are no processes in place to obtain such information. They don’t know if customers have a supplier evaluation system. They do not know who is at the centre of the buyer’s decision making process. Ranking of importance of the various attributes of...</td>
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their brand plays a role in B2B branding. Ranking of importance of the various attributes of their brand the seller believes the buyer looks for in descending order of importance are:

1. Price
2. Relationship with seller; Previous purchasing experience
3. Quality; Reliability
4. Risk; Company profile; Recommendation by other buyers.

Their brand plays a role in buyer selection. Their entire firm has understanding of their business from the customer’s point of view. buyer, buying team or buying centre make the purchasing decision ‘varies from customer to customer’. Ranking of importance of attributes of their brand the seller believes the buyer looks for in descending order of importance are:

1. Price
2. Quality
3. Reliability
4. Risk; Vendor profile
5. Relationship with seller
6. Previous purchasing experience; Recommendation by other buyers.

Their brand plays a role in buyer selection. Their firm has understanding of the business from the customer’s point of view. process. Ranking of importance of the various attributes of their brand the seller believes the buyer looks for in descending order of importance are:

1. Recommendation by other buyers
2. Reliability; Company profile; Relationship with seller
3. Quality; Previous purchasing experience
4. Price; Risk

They believe their brand plays a role in buyer selection. Their firm has little or no understanding of their business from the customer’s point of view. seller believes the buyer looks for in descending order of importance are:

1. Price; Relationship with seller
2. Reliability; Company profile; Previous purchasing experience
3. Quality; Recommendation by other buyers
4. Risk

They believe their brand plays a role in buyer selection. Their firm has understanding of the business from the customer’s point of view. Ranking of importance of the various attributes of their brand the seller believes the buyer looks for in descending order of importance are:

1. Quality; Reliability; Risk; Vendor profile; Recommendation by other buyers
2. Price; Relationship with seller
3. Previous purchasing experience

They think their brand plays a role in buyer selection. They use surveys to get an understanding of their business from a customer’s point of view. their brand the seller believes the buyer looks for in descending order of importance are:

1. Price; Quality; Reliability
2. Recommendation by other buyers
3. Relationship with seller; Previous purchasing experience
4. Risk; Vendor profile.

The firm has little or no understanding of the business from the customer’s point of view. They think their brand plays a role in - 2-b buyer selection.
| Level of awareness | High level of awareness* of the importance of developing buyer-seller relationship as a defined strategy with relationship building concepts incorporated 'absolutely' in their marketing and branding strategies. Ranking in importance of elements in building B2B relationships:
1. Trust  
2. Loyalty; Company credibility; Special treatment; Delivering on the promises of the brand. Relationships are believed to be buyer dominated. Formal processes in place. |
| Medium level of awareness* of the importance of developing buyer-seller relationships as a defined strategy. Awareness by way of surveys conducted by a third party. No other formal processes in place. Buyer-seller relationships are stated to be between 2 individuals. Relationship building concepts incorporated into their marketing and branding strategies. They were not identified. Relationships are believed to be buyer dominated (60/40). Ranking in importance of elements in building B2B relationships:
1. Delivering on the promises of the brand |
| Low level of awareness* of the importance of developing buyer-seller relationships or incorporating relationship building concepts in marketing and branding strategies. Ranking in importance of elements in building B2B relationships were all of equal value. Relationships believed to both buyer and seller dominated. No formal processes in place. |
| Low level of awareness* of the importance of developing buyer-seller relationships or incorporating relationship building concepts in marketing and branding strategies. Company stated relationship building elements are incorporated into both its marketing and branding strategies. Building relationships 'is something the seller does by getting to know people'. Ranking in importance of elements in building B2B relationships: |
| Medium level of awareness* of the importance of developing buyer-seller relationships as a defined strategy. No defined strategies identified. Ranking in importance of elements in building B2B relationships: |
| Medium level of awareness* of the importance of developing buyer-seller relationships as a defined strategy. No defined strategies identified. Ranking in importance of elements in building B2B relationships: |

* Level of awareness determined according to the following criteria:
(i) Company able to define buyer-seller relationships
(ii) Company able to identify relationship building concepts in their marketing and branding strategies.
High level of awareness equals knowledge of both concepts, medium level equals knowledge of one, low level equates undefined knowledge.
|   | Recognised the need for the brand to incorporate value. Value was defined as 'more sales, more repeat business, more customers'. No knowledge of customer value expectations. Businesses choose their brand because of the value it offers. Brand provides superior value by supplying products of consistent quality. The company identified attributes of the brand that meet the value expectations of its customers. Ranking of elements believed to be most valued. | Recognised the need for the brand to incorporate value. Value defined as 'price and quality'. The company identified attributes of the brand to create value for its customers and changes its strategies to meet market orientation. No response to issue of superior value. Businesses choose their brand because of its value. They know 'quite a lot' about the value expectations of each particular buyer. They believe their brand embodies customer value. Ranking of | Recognised the need for the brand to incorporate value. Value defined as lower price. The reason buyers' value their brand is better quality at a lower price. Brand provides superior value by creating local jobs. Brand elements believed to be the most valued by the customer were all of equal ranking. Ranking of elements believed to be most valued by customers are:  
1. Price; Value  
2. Superior value  
3. Usage  
Superior value and usage value were not considered. Company stated their brand did not provide their customers with superior value. | Recognised the need for the brand to incorporate value. Value defined as 'right price, right time, what they ordered'. Brand provides superior value but it cannot be quantified. Ranking of elements believed to be most valued by customers are:  
1. Value; Superior value  
2. Price  
Usage value not considered. They believe the brand creates value for the customer. Brand elements identified. Some | Recognised the need for the brand to incorporate value. Value was defined as were the reasons customers value the brand. Sound knowledge of customer value expectations. Brand elements identified. Brand provides superior value in some aspects which were not identified. Ranking of elements believed to be most valued by customers are:  
1. Price, Value  
2. Superior value, Usage value. |
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<tr>
<td>7</td>
<td>The firm has identified a clear set of brand values and these are considered to be the same, as promoted to consumers i.e. the same for all stakeholders. They rely on their historical track record. Their brand values are not defined. The company understands the firm did not clearly identify a set of brand values. Although the brand was recognised as an asset it was considered of little consequence for the brand to be differentiated from. The firm did not clearly identify a set of brand values. The brand was considered an asset. There was no recognition of emotional or tangible values. No knowledge of 'how' and 'why' their brand delivers value. Knowledge of customer value expectations. Some elements identified as to why buyers choose their brand. In the context of value branding is considered to be important. No processes in place to evaluate customer value. Some processes in place to evaluate customer value. Their brand is considered as important. It is not known how their brand creates value or the buyer's value expectations. Some knowledge of why buyers choose their brand. The evidence their brand delivers value to the customer is 'by not getting the sack i.e. by the buyer continuing to buy from them. In the context of value branding is considered to be important. No processes in place to evaluate customer value. In the context of value, branding is considered important. Processes in place to evaluate customer value. In the context of value, branding is considered to be of some importance. Processes in place to evaluate customer value.</td>
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<td>by customers are:</td>
<td>elements believed to be most valued by customers are:</td>
<td>value.</td>
<td>Their brand is considered as important. It is not known how their brand creates value or the buyer’s value expectations. Some knowledge of why buyers choose their brand. The evidence their brand delivers value to the customer is ‘by not getting the sack i.e. by the buyer continuing to buy from them. In the context of value branding is considered to be important. No processes in place to evaluate customer value.</td>
<td>knowledge of customer value expectations. Some elements identified as to why buyers choose their brand. In the context of value branding is considered to be important. No processes in place to evaluate customer value.</td>
<td>exist. Brand stated to have 'some power' but no brand elements identified. Company has little resources to create value. Company had no knowledge of customer value expectations or why customers choose their brand --- ability for the brand to provide value and deliver on the promise of the brand 'is being eroded by the marketplace'. They think in the context of value, branding is important. No processes in place to evaluate customer value.</td>
</tr>
<tr>
<td>In the context of value, branding is considered important. Processes in place to evaluate customer value.</td>
<td>No processes in place to obtain knowledge of customer value expectations. They believe the brand creates value for the buyer but did not know the buying company value expectation. In the context of value branding is considered of some importance. Some knowledge of why buyers choose their brand. No processes in place to evaluate customer value.</td>
<td>In the context of value, branding is considered to be of some importance. Processes in place to evaluate customer value.</td>
<td>Processes in place to evaluate customer value.</td>
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The firm has identified a clear set of brand values and these are considered to be the same, as promoted to consumers i.e. the same for all stakeholders. They rely on their historical track record. Their brand values are not defined. The company understands the firm did not clearly identify a set of brand values. Although the brand was recognised as an asset it was considered of little consequence for the brand to be differentiated from. The firm did not clearly identify a set of brand values. The brand was considered an asset. There was no recognition of emotional or tangible values. No knowledge of 'how' and 'why' their brand delivers value. Knowledge of customer value expectations. Some elements identified as to why buyers choose their brand. In the context of value branding is considered to be important. No processes in place to evaluate customer value. Some processes in place to evaluate customer value. Their brand is considered as important. It is not known how their brand creates value or the buyer’s value expectations. Some knowledge of why buyers choose their brand. The evidence their brand delivers value to the customer is ‘by not getting the sack i.e. by the buyer continuing to buy from them. In the context of value branding is considered to be important. No processes in place to evaluate customer value. In the context of value, branding is considered important. Processes in place to evaluate customer value. In the context of value, branding is considered to be of some importance. Processes in place to evaluate customer value. No processes in place to obtain knowledge of customer value expectations. They believe the brand creates value for the buyer but did not know the buying company value expectation. In the context of value branding is considered of some importance. Some knowledge of why buyers choose their brand. No processes in place to evaluate customer value. |
<table>
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<th>know the ‘how’ and ‘why’ their brand delivers value to B2B customers by previous references to value. They are made up of Intrinsic (functional) and extrinsic (emotional). The functional properties are fresh bread products, consistent quality and softness. Emotional qualities appeal to mothers and the celebration of the family. Formal processes in place.</th>
<th>terms functional values and emotional values. They state there is little role for intangible (emotional) brand values in B2B branding strategies. They know how their brand delivers value to its customers by identified means. No knowledge of ‘how’ and ‘why’ their brand delivers value to B2B customers. No formal processes in place.</th>
<th>competing brands. The respondent told of some recognition and effort to enhance the brand. It was believed that the effect of their brand in B2B marketing increases the monetary value of the brand. The strength of their brand is the fact of its family connection and this is the value of the brand. There was no recognition of emotional or tangible values. No knowledge of ‘how’ and ‘why’ their brand delivers value to B2B customers. No formal processes in place.</th>
<th>and ‘why’ their brand delivers value to B2B customers. No formal processes in place.</th>
<th>value to B2B customers. No formal processes in place.</th>
<th>knowledge of ‘how’ and ‘why’ their brand delivers value to B2B customers. No formal processes in place.</th>
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<tr>
<td>8</td>
<td>There is some internal focus of the brand. The Company had recently employed a new CEO who was said to be starting to endorse</td>
<td>There is some internal focus of the brand. No identifiable processes that inform or educate the employees about the brand.</td>
<td>There is some internal focus of the brand. The firm recognises the need for employees to understand and live the brand. While there is no</td>
<td>There is some internal focus of the brand. Processes to inform and educate employees about the brand are ‘not formalised’. There is no</td>
<td>The employees did not understand the value of their b-2-b brand. There is no recognisable process and no published guide book or other internal documents to</td>
<td></td>
</tr>
<tr>
<td>Internal Branding Strategies</td>
<td>There is an internal document that informs about the brand in a limited form. An induction process is used to help employers understand the value of the brand. Their leader is most definitely in tune with the brand. Some formal processes.</td>
<td>Documentation or identifiable processes in place to educate employees about the brand, it was stated employees understand the value of the brand. Their leader is somewhat in tune with their brand. No formal processes.</td>
<td>Sales Meetings, Production Meetings and Staff Meetings. No documentation was sighted. Their leader is somewhat in tune with the brand. The level of communication to inform employees about the brand 'could be improved'. No formal processes.</td>
<td>There is evidence the leader is in tune with the brand. No formal processes.</td>
<td>Help employees understand the brand. Difficult to train employees about the brand. Their leader is in tune with their brand. No formal processes.</td>
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</tr>
<tr>
<td>There is a published guide book aimed at employees to help them understand the value of the brand. There is no evidence or publicity that links the CEO with the brand or is a leader in tune with the brand. Some formal processes.</td>
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<td></td>
</tr>
<tr>
<td>Their leader is definitely in tune with the brand. Some formal processes.</td>
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<tr>
<td>Their leader is definitely in tune with the brand. Some formal processes.</td>
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<tr>
<td>Their leader is definitely in tune with the brand. Some formal processes.</td>
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<tr>
<td>Their leader is definitely in tune with the brand. Some formal processes.</td>
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<tr>
<td>Their leader is definitely in tune with the brand. Some formal processes.</td>
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</tr>
</tbody>
</table>
**APPENDIX 6.1**

**SUMMARY OF RESPONSES TO RESEARCH OBJECTIVE QUESTIONS BY INDUSTRY AND BY CASE**

<table>
<thead>
<tr>
<th>FIRM CODE</th>
<th>TRAVEL 1</th>
<th>TRAVEL 2</th>
<th>TRAVEL 3</th>
<th>TRAVEL 4</th>
<th>TRAVEL 5</th>
<th>TRAVEL 6</th>
<th>TRAVEL 7</th>
</tr>
</thead>
<tbody>
<tr>
<td>RESEARCH OBJECTIVE</td>
<td>SME 20 to 200 employees.</td>
<td>SME 20 to 200 employees.</td>
<td>SME 20 to 200 employees.</td>
<td>SME 20 to 200 employees.</td>
<td>SME 20 to 200 employees.</td>
<td>LARGE 200+ employees.</td>
<td>SME 20 to 200 employees.</td>
</tr>
<tr>
<td>2</td>
<td>Position in Industry unknown. Branding strategies identified as contributing to firm's competitive advantage. The brand has helped in obtaining the business they have. Changing branding strategies could assist in improving their industry position. No brand</td>
<td>Position in Industry unknown. The brand has helped in their obtaining the business they have. Their brand is their name. They want to grow their brand by opening other offices. They did not suggest any brand elements that contributed to competitive advantage etc</td>
<td>Position in Industry was considered to be 'mid range' and their brand has helped in achieving that position. They do not think changing their brand strategies will help to improve their position. They did not suggest any identifiable brand elements that contributed to competitive</td>
<td>Position in Industry among the 'Top 4' and their brand has helped in achieving that position. They have worked very hard on their brand. Branding strategies identified as contributing to competitive advantage. No strategies identified that could give firm</td>
<td>Position in Industry unknown. Had not considered the role of their brand as contributing to the firm's competitive advantage. No brand elements identified. No brand strategies identified to give firm superior competitive advantage. Changing branding strategies could assist in improving</td>
<td>Market leader. Position in industry is No.1. Their brand has helped to achieve this position. It achieves competitive advantage. No brand strategies identified to give firm superior competitive advantage. Changing branding strategies could assist in improving</td>
<td>Consider themselves as market leaders and no 1 in the Industry. Their brand has played a role in achieving the position and giving the firm competitive advantage. Brand strategies identified to give firm competitive advantage. Changing strategies not</td>
</tr>
</tbody>
</table>

* Level of awareness determined according to the following criteria:
(i) Company able to define buyer-seller relationships
(ii) Company able to identify relationship building concepts in their marketing and branding strategies.
High level of awareness equals knowledge of both concepts, medium level equals knowledge of one, low level equates undefined knowledge.
<table>
<thead>
<tr>
<th>Firm Size</th>
<th>Brand Development and Management</th>
<th>Marketing Manager Employment</th>
<th>Internal Management</th>
<th>External Advice</th>
<th>Budgetary Constraints</th>
<th>Brand Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>Firm employs Marketing Manager. External agency originally employed for brand development and management. Financial constraints prelude employment of external agencies. Brand is managed internally. Semi-formal brand process.</td>
<td>Due to financial constraints, Marketing Manager not employed. External agency employed to develop the brand and website. Managing Director is responsible for developing and managing the brand. Some external input. Semi-formal brand process.</td>
<td>Marketing Manager not employed.</td>
<td>External agency employed to develop website. Brand is managed internally by MD.</td>
<td>Marketing Manager not employed but a National Sales Manager is. The brand is managed internally. This is not due to budgetary restraints. Responsibility for the brand is not in the hands of one individual; responsibility is shared around the sales area.</td>
<td>Formal brand process.</td>
</tr>
<tr>
<td>4</td>
<td>Important to have a knowledge and understanding of organisational</td>
<td>Very important to have a knowledge and understanding of organisational</td>
<td>Very important to have a knowledge and understanding of organisational</td>
<td>Very important to have a knowledge and understanding of organisational</td>
<td>Very important to have a knowledge and understanding of organisational</td>
<td>Very important to have a knowledge and understanding of organisational</td>
</tr>
<tr>
<td>Buyer behaviour. It has some processes in place such as relying on the experience of sales consultants but no documented processes in place to obtain the information required. There is an attempt to identify who are relevant in making the buyer decisions. Some evidence obtained from buyers of supplier ranking activity. Ranking of importance of various attributes of the brand in descending order of importance:</td>
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<td>---</td>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>1. Reliability</td>
<td>2. Price</td>
<td>3. Quality; Previous Purchasing Experience; Recommendation by other buyers.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buyer behaviour. It has some processes in place such as regular reviews of customer surveys. Knowledge of buyer ranking sellers because buyers have told them. There is an attempt to identify who are relevant in making the buyer decision. Ranking of importance of various attributes of the brand in descending order of importance:</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>1. Quality; Reliability; Previous purchasing experience</td>
<td>2. Price; Recommendation by other buyers; Other – technology Risk; Vendor profile;</td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Buyer behaviour. It has processes in place to seek out knowledge of buyer behaviour and have knowledge that customers have a business ranking system yet no processes identified. They believe ‘absolutely’ they know who is at the centre of the decision making process but did not state a single buyer/buying team or buying centre. Ranking of importance of various attributes of the brand in descending order of importance:</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>1. Quality; Reliability; Risk; Relationship with seller Price; Previous purchasing experience</td>
<td>2. Vendor profile; Reliability; Previous purchasing experience; Recommendation by other buyers.</td>
<td></td>
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<tr>
<td>Buyer behaviour. It uses a basic profile – company details etc. It has no processes in place to seek out knowledge and understanding of buyer behaviour as to how purchasing is conducted by its buyers. This may come to light in tenders or contracts with the buyers. It has some knowledge of a supplier evaluation system to rank suppliers by organised processes. They know who is at the centre of the decision making process. Ranking of importance of various attributes of the brand in descending order of importance:</td>
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</tr>
<tr>
<td>1. Vendor profile; Reliability; Previous purchasing experience; Recommendation by other buyers.</td>
<td>2. Price; Vendor profile;</td>
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<tr>
<td>Buyer behaviour. Informal processes identified to affect this outcome. No knowledge of a customer supplier ranking system. They know who is at the centre of the decision making process and are aware of the range of purchasing areas of a buying firm as single buyer, buying team or a buying centre. Ranking of importance of various attributes of the brand in descending order of importance:</td>
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<tr>
<td>1. Quality; Reliability; Relationship with seller</td>
<td>2. Previous purchasing experience.</td>
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</tr>
<tr>
<td>Buyer behaviour. Processes said to be in place but not identified. Knowledge that customers have a ranking system by feedback. They know who is at the centre of the purchasing decision. Ranking of importance of various attributes of the brand in descending order of importance:</td>
<td></td>
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</tr>
<tr>
<td>1. Quality; Reliability; Relationship with seller; Previous purchasing experience.</td>
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</tr>
<tr>
<td>Buyer behaviour. The firm has an informal processes to seek out knowledge of buyer behaviour and have knowledge that customers have a business ranking system yet no processes identified. They believe ‘absolutely’ they know who is at the centre of the decision making process but did not state a single buyer/buying team or buying centre. Ranking of importance of various attributes of the brand in descending order of importance:</td>
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<td></td>
</tr>
<tr>
<td>1. Quality; Reliability; Risk; Relationship with seller Price; Previous purchasing experience</td>
<td>2. Vendor profile; Reliability; Previous purchasing experience; Recommendation by other buyers.</td>
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</tr>
<tr>
<td>Buyer behaviour. It uses a basic profile – company details etc. It has no processes in place to seek out knowledge and understanding of buyer behaviour as to how purchasing is conducted by its buyers. This may come to light in tenders or contracts with the buyers. It has some knowledge of a supplier evaluation system to rank suppliers by organised processes. They know who is at the centre of the decision making process. Ranking of importance of various attributes of the brand in descending order of importance:</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>1. Vendor profile; Reliability; Previous purchasing experience; Recommendation by other buyers.</td>
<td>2. Price; Vendor profile;</td>
<td></td>
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<tr>
<td>Buyer behaviour. The firm has an informal processes to seek out knowledge of buyer behaviour and have knowledge that customers have a business ranking system yet no processes identified. They believe ‘absolutely’ they know who is at the centre of the decision making process but did not state a single buyer/buying team or buying centre. Ranking of importance of various attributes of the brand in descending order of importance:</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>1. Quality; Reliability; Risk; Relationship with seller Price; Previous purchasing experience</td>
<td>2. Vendor profile; Reliability; Previous purchasing experience; Recommendation by other buyers.</td>
<td></td>
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</tr>
</tbody>
</table>
4. Risk; Vendor Profile; Relationship with seller.
   This firm has an understanding of the business from the customer’s point of view. The brand is considered as not so important in the B2B buyer selection. Some formal processes.

Relationship with seller.
   The firm has little to no understanding of the business from the customer’s point of view. They think their brand probably plays a role in B2B buyer selection. Some formal processes.

3. Risk; Vendor profile; Recommendation by other buyers.
   The firm has little understanding of the business from the customer’s point of view. They think their brand plays a role in B2B buyer selection. Some formal processes.

   dation by other buyers
   1. Price; Relationship with seller; Previous purchasing experience; Recommendation by other buyers
   2. Quality; Reliability
   3. Vendor profile
   4. Risk.

   The firm has an understanding of the business from the customer’s point of view. The brand plays a role in B2B buyer selection. Formal processes.

   descending order of importance:
   1. Price; Relationship with seller; Previous purchasing experience; Recommendation by other buyers
   2. Quality; Reliability
   3. Vendor profile
   4. Risk.

   They have confirmation their brand plays a role in B2B buyer selection. They use surveys to try to get an understanding of how buyers understand their business. Some formal processes.

   profile.
   They have confirmation their brand plays a role in B2B buyer selection. They use surveys to try to get an understanding of how buyers understand their business. Some formal processes.

   understanding of the business from the customer’s point of view by information obtained by surveys. They think their brand plays a role in B2B buyer selection. No formal processes.
Level of awareness determined according to the following criteria:

(i) Company able to define buyer-seller relationships
(ii) Company able to identify relationship building concepts in their marketing and branding strategies.

High level of awareness equals knowledge of both concepts, medium level equals knowledge of one, low level equates undefined knowledge.

| 5 | Medium level of awareness* of the importance of developing buyer-seller relationships as a defined strategy in building their brand. Several strategies identified. However, conclude relationships are determined more by the buyer. Ranking in importance of elements in building B2B relationships were:
1. Delivering on the promises of the brand
2. Company credibility; Trust; Special Treatment.
3. Loyalty.
Formal processes. |
|---|---|
| 5 | High level of awareness* of the importance of developing buyer-seller relationships and relationship building strategies incorporated in their brand. Several strategies identified and staff assignment as to who was responsible for their implementation. However, conclude that relationships are buyer dominated. Ranking in importance of elements in building B2B relationships were:
1. Special treatment; Delivering on the promises of the brand
2. Company credibility; Trust; Special treatment; Delivering on the promises of the brand |
| 5 | Medium level of awareness* of the importance of developing buyer-seller relationships. Several strategies identified and management incorporates them into their marketing and branding strategies to differing degrees. However, conclude that relationships are buyer dominated. Ranking in importance of elements in building B2B relationships were all the same at a score of 5 – most important.
1. Company credibility; Trust; Loyalty; Special treatment; Delivering on the promises of the brand |
| 5 | High level of awareness* of the importance of developing buyer-seller relationships. Buyer-seller relationships are understood to mean “a commitment to providing the requirements of the buyer”. They recognise buyer seller relationships have to be built in compliance with the buyers’ policy. The company said it incorporates relationship building policies in its marketing strategies and in branding strategies. Relationships may be buyer or seller dominated depending on the size of the buying company and their dollar spend. Ranking in importance of elements in building B2B relationships were:
1. Special treatment
2. Company credibility; Trust; Loyalty.
3. Delivery on the promises of the brand. Don’t know the value expectations of the buyer. Formal processes. |
| 5 | Medium level of awareness* of the importance of developing buyer-seller relationships. No strategies identified as incorporated in their brand. Relationships are buyer dominated. Ranking in importance of elements in building B2B relationships were:
1. Special treatment
2. Company credibility; Trust; Loyalty.
3. Delivery on the promises of the brand. Don’t know the value expectations of the buyer. Formal processes. |
<p>| 5 | High level of awareness* of the importance of developing buyer-seller relationships or incorporating relationship building concepts in marketing and branding strategies. Strategies identified. Relationships are believed to be buyer dominated. Ranking in importance of elements in building B2B relationships were all the same at a score of 5 – most important. Formal processes. |</p>
<table>
<thead>
<tr>
<th></th>
<th>Very aware of the need for the brand to incorporate value. Value was defined as a service level agreement that emphasises Company performance. Brand embodies &quot;customer value&quot;. Brand elements identified as were the reasons B2B customers value their brand. Processes to obtain knowledge</th>
<th>Very aware of the need for the brand to incorporate value. Value was defined as reliability and creditability and reduction in business costs. Brand elements identified as were the reasons customers value their brand. Processes to obtain knowledge of customer value expectations identified. Brand</th>
<th>Very aware of the need for the brand to incorporate value. Value was not defined but thought to be provided by a service level agreement. Processes to obtain knowledge of customer value expectations identified. Brand elements identified as were the reason B2B customers value the brand. Brand</th>
<th>Very aware of the need for the brand to incorporate value. Value was defined as &quot;being a step ahead of the clients&quot;. The value of their brand was delivering on the promises of the brand, being price competitive and being a &quot;one stop shop&quot;. Brand elements believed to be of most value to customers are:</th>
<th>Very aware of the need for the brand to incorporate value. Value was not defined. Brand elements identified as were the reasons customers value the brand. Brand elements believed to be of most value to customers are:</th>
<th>Very aware of the need for the brand to incorporate value. The firm identified a clear set of brand values. Value is defined as &quot;what people define as value&quot;. They believe they provide superior value by identified &quot;value added&quot; elements. Brand elements identified as was the reason customers value their brand. Brand</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>Very aware of the need for the brand to incorporate value. Value was defined as a service level agreement that emphasises Company performance. Brand embodies &quot;customer value&quot;. Brand elements identified as were the reasons B2B customers value their brand. Processes to obtain knowledge</td>
<td>Very aware of the need for the brand to incorporate value. Value was defined as reliability and creditability and reduction in business costs. Brand elements identified as were the reasons customers value their brand. Processes to obtain knowledge of customer value expectations identified. Brand</td>
<td>Very aware of the need for the brand to incorporate value. Value was not defined but thought to be provided by a service level agreement. Processes to obtain knowledge of customer value expectations identified. Brand elements identified as were the reason B2B customers value the brand. Brand</td>
<td>Has an awareness of the need for the brand to incorporate value. Value was not defined. Delivering value was stated as an aim of their brand. Brand elements believed to be of most value to customers are:</td>
<td>Very aware of the need for the brand to incorporate value. Value was not defined. Brand elements identified as were the reasons customers value the brand. Brand elements believed to be of most value to customers are:</td>
<td>Very aware of the need for the brand to incorporate value. The firm identified a clear set of brand values. Value is defined as &quot;what people define as value&quot;. They believe they provide superior value by identified &quot;value added&quot; elements. Brand elements identified as was the reason customers value their brand. Brand</td>
</tr>
</tbody>
</table>

**Loyalty.**

Formal processes.

Company builds trust with a risk management policy. Also builds relationships by proposing volume discounts on hotel, car hire and airlines. Formal processes.

**importance of elements in building B2B relationships were:**

1. Company credibility;
   Trust;
   Loyalty;
   Delivering on the promises of the brand.

**Has an awareness of the need for the brand to incorporate value. Value was not defined. Brand elements identified as were the reasons customers value the brand. Brand elements believed to be of most value to customers are:**

1. Price;
   Value
2. Superior Value
3. Usage

**Very aware of the need for the brand to incorporate value. Value was not defined. Brand elements identified as were the reasons customers value the brand. Brand elements believed to be of most value to customers are:**

1. Superior Value
2. Usage Value
3. Value

**Very aware of the need for the brand to incorporate value. The firm identified a clear set of brand values. Value is defined as "what people define as value". They believe they provide superior value by identified "value added" elements. Brand elements identified as was the reason customers value their brand. Brand**
| 1. Price | Branding is considered important in the value context. |
| 2. Superior Value | |
| 3. Value | |
| 4. Usage Value | |

<table>
<thead>
<tr>
<th>elements believed to be most valued by customers are in descending order of value expectations are:</th>
<th>elements believed to be most valuable are:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Price</td>
<td>1. Superior Value</td>
</tr>
<tr>
<td>2. Superior Value</td>
<td>2. Value</td>
</tr>
<tr>
<td>3. Usage Value</td>
<td>3. Price</td>
</tr>
<tr>
<td>4. Usage Value</td>
<td>4. Value</td>
</tr>
</tbody>
</table>

Branding is considered important in the value context.

<table>
<thead>
<tr>
<th>Branding is considered important in the value context.</th>
<th>Branding is considered to be powerful in the B2B market place. They know a lot about each company’s value expectations. Their brand embodies customer value and delivering on its promise of value by several identified points of distinction such as local and boutique but with global expertise and links. Branding is considered important in the value context.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| brand and examples were quoted. Processes to obtain knowledge of customer value expectations identified. An example is by way of “key performance indicators”. A written promise of performance is written into customer contracts. The reason company’s choose the brand is because of its reliability and the brand embodies customer value and delivers on its promises to the highest extent. Branding is very important in the value context. Branding was considered of some importance in the value context. |
|---|---|
| | |

<table>
<thead>
<tr>
<th>Value.</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>It wasn’t known if the brand creates superior value but they consider value and services as powerful elements of their brand. It isn’t known how their brand creates value and they don’t know each company’s value expectations. Processes to obtain knowledge of customer value expectations identified. They know a lot about each company’s value expectations. They consider branding to be very important in the value context.</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>3. Price</td>
<td></td>
</tr>
</tbody>
</table>

| Superior value brand elements not identified. It is believed buyers choose their brand because of its reputation. Processes to obtain knowledge of customer value expectations identified. They know a lot about each company’s value expectations. They consider branding to be very important in the value context. |
|---|---|
| | |

<p>| elements believed to be most valued by customers are: |
|---|---|
| 1. Usage Value |
| 2. Value |
| 3. Superior Value |
| 4. Price | Processes to obtain knowledge of customer value expectations identified. In the value context branding is considered very important. |</p>
<table>
<thead>
<tr>
<th></th>
<th>expectations are:</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Usage Value; Value; Superior Value</td>
<td>2.</td>
<td>Price</td>
</tr>
</tbody>
</table>

While able to identify some brand values which build on the organisation's competencies and capabilities, no processes were identified as brand building strategic formulation. The Company understands the terms functional value and emotional value in branding strategies. They know why and how the brand delivers value to its customers.

Brand values identified that build on the organisation's competencies and capabilities. No processes identified as brand building strategic formulations that build on identified competencies and capabilities. They know why and how the brand delivers value to its customers.

Brand values identified that build on the organisation's competencies and capabilities. No processes identified as brand building strategic formulations. Company understands the terms functional value and emotional value branding strategies. They know why and how the brand delivers value to its customers.

Brand values identified that build on the organisation's competencies and capabilities. No processes identified as brand building strategic formulations. The Company has a high understanding of the terms functional value and emotional value in branding strategies. "A clever company realises that both go hand in hand". Consistency was the why and how the brand delivers value to their B2B customers.

Brand values identified that build on the organisation's competencies and capabilities. No processes identified as brand building strategic formulations. Some understanding of functional value and emotional value. No understanding as to how their brand delivers value. No evidence of a recognition that the brand could or should rely on its competencies building value into the brand. No knowledge as to why and how the brand delivers value.

Brand values definitely identified 'to a limited degree' that build on the organisation's competitiveness and capabilities. No processes identified as brand building strategic formulations. A high level of understanding of functional and emotional elements of branding with their advice that the emotional aspect is important. They know why and how their brand delivers value.

Brand values identified which build on the resources and capabilities of the firm to create value. No processes identified as brand building strategic formulations. Understanding of functional and emotional brand values. They know why and how their brand delivers value.
<table>
<thead>
<tr>
<th></th>
<th>There is an internal focus of the brand. Employees live the brand by an understanding of its value to the organisation delivered by identifiable process i.e. an internally compiled booklet entitled “Brand Values” that informs and educates their employees. The leader in is tune with the brand. Employees understand the value of the brand. Formal processes.</th>
<th>There is an internal focus of the brand. The employers use incentives to help employees understand the brand. Company has no specific document to inform or educate employees as to the value of the brand to the organisation. The leader in is tune with the brand. Employee understanding of brand value is of differing degrees and varying success. No formal processes.</th>
<th>While there is an internal focus on selling the brand to employees, employee understanding of the brand is said to be of different degrees with varying success. Sales meetings are used to educate employees about the brand. A staff manual is used. There is evidence their leader is in tune with their brand. Employees understand the value of the brand. Formal processes.</th>
<th>There is a strong internal focus on employee knowledge and understanding of the brand by way of processes which are constantly updated. The leader in is tune with the brand. Employees understand the value of the brand. Formal processes.</th>
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<th>There is an internal focus of the brand but this seems to be limited to the sales department. Company has a specific document to inform and educate the employees. Key items of the brand identified as to how and why it is important. There is evidence their leader is in tune with their brand ‘to a large degree’. Employees understand the value of the brand. Formal processes.</th>
<th>There is an internal focus of the brand. The firm recognises the need for employees to understand and live the brand. A staff manual is used to inform and educate staff. Updates and new inputs are communicated by Intranet communication. The leader is the General Manager and most definitely is in tune with their brand. Employees understand the value of the brand. Formal processes.</th>
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