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Building corporate brand orientation through cross-functional integration within marketing

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Abstract

Prior research defines brand orientation as an approach in which the processes of the organisation revolve around the creation, development and protection of brand identity in an ongoing interaction with target customers with the aim of achieving lasting competitive advantages in the form of brands (Urde, 1999). This research paper examines how marketing managers perceive corporate brand orientation with a financial services company, namely Standard Bank Group Limited (Standard Bank) and what influence cross-functional integration has in enhancing the level of brand orientation.

The study design was non-experimental and convenience sampling used. The data was collected within the Group and South African marketing functions of Standard Bank both of which are located within South Africa. The survey was delivered to 131 respondents across 30 marketing functions with the unit of analysis being each employee within their respective teams.

The research results indicate that cross-functional integration variables of compensation, multifunctional training and cross-functional teams have a positive influence on brand orientation.

The findings from this research can contribute to the body of knowledge within the domain of building corporate brand orientation within the financial services industry, specifically with regards to implications for marketing leadership in terms of improving the performance of the marketing department.

Keywords: Financial services, brand orientation, cross-functional integration

Declaration

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

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Chapter 1: Introduction to the research problem

1.1 Research title

Building corporate brand orientation through cross-functional integration within marketing

1.2 Research problem

Considerable research has been conducted into market orientation which is defined as the organisation wide generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across departments and organisation wide responsiveness to it (Hunt & Morgan, 1995).

The view of market orientation in terms of a brand orientation approach is that market orientation is an external standpoint, which is concerned with the satisfaction of customers in competition with other companies, whereas brand orientation is a more deliberate approach of the development of brands which is intended to create a strategic significance for brands (Urde, 1999).

Brand orientation can best be defined as an approach in which the processes of the organisation revolve around the creation, development and protection of brand identity in an ongoing interaction with target customers with the aim of achieving lasting competitive advantages in the form of brands (Urde, 1999). Given the latter mentioned definition, beyond structural and process requirements, researchers Vallaster and de Chernatony (2006) have alluded to the importance of management knowledge, skills, commitment and more importantly integration which has been largely overlooked.

1.3 Research objectives

The objective of this study is to explore and describe the role of cross-functional integration in influencing the process of brand orientation development. This research paper begins with a review of existing definitions and perspectives on the content and components of brands and brand orientation. Through a synthesis of current literature, services brands and the success factors for financial services brands are explored.

Following a review of the success factors of services brands, corporate brands are described as the next evolution step for financial services brands and the importance of a holistic, consistent and integrated approach to branding is emphasised. The purpose of corporate branding is to conceive, manage and communicate corporate brand values in order to guide managerial decisions and action (Lawer & Knox, 2008).

Brand orientation is described as an approach in which the processes of the organisation revolve around the creation, development and protection of brand identity in an ongoing interaction with target customers with the aim of achieving lasting competitive advantages in the form of brands (Urde, 1999). Following further exploration of the brand orientation construct, barriers as well as the implications for management with regard to brand orientation are explored.

“The quality of marketing talent, specialised support and management sophistication tends to be dispersed and weak when silos are running their business autonomously” (Aaker, 2008). Further silos or lack of integration often inhibits the development of unified marketing, brand clarity, optimal resource allocation, and the silo-spanning offerings and relationships that customers want (Aaker, 2008).

The focus of this research then shifts to the cross-functional integration construct, which is defined as the ability of functions to work in harmony (Maltz & Kohli, 2000). Further Cespedes (1996) stated that success in a competitive business environment is largely dependant on the degree to which firms can integrate across functional boundaries. Within cross-functional integration various mechanisms which include multifunctional training; cross-functional teams; compensation; formalisation; social orientation; spatial proximity and internal volatility are explored. Reukert and Orville (1987) argue that functional specialisation must be complemented with these integrative devices to facilitate coordination between the different functional specialities.

The research thereafter explores the role of cross-functional integration in building brand orientation with a particular emphasis on delivering coherency and holistic branding through an integrated a marketing department.

1.4 Research aim

The role of the research is to ultimately understand the impact of cross-functional integration on brand orientation in terms of enhancing brand orientation for a financial services company, namely Standard Bank. The results are expected to yield insight into the how the processes around the creation, development and protection of brand identity as stated by Urde (1994) can further be enhanced with the use of cross-functional integration.

1.5 Scope of research

This research was conducted within one organisation only. The scope of this research was limited to employees based within the South African and Group marketing departments, both of which are located within the Johannesburg headquarters of Standard Bank as apposed to other business and support departments. Such a focus was relevant as majority of the branding activity is centralised and coordinated out of the South African and Group marketing departments.

1.6 Research outline

This research follows the following structure. Chapter two reviews the academic literature and established the theoretical background of the main constructs namely, brand orientation and cross-functional integration. Chapter three stated the research hypotheses with chapter four discussing the research design and methodology chosen. Thereafter chapter five discusses the research results and chapter six reviewed the finding from this research. Finally, chapter seven provides a summary of the main findings, managerial implications as well as the recommendations for future research.

Chapter 2: Literature review

2.1 Introduction

The purpose of this research was to review the role of cross-functional integration in enhancing the process of brand orientation development. Figure one below provides a visual outline to the structure of the literature review.

Figure 1: Structure of literature review



2.2 The importance of brands

Brand definitions in literature are many and a synthesis is required to understand the brand construct and ultimately brand orientation. Twelve main themes are considered to be an accurate categorisation of the broad range of definitions of the "brand" in the literature (de Chernatony & Riley, 1998). These twelve categories are briefly outlined below.

2.2.1 Brand as a legal instrument

The first category brand as a legal instrument provides for a mark of ownership, name, logo, design or trademark that allows the owner to prosecute infringers whom do not license the brand for commercial use (Crainer, 1995).

2.2.2 Brand as a logo

The second category looks at brand as a logo in relation to it being a name, term, sign and symbol as well as its design and product characteristics with the intent to identify and differentiate itself through visual identity, name or quality assurance (American Marketing Association, 1960).

2.2.3 Brand as a company

The third category looks at a brand as a company whereby a recognisable corporate name, image, culture, people and programs of the organisation define the corporate personality and the Chief Executive Officer is seen to be the brand manager (Vick, 1993).

2.2.4 Brand as a shorthand

The fourth category looks at a brand as shorthand to enable functional and emotional recall through memory shortcuts to enable faster purchase decisions (Jacoby, Szybillo, & Busato-Schach, 1977).

2.2.5 Brand as a risk reducer

The fifth category positions the brand as a risk reducer that instills confidence that expectations will be fulfilled and defines the brand as a contract between the consumer and the brand (Assael, 1995).

2.2.6 Brand as an identity system

The sixth category identifies the brand as an identity system which is more than just a name and denotes a more holistic view with integral facets that clarify direction, meaning, strategic positioning, serves as a protective barrier and communicates the brand essence to stakeholders (Kapferer, 1992).

2.2.7 Brand as an image

The seventh category identifies a brand as consumer-centered with the brand image in consumer's minds representing the reality. This definition indicates that market research is important and that a firm's input activities are managed using feedback of the image to change the identity of the brand (Park, Jaworski, & MacInnis, 1986).

2.2.8 Brand as a value system

The eighth category looks at the value system in brands and posits that a consumer's relevant values permeate the brand with brand values that match the consumer's values. This definition challenges an organisation to focus beyond just the functional capabilities of the brand to also understand and deliver on the symbolic values and meanings of the brand to the consumer (Clark, 1987).

2.2.9 Brand as a personality

The ninth category looks at brands in terms of having a personality and displaying psychological values, which are communicated through advertising and packaging, with these psychological values being valued beyond functional utility by the consumer (Goodyear, Reviewing the concept of brands and branding, 1993).

2.2.10 Brand as a relationship

The tenth category proposes a relationship between the brand and the consumer. This relationship is characterised by the consumer having an attitude towards the brand and the brand having an attitude toward the consumer. This view implies that recognition and respect between the individual and the brand would lead to strong bonding as well as attitude reinforcement (Blackston, 1992).

2.2.11 Brand as a perception

The eleventh category highlights the non-functional extras that consumers imbue within a brand such as subjective meanings and aesthetics (Hirschman & Holbrook, 1982). The brand is thereafter differentiated through layers of meaning allowing for a premium to be charged due to the consumer's perception towards the brand.

2.2.12 Brand as a reference for products or services

The twelfth category describes brand as an evolving entity whereby the brand evolves from being an unbranded commodity to references where the name is used for identification (Goodyear, 1996). The brand therefore passes through stages with gradual shifts from the firm to the consumer, in terms of just product benefits to becoming an icon in the mind of the consumer.

2.2.13 The brand as a multidimensional construct

de Chernatony and Riley (1998) conclude following a review of the above categories that the brand is a complex multidimensional construct whereby managers augment products and services with values and this facilitates the process by which consumers confidently recognise and appreciate these values. They further state that to ensure repeated use, feedback is monitored and used to better tune the value constellations to consumers' needs. de Chernatony and Riley (1998) further advise that brands are coproduced by organisations and

consumers' by incorporating the knowledge of a consumers' interpretation of brand through a cyclical process which would enable firms to build powerful brands.

Brand management should therefore be seen as strategic and holistic to ensure longevity of product or service (Wood, 2000). Further Davis (1995) advised that management needs to start managing brands as assets thereby increasing the brand value over time. de Chernatony and Riley (1998) conclude following review of the above twelve categories that a brand is a multidimensional construct matching an organisations functional and emotional values with the performance and psychosocial needs of consumers. Therefore a brand can be managed as a strategic asset and a source of competitive advantage for companies.

To define the relationship between customers and brands created the term brand equity in marketing literature (Wood, 2000). Fieldwick (1996) classified the different meanings of brand equity as the total value of a brand as a separable asset when it is sold, or included on a balance sheet; a measure of the strength of consumers' attachments to a brand; a description of the associations and beliefs the consumer has about the brand.

To build strong brands, organisations need to build on the concept of brand equity. Aaker (1995) defines brand equity as a set of assets (and liabilities) linked to a brand's name and symbol that adds to (or subtracts from) the value provided by a product or service to a firm and/or that firm's customers. By building brand equity, companies can use branding to differentiate their product or service offering from that of their competitors thereby creating a form of uniqueness. Strong brands are therefore an important asset to marketing managers and more importantly to organisations striving to meet the challenges of today's highly volatile markets (Aaker, 1995).

With a strategic view to branding activities, organisations can ensure that they are better able to deal with fluctuating environmental and market forces (Dibb & Simões, 2001). To enable organisations to build competitiveness, organisations need to create unique features that distinguish their offerings from those of their competitors. By creating a brand that is centred around these offerings, the organisation makes a statement about what consumers can expect (Burmam & Zeplin, 2005) and in the process creates a mechanism for achieving competitive advantage through differentiation (Wood, 2000).

2.2.14 Service brands

Ambler and Styles (1996) define a services brand as the promise of a bundle of attributes that a consumer purchases and the attributes that make up a brand may be real or illusory, rational, emotional, tangible or invisible. Ziethaml, Parasuraman and Berry (1985) identify the four unique features of services brands as being their intangibility; inseparability of production and consumption; heterogeneity and perishability.

2.2.14.1 Intangibility of services

A transfer of product branding principles without adaptation is unlikely to be effective for services based companies (Levy, 1996). The most problematic aspect of service brands is that consumers have to deal with intangible offerings (McDonald & de Chermetony, 2001). In terms of intangibility, consumers experience difficulty in evaluating the service quality and differentiating between competing brands (Firth, 1993). Further Berry & Yadav (1996) argue that firms are believed to find it harder to set prices of services.

2.2.14.2 Inseparability of production and consumption of services

Consumer expectation differs between service encounters because they interact with different service providers and therefore satisfaction with a service brand is determined by the congruence between expected and perceived behaviour thereby making it difficult to control

service quality (Solomon, Surprenant, Czepiel, & Gutman, 1985). In terms of building brand relationships, consumers are more involved in the production especially when services are tailored and in such a situation the role of the supplier and consumer become integrated resulting in inseparability of production and consumption (McDonald & de Chermetony, 2001).

2.2.14.3 Heterogeneity of services

Services unlike products cannot be subjected to quality measures in the same way that factory products can and therefore each service experience is potentially unique with consistency difficult to achieve (Lewis, 1989). Additionally services brands as opposed to product based brands involve a multiple interface with the consumer, where the consumer experiences the brand at various levels (McDonald & de Chermetony, 2001) hence the heterogeneous nature of the services experience.

Bateson (1995) postulated that services cannot be stored and that the services encounter often does not involve transfer of ownership with the service being purchased before the benefit is received. Zeithaml, Parasuraman and Berry (1985) state that additional challenges arise with the delivery of the services because of the difficulty in synchronising supply and demand and hence the characteristic of perishability.

2.2.15 Success factors for services brands

Integration and coherency can provide service brands with a sustainable competitive advantage (Cottam & de Chernatony, 2006). Further Cottam & de Chernatony (2006) identified internal factors contributing to the success of financial services brands to facilitate better informed branding activities, thereby enhancing brand equity. Organisations with more successful brands were characterised by the following factors:

2.2.15.1 A holistic, consistent and integrated approach to branding

Cottam & de Chernatony (2006) identified that for successful financial services brands, interpret the brand as everything experienced by the customer with the synergy between each element of the experience enabling the brand to be more than the sum of its parts. It is therefore common for organisations in the financial services sector to follow a monolithic branding strategy (Free, 1996). Integration drives consistency and LePla & Parker (2002) advise that integrated branding is the responsibility of everyone within the organisation and that an integrated brand strategy directs message development and action.

For a brand to appear as a coherent whole, managers from different functions and backgrounds must work together on branding issues (McWilliam & Dumas, 1997). Further Veloutsou and Panigyrakis (2001) emphasise the importance of cross-functional teamwork in ensuring an integrated brand approach and that less successful brands lack bridging between internal and external branding activities.

Additionally Kitchen, Schultz, Kim, Han and Li (2004) state that whilst many organisations rely on agencies to bring their brands to life, organisations must realise that first they need to be integrated first before specific tasks can be handed over to agencies. The assumption that consistency and integration can be achieved through the activities of agencies is incorrect, as the organisation is required to take ownership to maximise its brand success.

2.2.15.2 A focus on excellent and personalised customer service

The nature and quality of customer service strongly relates to the success of a financial services brand “A brand is a cluster of functional and emotional values that enables an organisation to make a promise about a unique and welcomed experience” (Cottam & de Chernatony, 2006). The latter implies that functional and emotional values must be infused

and delivered holistically. This infusion produces a high-quality customer service that is defined as a brand relationship (Blackstone, 1992).

2.2.15.3 An ethos which challenges the norm

Aaker (2003) states that differentiation is essential to brand success as differentiation provides the basis for consumers to choose one brand over another. Differentiation can be a feature, service, program or ingredient which must be meaningful to a customer and must be managed over periods of time by management to ensure relevancy.

Further Aaker (2004) stated that many corporate brands lack a value proposition and that they simply are stable firms which are expected to deliver adequate products and services with no point of distinction, with these organisations being considered to be bureaucratic and ponderous. A financial services brand therefore requires something to make it unique (Cottam & de Chernatony, 2006) with uniqueness relating to how the service is delivered versus what is delivered when considering the entire service experience.

2.2.15.4 A responsiveness to change

Rohan (2000) states that societies are dynamic which is reflected in the constantly evolving values held by consumers. Kapferer (2004) identifies that a successful brand is not a static entity and requires evolution to stay relevant. Successful brands therefore are dynamic and responsive to change which can be attributed to their openness to organisational learning (Cottam & de Chernatony, 2006). Further it is employee responsiveness that drives internal motivation to modernise the brand that adds to making the brand more relevant.

2.2.15.5 A high degree of brand literacy

Cottam and de Chernatony (2006) found that employees with direct influence or involvement with branding matters were highly brand literate thereby contributing to successful financial

services brands. The authors further note that it is essential that all employees understand the brand so that each element of the internal value chain adds value in a coherent way thereby establishing a link between the internal and external brand.

The more successful brands were characterised as having employees that have a greater understanding of how their departments contributed to the brand success as well as how their behaviour impacted on consumers (Cottam & de Chernatony, 2006).

2.2.15.6 Synergy between brand and cultures

Schein (1984) operationalises culture on three levels namely artefacts, values and basic assumptions. The most evident connection between brand and culture is established at the values level. Given that congruence exists between the organisation's espoused values, employees values and brand values, the brand will be lived by employees as there is synergy. Kunde (2000) states that an organisation needs a "corporate religion" whereby employees believe in the same things about the organisation and share the same values.

2.2.15.7 Corporate brands

Successful service brands derive from a holistic, consistent and integrated approach to branding; a focus on excellent and personalised customer service; an ethos which challenges the norm; responsiveness to change; a high degree of brand literacy as well as synergy between brand and cultures. This corporate execution of service branding requires management of the brand at a more senior level to ensure the corporate brand transcends the different functional areas (McDonald & de Chermetony, 2001).

The purpose of corporate branding as outlined by Lawer and Knox (2008) is to conceive, manage and communicate corporate brand values in order to guide managerial decisions and actions. Corporate brands ultimately provide a source of competitive advantage by integrating

the company vision, culture and values, with organisational systems and networks, to form a unique organisational value proposition for customers (Hatch & Schultz, 2003).

Balmer and Gray (2003) further describe the characteristics of corporate branding as *“an identity that has been astutely nurtured and maintained over successive generations, that has enjoyed wide staff commitment to its ethos and values; a commitment that has in time been reciprocated by those stakeholder groups that are crucial to the organisations success and continuance.”*

Corporate brands can increase the organisations visibility, recognition and reputation (Hatch & Schultz, 2003). It evident that the corporate brand contributes not only to customer-based images of the organisation, but also to the images formed and held by all its stakeholders which include employees, customers, investors, suppliers, partners, regulators, special interests and local communities which makes the shift towards integrated branding more important (de Chernatony, 2001).

In summary the corporate brand is relational in nature with the sustainability of customer value being dependent upon the internal processes that deliver the brand promise, and the behaviour of employees that embody brand values. The goal would therefore be to align the integrated corporate brand, encompassing employee and external stakeholders, with local conditions to deliver a sustainable marketing strategy.

Burghausen and Fan (2002) state that the corporate brand influences the local marketing strategy as it determines the brand strategy in relation to prioritisation of the brand vision, values and the whole brand identity irrespective of the market. Support for the shift to corporate branding often comes from within marketing (Hatch & Schultz, 2003). de

Chernatony (2001) adds that corporate branding brings to marketing the ability to use the vision and culture of the company explicitly as part of its unique selling proposition.

Corporate brands therefore have a host of underlying factors which requires companies to address the organisational implications of corporate branding in an organisationally integrated, cross-functional way (Hatch & Schultz, 2003). In terms of responsibility, the entire organisation from top to bottom and across functional units is involved in realising the corporate brand, along with the audiences the brand is meant to attract and engage however a concentrated effort must originate within the marketing function in terms of spearheading the corporate branding effort.

Corporate brands need to be managed in relation to the interplay between vision, culture and image which requires effective dialogue between top management, external stakeholders and employees (McDonald & de Chermetony, 2001). An integrated approach to build a corporate brand will bring the corporation into the corporate branding process along with all the competitive benefits.

2.3 Brand orientation

2.3.1 Overview of brand orientation

Rubinstein (1996) argues that branding goes beyond communications and should be regarded as an integrated business process. Additionally she advocates that brand management should be embedded in the whole company and only when organisations approach branding as part of an integrated process, rather than an add-on at the end of a product or service development programme, can managers ensure that the brand remains in-line and aligned to business objectives and strategic intent of the organisation.

This approach also helps to ensure that the brand is delivered with integrity throughout the organisation (Rubinstein, 1996). She further argues that in many corporations, there is a different understanding of the brand within different parts of the organisation which means that employees in the company with differing expectations of the brand, attempt to develop the brand in different ways, communicate the brand inconsistently or in the worst cases, are unable to define the brand at all. This lack of coherent thinking consequently diminishes brand equity.

Brand orientation is an approach in which the processes of the organisation revolve around the creation, development and protection of brand identity in an ongoing interaction with target customers with the aim of achieving lasting competitive advantages in the form of brands (Urde, 1999).

Brand orientation builds on market orientation which is defined as the organisation wide generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across departments and organisation wide responsiveness to it (Hunt & Morgan, 1995). The view taken in terms of brand orientation is that market orientation is an external standpoint which is concerned with the satisfaction of customers in competition with other companies whereas the brand orientation approach is a more deliberate and active in the development of brands with the intention to create a strategic significance to brands.

This strategic significance translates to brands acquiring a more emotional and symbolic value (Urde, 1999) which allows organisations to live their brands. Living the brand in terms of the brand orientation (Urde, 1999) implies that the organisation must revolve around the creation, development and protection of the brand identity. Aaker (1995) argues that the key to building brand identity is to create a unique set of brand associations that represent what the brand

stands for in the minds of customers. These brand associations and ultimately the brand promise can only be delivered through a coherent brand that meets customers' expectations.

Wong and Merrilees (2008) further argue that brand orientation should be a choice of strategy which would determine a firm's competitive edge with consequences for their future survival. This can be accomplished by using the brand as a starting point in formulating company strategy which will give companies the ability to compete as well as generate growth and profitability (Urde, 1994). Additionally this would ensure that brands become an integrated part of organisation value and therefore becoming a strategic asset (Wong & Merrilees, 2008). Once the brand is recognised as a strategic asset, it can be considered as an integrated marketing idea that drives the business (Mosmans, 1996). Successful brands therefore require resources, efforts and a belief in the concept of branding (Wong & Merrilees, 2008).

2.3.2 Operationalising the brand orientation construct

Wong and Merrilees (2008) operationalise the brand orientation construct by first identifying that brand orientation is a mindset which ensures that the brand will be recognised, featured and favoured in the marketing strategy with brand orientation giving direction to the firm in terms strategic marketing planning, ultimately translating into competitive advantages within markets where the firm chooses to compete. Considering the latter, the brand orientation construct is operationalised using five key themes namely, branding is essential to our strategy; branding flows through all out marketing activities; branding is essential in running this company; long-term brand planning is critical to our future success; and finally the brand is an important asset for us.

Building on the above Baumgarth (2008) proposed a new model for brand orientation within a business-to-business context. This model was tested and the findings revealed that is a positive influence of brand orientation on market and economic performance. The key

variables that make up the brand orientation construct are outlined by Baumgarth (2008) as being values, norms, artefacts and behaviours.

Values measures the understanding of basic brand concepts as well as the role of the brand in strategy development and once the brand is recognised as a strategic asset, it can be considered as an integrated marketing idea that drives the business (Mosmans, 1996).

Norms refers to the basic operations of brand management, that is the extent to which explicit or implicit regulations and institutions influence or determine basic brand management practices, which are the formal integration of brand communications. Homburg and Pflesser (2000) further state that norms can work effectively as rules guiding the execution of a brand strategy given that they are understood and accepted by all individuals involved in the implementation and are consistent with commonly held values.

Artefacts refers to the tangible symbols or stories used to transfer knowledge which reflect and reinforce the positioning of the brand. Artefacts enable the correct brand behaviour, motivate and stimulate employees as well as provide orientation for day-to-day behaviour (Dandridge, Mitroff, & Joyce, 1980).

Finally the behaviours variable refers to the concrete actions and communications undertaken in support of the brand. Further Hakinson (2002) states that concrete brand-oriented behaviours are supported by belief in the brand as an important factor in corporate success as well as creating understanding of the basic principles of brand management by top management.

2.3.3 Managerial implications for brand orientation

Urde (1994) whilst introducing the concept of brand orientation emphasises that to build brand orientation would require rallying the organisation, directing its commitment, efforts

and resources towards the goal of building brand equity. The latter has managerial implications which require a different view of the organisation and a shift from a product or service focus to brand orientation. To achieve this Urde (1994) provides the following recommendations:

- Make brand issues management issues by organising operations in such a way that added value can be created with the aim being increased total brand equity (Aaker, 1995). This implies that management should view branding as strategic and not just tactical execution.
- Develop a brand vision by spearheading the development of the brand through a vision that is well defined and specifies the relationships within an organisation.
- Construct an inventory of the company's brands and patents. Active pursuit of brand and patent protection involves the creation of an inventory of a company's intangible assets which is a natural progression towards brand orientation.
- Formulate a branding strategy that is based on the brand vision and articulates how the company organises its brands. The branding strategy must demonstrate the relationship between corporate brand and product or service brands (Doyle, 1992) in an efficient, effective and simple architecture.
- Synchronise communication to unify the image of the organisation by creating a uniform, harmonised and consistent communication strategy directed at the target group.
- Invest in marketing activities that build and enhance brands. Urde (1994) with emphasis on the coordination of communication in a brand orientated company which means that the individual parts (corporate name, trademarks, positioning, corporate identity, products, services) enhance the brand through building effective market investments.
- Develop competence for successful brand orientation. Urde (1994) argues that brand

orientation is a choice of strategy with a view of an organisation's competitive strengths and their prospects of survival in the long term. With an increased awareness of brands, strategic brand management can be developed to enable successful brand orientation.

The definition of a brand-oriented organisation emphasises the objective of working within the framework of the brand to create value and meaning. The brand must be viewed as a strategic platform for interplay between the target group and organisation, and should not be viewed in isolation to what at any moment is demanded by customers (Rubinstein, 1996).

It therefore serves that management must strive to develop and protect the brand as a strategic resource (de Chernatony & Riley, 1998) by acting within the degrees of freedom (Urde, 1999). Returning to the definition of brand orientation, which is an approach in which the processes of the organisation revolve around the creation, development and protection of brand identity in an ongoing interaction with target customers with the aim of achieving lasting competitive advantages in the form of brands (Urde, 1999) the role of integration and collaboration must therefore be explored to understand its impact in enhancing brand orientation within organisations.

2.4 Cross-functional integration

2.4.1 Introduction

A description of brand orientation has been provided within the context of the organisation. The role of functional integration in building brand orientation will be explored. A review of the methods for improving cross-functional integration are discussed, as is the role of collaboration as a key means for improving cross-functional integration within marketing is explored in detail. Methods for improving collaboration between various marketing

departments are reviewed with a view to determining how these mechanisms can be implemented.

2.4.2 Importance of cross-functional integration

To operate effectively, marketing functions must work in harmony (Maltz & Kohli, 2000). Success in a competitive business environment is largely dependent on the degree to which firms can integrate across functional boundaries (Cespedes, 1996).

Customer satisfaction is dependent on the output of more than one worker and functional area (Ellinger, 2000). Collaboration between departments yields high quality services to customers and involves the ability to work seamlessly across silos or otherwise characterised organisational structures (Gray, 1989). Brand orientation is an approach in which the processes of the organisation revolve around the creation, development and protection of brand identity in an ongoing interaction with target customers with the aim of achieving lasting competitive advantages in the form of brands (Urde, 1999). It therefore serves that a correlation exists between customer satisfaction and brand orientation with brand orientation aiding in the process of customer satisfaction.

Cross-functional integration is important because it affects cycle time reduction, perceptions of customer value and customer service (Fisher, Maltz, & Jaworski, 1997). The challenge facing organisations is that whilst most acknowledge cross-functional integration is important, consensus does not exist in terms of achieving cross-functional integration (Kahn & Mentzer, 1998) to enhance brand orientation.

Knowledge sharing across the organisation can be promoted by utilising organisational structure (Maltz & Kohli, 2000). Whilst there are a number of different organisational structures that can be used to achieve functional integration, organisational structures are not

independently sufficient (Griffin & Hauser, 1996). Organisations engage in reengineering programs to stimulate cross-functional alignment however as much as three out of four programs have not produced the anticipated results (Cespedes, 1996).

2.4.3 Integrating mechanisms

Reukert and Orville (1987) argue that functional specialisation must be complemented with integrative devices to facilitate coordination between the different functional specialities. These devices are multifunctional training, cross-functional teams, compensation, formalisation, social orientation, spatial proximity and internal volatility (Maltz & Kohli, 2000).

2.4.3.1 Multifunctional training

The focus of multifunctional training is to understand the extent to which managers in a particular functional area are provided with opportunities and additionally encouraged to assimilate knowledge about another functional area (Roussel, Saad, & Erickson, 1991).

Multifunctional training helps managers to understand another functions jargon, which contributes to reducing language barriers between functions and thereby reducing conflict. Examples of such training interventions includes direct engagement with another functions subject matter, participating in training session with individuals from other functions and working in more than one function, with results ranging from improved understanding of goals, perspectives and functional priorities (Griffin & Hauser, 1996).

2.4.3.2 Cross-functional teams

With cross-functional teams, members are chosen from different functions and are tasked with delivering on projects or assessing organisational threats and opportunities (Olsen, Orville, & Reukert, 1995). The goal of cross-functional teams is to yield greater understanding and appreciation for other functions. This is achieved through members learning the language

of different functions and acting as translators for their functions (Griffin & Hauser, 1996). The importance of super-ordinate goals are emphasised whereby managers in teams are more likely to focus on organisation-wide goals rather than purely having a focus on functional goals (Pinto, Pinto, & Prescott, 1993).

2.4.3.3 Compensation

Generally employees are compensated in terms of their contribution to their functions (Coombs & Gomez-Meija, 1991). To ensure better alignment in terms of reward systems Hauser, Simester and Wernerfelt (1994) suggested changing reward systems to compensate employees on the basis of super-ordinate goals such as profits achieved from cross-functional projects as this is deemed to drive alignment of different managers objectives across various functions. Compensation variety also drives increased interaction between managers and as a consequence reduces language barriers between teams thereby creating a better understanding of specialist functions (Maltz & Kohli, 2000).

2.4.3.4 Social orientation

Social orientation refers to non-work related environments where employees of an organisation are given the opportunity to interact socially (Dougherty, 1992). Informal settings such as parties or during recreational activities assist managers in developing a better understanding of each other's personalities and preferences leading to the development of camaraderie (Maltz & Kohli, 2000). Additionally whilst the events are social in nature, work related discussions do feature and serve to expand on issues encountered in the work environment thereby reducing cross-function conflict (Maltz & Kohli, 2000).

2.4.3.5 Formalisation

Aiken and Hage (1966) define formalisation as the degree to which an organisation's rules, procedures and instructions are written, codified and enforced. Differences such as language,

jargon and vocabulary differences are reduced through common operating procedures. Maltz and Kohli (2000) further advise that formalised organisations standardise procedures and processes that span multiple functions to reduce conflict.

2.4.3.6 Spatial proximity

Griffin and Hauser (1996) state that co-location of functions encourages sharing of information amongst different functions. Spatial proximity is the opposite of physical proximity whereby functions are located in the same building or city (Maltz & Kohli, 2000). Co-location of functions increases communication amongst team members (Allen, 1986). Additionally chance meetings are serendipitous in nature and aid in information exchange or even problem solving are precluded if spatial proximity does not exist (Maltz & Kohli, 2000).

2.4.3.7 Internal volatility

Internal volatility refers to the rate of change within an organisation in terms of personnel, structure, rules and procedures (Maltz & Kohli, 2000). Miller (1992) proposes that top management purposely increase the internal environmental turbulence within an organisation to shape internal processes. By using tight timelines for lower management, top management provoke crises within organisations (Gersick, 1994). Further Huber (1984) states that managers who face dynamic environments regularly employ organisational experiments to increase flexibility with organisations. Organisations with high volatility harbour managers whom are likely to be unsure of rules and reporting relationships thereby doubting their current and future standing within the organisation (Maltz & Kohli, 2000). The authors further postulate that high volatility leads to managers defending or even expanding their influence as well as the resources allocated to their functions.

2.5 Conclusion

The literature review set out to provide a review of the current thinking on brand orientation and cross-functional integration. A review of branding literature defined brands and their importance as well as identified the brand as a multi-dimensional construct. Thereafter service brands were introduced as well as the success factors for successful service brands. Further the evolution to corporate service brand was introduced coupled with its importance.

Brand orientation was defined as an approach in which the processes of the organisation revolve around the creation, development and protection of brand identity in an ongoing interaction with target customers with the aim of achieving lasting competitive advantages in the form of brands (Urde, 1999). This chapter operationalised the brand orientation construct as well as defined implications for management. Integration and collaboration was identified and required further exploration in terms of its role in enhancing brand orientation.

The importance of cross-functional integration was defined as well as its importance. Further, the seven integration mechanisms of cross-functional integration were explored namely, multifunctional training, cross-functional teams, compensation, formalisation, social orientation, spatial proximity and internal volatility. The literature reviewed in this chapter inferred that successful companies are required to increase their level of brand orientation in order to build lasting competitive advantages with particular emphasis on utilising cross-functional integration mechanisms. This inference gives relevance to the research hypotheses stated in chapter four. Ultimately this literature review provides the context and guidelines for the research hypotheses developed in the next chapter.

Chapter 3: Research hypotheses

The literature reviewed in the previous chapter inferred that successful companies are required to increase their level of brand orientation in order to build lasting competitive advantages (Urde, 1999) with particular emphasis on utilising integration and collaboration. This inference gives relevance to the research hypotheses stated below.

The internal perception of corporate brand orientation within marketing is predicted by cross-functional integration mechanisms.

Hypothesis 1:

H₁ – There is a relationship between multifunctional training and brand orientation

Hypothesis 2:

H₂ – There is a relationship between cross-functional teams and brand orientation

Hypothesis 3:

H₃ – There is a relationship between compensation and brand orientation

Hypothesis 4:

H₄ – There is a relationship between formalisation and brand orientation

Hypothesis 5:

H₅ – There is a relationship between social orientation and brand orientation

Hypothesis 6:

H₆ – There is a relationship between spatial proximity and brand orientation

Hypothesis 7:

H₇ – There is a relationship between Internal volatility and brand orientation

Chapter 4: Research methodology

4.1 Research design

Standard Bank was chosen as the setting for this study as the organisation is one of the big four full-service South African banks and is a brand of substantial value. The Group operates across a range of banking and related financial services and has a geographic footprint, which spans 17 African countries and 16 countries outside of Africa with an emerging markets focus (Standard Bank Group, 2009).

The Standard Bank Group is the largest South African banking group ranked by assets and earnings. Standard Bank had total assets of over R1 345 billion (approximately \$182 billion) at 31 December 2009 and employed more than 50 000 (including Liberty) people worldwide. Standard Bank's market capitalisation at 31 December 2009 was R159 billion, approximately \$22 billion (Standard Bank Group, 2009).

Using Standard Bank as a reference site offers the study the opportunity to examine the role of management in building brand orientation within a multinational company and hence provides access to data that will verify the critical success factors that management employs to build brand orientation.

Brand orientation is an approach in which the processes of the organisation revolve around the creation, development and protection of brand identity in an ongoing interaction with target customers with the aim of achieving lasting competitive advantages in the form of brands (Urde, 1999). This research sets out to identify the role of cross-functional integration within Standard Bank's marketing function in the creation, development and protection of corporate brand orientation.

For this paper, quantitative analysis was utilised to analyse and interpret the research (Saunders, Lewis, & Thornhill, 2003). Quantitative analysis is a scientific approach to managerial decision making where data is manipulated and processed into information that is valuable and useful for decision making (Render & Stair, 2000).

4.2 Population

For the quantitative self-administered questionnaire, respondents were selected from the marketing functions located at Standard Bank's head office in Johannesburg, South Africa. The population from which the respondents will be selected will consist of directors, senior, middle, junior management and non-management across Standard Bank's South African and group head office marketing functions.

Brand orientation is an approach in which the processes of the organisation revolve around the creation, development and protection of brand identity in an ongoing interaction with target customers with the aim of achieving lasting competitive advantages in the form of brands (Urde, 1999). Given the latter it is believed that the selected population is suitably positioned to be able to assess the role of cross-functional integration in developing brand orientation given the high brand profile of the organisation selected.

4.3 Sampling

The questionnaire was distributed to directors, senior, middle and junior management and non-management across the organisation's Group and South African marketing functions. Using a probability systematic sampling approach, the questionnaire was delivered to a closed group of 131 respondents internal to Standard Bank's two identified marketing departments consisting of thirty functions.

The sample size was distributed across 131 individuals consisting of directors, senior managers, middle management, junior managers and non-management across the above marketing functions. The managers hold positions within the various marketing product, service, support and specialist functions that enable the delivery of the Standard Bank brand. Sample selection was based on self-selection as respondents were able to choose whether or not to participate in the online survey that they received via email.

4.4 Unit of Analysis

The unit of analysis was each employee within the respective department.

4.5 Research instrument

A structured questionnaire was developed (see Appendix A) and targeted marketing directors, senior marketing managers, junior marketing managers and non-management roles within marketing. It was designed to explore the level of brand orientation with Standard Bank and whether the level of cross-functional integration impacted brand orientation. The questionnaire was constructed following an extensive review of literature on brands, brand orientation and functional integration and adapting questions and questionnaire design utilised in previous studies.

Section A of the questionnaire dealt with the demographics of respondents utilising a nominal scale to determine job title, business unit, educational qualification, number of employees in department or team and years of tenure.

Building on the research paper *“Living the brand”: brand orientation in the business-to-business sector* (Baumgarth, 2008), which consolidates many of the varying perspectives on brand orientation and encapsulates the key dimensions of the brand orientation construct, questions for section B of the research instrument were created. Additionally, development of

the research instrument also considered the research instrument used by Ewing and Napoli, (2003) during their research on brand orientation into the non-profit sector. Section B, consisting of 20 questions, was designed to measure the level of brand orientation within Standard Bank based on perception of the respondents.

The cross-functional integration construct was developed following an extensive review of the literature discussed in chapter two. Section C, consisting of twenty two questions, was designed to extract information on the level of cross-functional integration at Standard Bank based on whether key mechanisms were identified to be in place to facilitate cross-functional integration.

4.5.1 Scale

To ensure that the attitudes of respondents were captured effectively, the ratings method developed by Likert was utilised due to ease of use from both a researcher and respondent perspective (Zikmund, 2003).

The questionnaire was segmented into three sections, with the first section measuring demographics, the second section measuring brand orientation within the organisation, and the third section measuring cross-functional integration. Section B and C utilise a five-point interval Likert scale to measure the respondent's perceptions by checking whether they strongly agree, agree, neither agree or disagree, disagree or strongly disagree to posed statements.

4.5.2 Question phrasing

The following principles were utilised to ensure that the questionnaire was easy to understand thereby reducing the impact of response bias: 1) avoiding complexity through the use of simple, conversational language; 2) avoiding utilising leading or loaded questions; 3) avoiding

ambiguity thereby being as specific as possible; 4) steering clear of assumptions; and 5) avoiding complicated questions to circumvent respondent fatigue (Zikmund, 2003).

4.5.3 Questionnaire pre-testing and evaluation

4.5.3.1 Pre-test

It is important to perform rigorous pretesting prior to distribution of the questionnaire to avoid error (Zikmund, 2003) as the questionnaire is open to personal interpretation once in the possession of the respondent. To increase the validity, reliability and practicality of data captured through pretesting Zikmund (2003) recommends administering a pre-test. Validity relates to the degree to which a test measures what the researcher actually wants to measure. Reliability relates to the accuracy and precision of the measurement procedure with practicality concerned with factors such as convenience, interpretability and economy (Cooper & Schindler, 1998).

Validity is a measurement concept that is related to the degree to which the measurement instrument actually measures what it sets out to measure. The research instrument which is the self-administered questionnaire, was reviewed by a sample of six respondents consisting of a marketing lecturer; marketing strategist; integrated marketing communications manager; statistician; marketing co-ordinator and an online marketing specialist, to establish content validity (Hair, Anderson, Tatham, & Black, 1995). These individuals were not exposed to the study and hence provided an objective view. Their feedback took into account the various bias' and errors that would occur, with any issues, ambiguities and challenging questions being potentially mitigated. Four questions were highlighted to be unclear and three questions were rephrased to ensure they were grammatically correct. Following the changes to the questionnaire the pre-test was conducted a second time resulting in a more robust questionnaire design for obtaining the required information.

4.6 Data collection

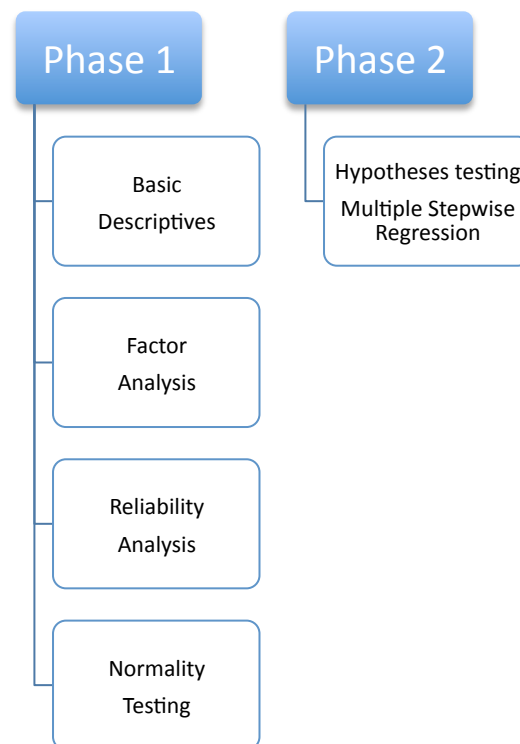
The self-administered questionnaires were distributed electronically via a survey administration tool or hand delivered with a cover letter to create context and to provide instructions for the respondents. Following the completion of the questionnaire the system collated the responses and the four paper based questionnaires were manually inputted and captured into the survey tool. The period given for the completion of the self-administered questionnaire was two weeks.

4.7 Response rate

A total of 131 questionnaires were distributed using an email with the survey link embedded within the email and which included a short introduction to the research. A total of 93 respondents completed the survey, which translates into a response rate of 71%.

4.8 Data analysis

Figure 2: Statistical process flow chart



4.8.1 Data analysis phase 1

Phase one of the data analysis describes the sample in detail. Descriptive statistics basically describe what the data is showing and provides the researcher with a holistic view of how the data looks. The main focus of the first phase of the data analysis is to provide proof that the measuring instruments and variables are reliable and valid for the purpose of the study.

Factor analysis was incorporated to establish reliability and validity of the measuring instrument used in the study. Hair *et al.* (1995) describe factor analysis as an interdependence technique, which is primarily utilised to define the underlying structure among the variables in the analysis. The general purpose of factor analytic techniques is to find a way to reduce the information of a number of original variables into a smaller set of new, composite dimensions or factors with the least loss of information.

Validity and reliability of the measuring instrument in the research was determined through factor and reliability analysis. The diagnostic measure utilised was the reliability coefficient that assesses the consistency of the entire scale known as Cronbach's Alpha at the agreed limit of 0.60.

4.8.2 Data analysis phase 2

4.8.2.1 Stepwise multiple regression

In terms of data analysis, consistent patterns and relationships between variables and constructs were determined. The statistical analysis process utilised was stepwise multiple linear regression. This method of selecting variables for inclusion in the regression model starts by selecting the best predictor of the dependent variable. Thereafter additional independent variables are then selected in terms of the incremental explanatory power they can add to the regression model (Zikmund, 2003). Independent variables are added until their partial correlation coefficients are statistically significant and thereafter model strength will be determined through its' Adjusted R-Square.

4.9 Research limitations

The following research limitation were identified:

1. This research was conducted within a single organisation namely the Standard Bank Group and this need to be considered when generalising the results across other industries or companies.
2. The study focussed on a limited number of marketing departments and teams located within the Johannesburg head office only of a global organisation.
3. A self-selection bias may present itself as employees could feel strongly about the constructs of brand orientation and cross-functional integration when measured in terms of Standard Bank.

4. Additional identified limitations of the self-administered research questionnaire are acquiescence bias, whereby the respondents agree to whatever the interviewer asks in terms of the questionnaire and secondly, extremity bias, whereby respondents answer questions utilising opposite sides of the scale.
5. Using a quantitative research method, responses to closed ended questions tend to be superficial as respondents are not able to express themselves verbally.
6. Brand orientation spans an entire organisation however given the size of Standard Bank, approximately 51 411 employees (Standard Bank Group, 2009) this study was limited to the Group and South African marketing functions based in Johannesburg where the highest concentration of branding activities are executed. The sample is thus limited to 131 individuals.
7. In terms of reliability it is important to note that the variables of compensation and spatial proximity within cross-functional integration had limited items.

Chapter 5: Research Results

5.1 Introduction

Chapter four outlined the research design, approach and methodology. The research approach was described as quantitative and non-experimental using primary data as the design of analysis. The research methodology referred to the target population, research procedure, measuring instruments and the statistical procedures used in the analysis of the data.

This chapter presents the results of the statistical analysis obtained from the research questionnaires, which had the objective of investigating the impact of cross-functional integration on brand orientation within a South African financial services organisation, namely Standard Bank.

The first section deals with descriptive statistics followed by a presentation of the results specifically related to the hypotheses outlined in Chapter 3. The statistical analysis was performed on raw data collected via an online survey tool, SurveyMonkey (www.surveymonkey.com). Statistical analysis was thereafter performed on the raw data following coding using Microsoft Excel and IBM SPSS 19.

The data ready for analysis consisted of demographic data, brand orientation questions followed by questions for the cross-functional integration (see Appendix A for questionnaire).

The data post cleaning consisted of nineteen questions on brand orientation and twenty-two questions on cross-functional integration on a 1-5 Likert-type scale. Additionally six demographic questions were asked at the beginning of the questionnaire.

5.1.1 Sample description

5.1.1.1 Respondents by location

Figure 3: Respondents by location



The questionnaire was sent to 131 respondents, of which 93 responded to the questionnaire resulting in a response rate of 71%. In terms of respondents, 71 have positions within the Group Marketing business unit and 22 respondents were located/employed within the South African marketing business unit.

5.1.1.2 Respondents by job title

Figure 4: Respondents by job title

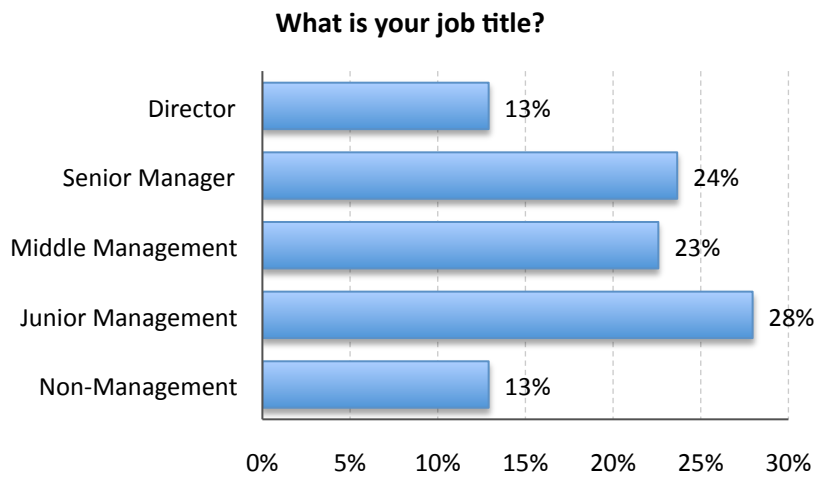
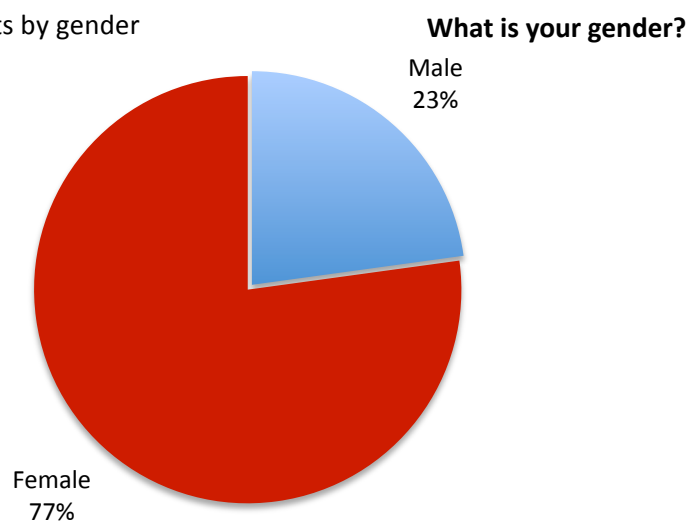


Figure 4 shows the respondents in terms of job title with 13% being directors and 24% senior managers thus translating to 37% of respondents being in senior positions. A further 23% of respondents were from middle management; 28% were junior managers and 13% were non-managers.

5.1.1.3 Respondents by gender

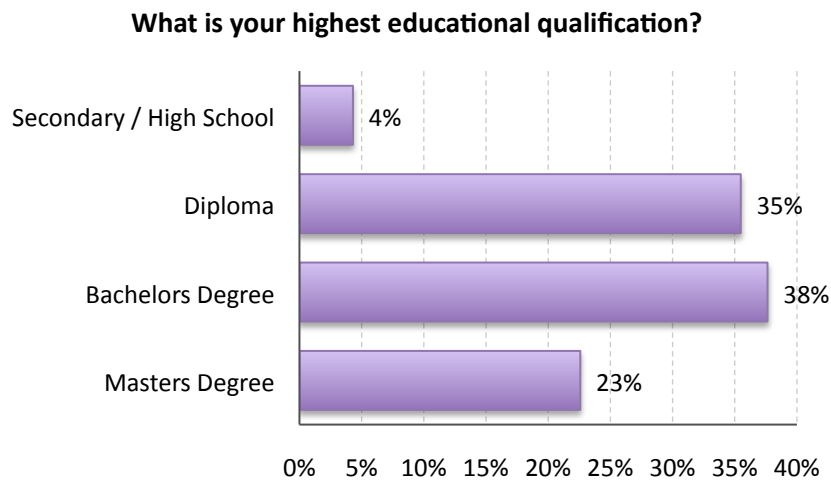
Figure 5: Respondents by gender



The distribution of respondents in terms of gender was 23% male with 77% being female.

5.1.1.4 Respondents by level of educational qualification

Figure 6: Respondents by education qualification



The highest level of educational qualification held by respondents was a masters degree with 23% having this qualification, followed by 38% of respondents holding a bachelors degree. Over a third (35%) of respondents had received a diploma and 4% had received a secondary or high school qualification. In summary 96% of respondents had a post-high school qualification.

5.1.1.5 Respondents by size of immediate department or team

Figure 7: Respondents by department

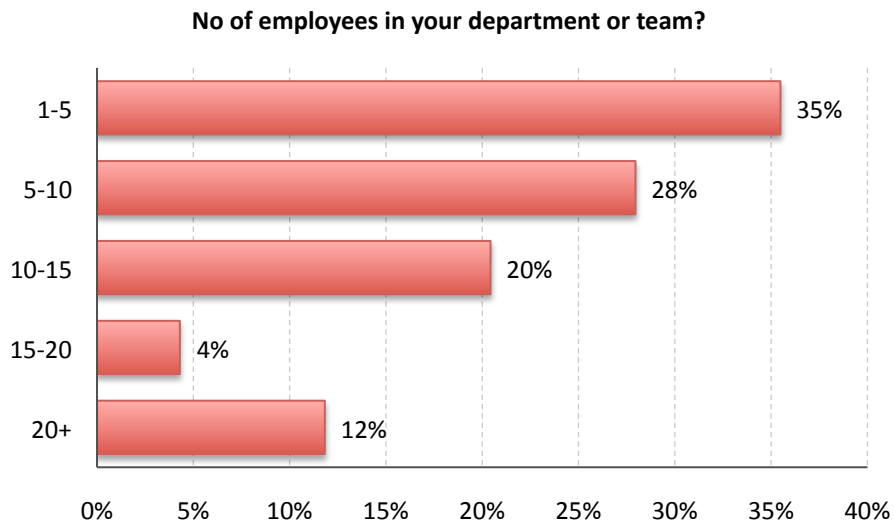
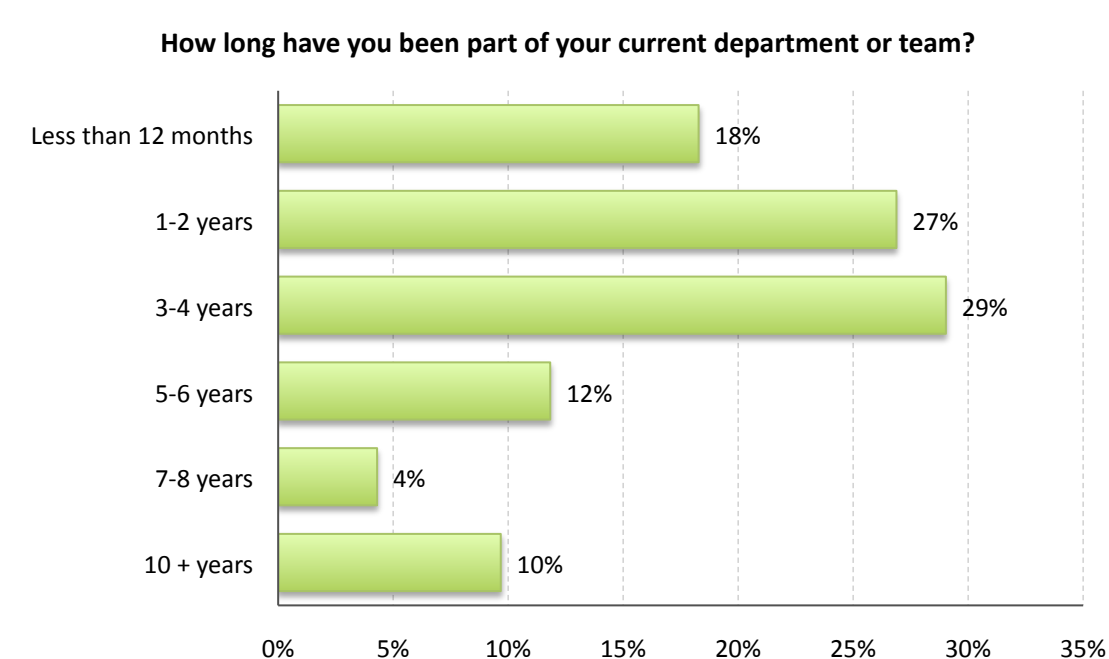


Figure 7 shows that the most common size of a department or team was 1-5 employees, followed by departments or teams of 5-10 employees, departments or teams of 10-15 employees, then those with more than 20 employees. Additionally diversity is present in terms of respondents per department or teams in terms of size.

Figure 8: Respondents by tenure



5.1.1.6 Respondents by tenure within department or team

Figure 8 indicates that the largest percentage of respondents (29%) have a tenure with Standard Bank within their current team of between 3-4 years. 27% of respondents have been employed within their current team for 1-2 years, 18% for less than 12 months, 12% for 5-6 years, 10% for more than 10 years and 4% between 7-8 years. In terms of representation by experience, diversity exists resulting in multiple points of views and perceptions.

5.1.2 Construct and variable total scores

Table 1: Dimension descriptives

	N		Mean	Std. Deviation	Skewness	Kurtosis
	Valid	Missing				
Brand orientation variables						
Value	89	4	3,8180	,65132	-,587	,130
Norms	89	4	4,0787	,54708	-,494	-,300
Artefacts	89	4	3,6264	,73191	-,134	-,729
Behaviours	89	4	3,7472	,73517	-,131	,074
Cross-functional integration variables						
Multifunctional training	82	11	4,1037	,79247	-1,228	2,487
Cross-functional teams	82	11	4,3496	,49939	-,401	,137
Compensation (NEW)	82	11	3,0732	,90990	,055	-,083
Social orientation	82	11	3,2805	,83718	-,477	-,369
Formalisation	82	11	3,2602	,86547	-,243	-,688
Spacial proximity (NEW)	82	11	4,2073	,65711	-,746	1,009
Internal volatility	82	11	3,6683	,70778	-,384	-,004
Brand orientation construct						
Brand orientation	89	4	3,8451	,52093	-,217	-,393

Depicted in the 12 items above are the means, standard deviations, medians, skewness and kurtosis for each variable (brand orientation and cross-functional integration mechanisms).

The full underlying questions relating to brand orientation and cross-functional integration can be found in appendix E and appendix F.

From the above frequency table it can be seen that the majority of the questions have a negative skewness indicating that the questions were favourably answered i.e. a positive inclination towards values, norms, artefacts, behaviours, multifunctional training, cross-functional teams, social orientation, formalisation, spatial proximity and internal volatility.

This is further supported by the fact that the majority of the variables experience higher than average mean values. Since the Likert scale is divided into five categories (strongly disagree; disagree; neither agree nor disagree; agree; strongly agree) the middle category (“3”) indicates a neutral response to the question. The majority of the items in this case scored higher than “3”, suggesting an overall positive inclination to the variables. This is further strengthened by the calculated median values.

5.1.3 Sample description

5.1.3.1 Brand orientation – values, norms, artefacts and behaviours

The statements that represented/relate to the values, norms, artefacts and the behaviours scale are described in appendix C with detailed responses to the statements provided in appendix E. In terms of the 5 items that make up the values scale, all statements were answered favourably with respondents either agreeing or strongly agreeing to the statements proposed. The highest scoring statement for values was *“In our company brand decisions are discussed and decided at the top management level”* at 92.1% with respondents either agreeing or strongly agreeing. The lowest scoring statement for values was *“We work to ensure that our brand positioning remains essentially the same over a long time period”* at a score of 65% with respondents either agreeing or strongly agreeing.

Six items made up the norms scale with all statements being answered favourably, that is, the majority of respondents either agreeing or strongly agreeing with the statements posed. The highest scoring statement was *“We regularly check that the corporate design guidelines of our brand are adhered to”* scoring 97.8% with respondents either agreeing or strongly agreeing. The lowest scoring statement was *“Brand managers have the competence and authority to successfully position our brand internally”* scoring 57% in terms of respondents agreeing and strongly agreeing.

Four items created the artefacts scale with responses overall being favourable. The highest scoring statement was *“Visible branding elements are displayed across all customer contact points”* at 89.9% with respondents agreeing or strongly agreeing. The lowest scoring statement was *“We use “stories” in our company to reflect the positioning of our brand”* with only 42% agreeing or strongly agreeing with the statement.

The behaviours scale consisted of four items with a favourable response generated across all four statements. The highest scoring question was *“We regularly conduct market research studies of our brand”* with 92.1% of respondents agreeing or strongly agreeing with the statement. The lowest scoring statement was *“We teach our employees about the brand”* with only 51.7% of respondents agreeing or strongly agreeing with the statement.

5.1.3.2 Cross-functional integration

The statements that featured on the cross-functional integrating mechanisms of multifunctional training; cross-functional teams; compensation; formalisation; social orientation; spatial proximity and internal volatility scales are described in appendix D with detailed responses to the statements in appendix F. The multifunctional training variable consisted of two items, both of which were favourably answered. Both items scored highly

with the first statement scoring 82.9% with respondents either agreeing or strongly agreeing and the second statement scoring 89% respectively.

Three items created the cross-functional teams variable with the overall response being favourable to the items presented. The highest scoring statement was *“Working in teams allows for greater understanding and appreciation for each others departments”* at 97.6% with respondents either agreeing or strongly agreeing with the statement.

The compensation scale consisted of three items with respondents answering negatively to all statements posed. Only 39% of respondents either agreed or strongly agreed with the highest scoring statement being *“Compensation and rewards are linked to department specific objectives”*. Further only 11.1% of respondents either agreed or strongly agreed with the statement *“Team based rewards are prioritised above individual rewards”*.

Social orientation consisted of three items within its scale to which respondents answered moderately. The highest statement was rated at 64.6%, *“Company social events provide me with the opportunity to develop stronger relationships with colleagues”* in terms agree and strongly agree. The lowest rated statement was *“We frequently have social events that span multiple departments”* at 37.8% in terms of the number of respondents agreeing or strongly agreeing.

The formalisation scale contained three items which respondents answered moderately. The highest rated statement scored 64.6%, *“Defined procedures exist in terms of how we execute projects”* whereby respondents either agreed or strongly agreed with the statement. The lowest rated statement was *“Clear processes in terms of “how we do things around here” are understood by the entire department or team”* at 45.1% with respondents either agreeing or strongly agreeing with the statement.

Spatial proximity consisted of three items within its scale with respondents answering highly positively to all three statements. The statement *“Working in close proximity increases the sharing of ideas”* was rated the highest at 91.5% with respondents either agreeing or strongly agreeing with the statement. The remaining statements were rated at 89% and 82.9% in terms of respondents agreeing or strongly agreeing.

The internal volatility scale consisted of five items, which received mixed responses. The highest rated statement was *“Tight deadlines are common within my department or team”* at 95.1% with respondents agreeing or strongly agreeing to the statement. The lowest rated statement was *“Policy documents or guidelines are constantly changing within our department”* at 36.6% with respondents either agreeing or strongly agreeing to this statement.

5.1.4 Brand orientation construct

5.1.4.1 Factor analysis

In order to determine the sampling adequacy and sphericity of the item intercorrelation matrix, the Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy (MSA) and Bartlett’s Test of Sphericity were respectively conducted on the item intercorrelation matrix of the instrument. Important considerations are outlined below (Hair *et al.*, 1995):

- A statistically significant Bartlett’s Test of Sphericity (p -value < 0.05) indicates that sufficient correlations exist among the variables to proceed
- Measure of Sampling Adequacy (MSA) values, it was decided, must exceed 0.60 for both the overall test and each individual variable; variables with values less than 0.60 should be omitted from the factor analysis one at a time, with the smallest being omitted each time.
- Variables should generally have extracted communalities of greater than 0.50 to be retained in the analysis, however values as low as 0.30 are generally accepted.

Table 2: KMO and Bartlett's test of Sphericity

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		,783
Bartlett's Test of Sphericity	Approx. Chi-Square	122,492
	df	6
	Sig.	,000

A statistically significant Bartlett's Test of Sphericity (p -value < 0.05) indicates that sufficient correlations exist among the variables to proceed (Hair *et al.*, 1995).

Table 3: Anti-image matrices

		Value	Norms	Artefacts	Behaviours
Anti-image Correlation	Value	.858 ^a	-,036	-,233	-,179
	Norms	-,036	.775 ^a	-,420	-,285
	Artefacts	-,233	-,420	.744 ^a	-,353
	Behaviours	-,179	-,285	-,353	.796 ^a

a. Measures of Sampling Adequacy (MSA)

Measure of Sampling Adequacy (MSA) values, it was decided, must exceed 0.60 for both the overall test and each individual variable; variables with values less than 0.60 should be omitted from the factor analysis one at a time, with the smallest being omitted each time (Hair *et al.*, 1995).

Table 4: Communalities

	Initial	Extraction
Value	,246	,281
Norms	,470	,558
Artefacts	,543	,719
Behaviours	,471	,594

Extraction Method: Principal Axis Factoring.

Variables should generally have extracted communalities of greater than 0.50 to be retained in the analysis, however values as low as 0.30 are generally accepted (Hair *et al.*, 1995).

Table 5: Total variance explained

Factor	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2,576	64,395	64,395	2,152	53,801	53,801
2	,680	16,996	81,391			
3	,410	10,262	91,653			
4	,334	8,347	100,000			

Although four factors were extracted in the first order factor analysis, the large difference between the first and second factor in terms of their Eigenvalues indicates that essentially there is only one overall factor present in the data for brand orientation. The attained factor matrix was rotated using the oblique rotation and sorted accordingly to enable easier interpretation of the underlying factors.

Table 6: Factor matrix

	Factor
	1
Artefacts	,848
Behaviours	,771
Norms	,747
Value	,531
Extraction Method: Principal Axis Factoring.	
a.1 factors extracted. 8 iterations required.	

5.1.4.2 Reliability

Reliability is considered to be an assessment of the degree of consistency between multiple measurements of a variable. A measurement instrument that is reliable will provide consistent results when a given individual is measured repeatedly under near-identical conditions. The diagnostic measure used is the reliability coefficient that assesses the consistency of the entire scale, namely Cronbach's Alpha, which is the most widely used measure. Cronbach's Alpha values will now be provided for all constructs. The generally agreed upon lower limit for Cronbach's Alpha is 0.70, although it may decrease to 0.60 in exploratory research (Hair *et al.*, 1995).

Table 7: Brand orientation construct reliability

Cronbach's Alpha	Number of Items
,871	19

Table 8: Brand orientation item-total statistics

	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
In our company brand decisions are discussed and decided at the top management level	,114	,876
Our brand is differentiated relative to brands of our competitors	,412	,868
We work to ensure that our brand positioning remains essentially the same over a long time period	,464	,866
We take care that our branding is constant over a long time period	,448	,866
We also invest in our brand in times of scarce financial resources	,428	,867
We regularly check that the corporate design guidelines of our brand are adhered to	,304	,870
In all brand communications, we pay explicit attention to the integration of all communication methods	,582	,861
Our company has a detailed written specification of the brand positioning	,349	,869
Our company has managers who have clear responsibility for the brand	,409	,868
Brand managers have the competence and authority to successfully position our brand internally	,579	,861
We regularly check whether or not our brand is different from the profiles of competing brands	,573	,861
Visible branding elements are displayed across all customer contact points	,517	,864
We ensure that the meaning of the brand is consistently represented in all marketing communication activities	,534	,863
We conduct regular meetings about the status-quo of our brand	,584	,861
We use “stories” in our company to reflect the positioning of our brand	,567	,862
We invest in image advertising	,555	,863
We teach our employees about the brand	,611	,859

We instruct new employees about the positioning of our brand	,529	,863
We regularly conduct market research studies of our brand	,517	,865

The result obtained from the iterative reliability analysis of the brand orientation construct yielded a Cronbach's Alpha of 0.871 based on 19 items, indicating an acceptable reliability as well as indicating sufficient correlation of each item with the overall factor.

5.1.4.3 Reliability analysis: brand orientation

Table 9: Reliability analysis - brand orientation variables

Variable	Cronbach's Alpha	N of Items
Values	,668	5
Norms	,739	6
Artefacts	,694	4
Behaviours	,731	4

The above table 9 is a summary of the reliability analysis conducted on variables within brand orientation. A detailed factor analysis of each question per variable can found in appendix G. Cronbach Alpha's for values, norms, artefacts and behaviours exceed 0.6 thereby indicating reliable constructs.

5.1.4.4 Reliability analysis: cross-functional integration

Table 10: Cross-functional integration mechanisms variables

Variable	Cronbach's Alpha	No of Items
Multifunctional Training	,767	2
Cross-functional teams	,619	3
Compensation - Adjusted	,703	2
Social Orientation	,706	3
Formalisation	,743	3
Spatial Proximity - Adjusted	,732	2

The above table 10 is a summary of the factor analysis conducted on variables within cross-functional integration. A detailed factor analysis of each question per variable can be found in appendix H. Cronbach's Alpha for multifunctional training; cross-functional integration, compensation (adjusted); social orientation; formalisation and spatial proximity (adjusted) exceed 0.6 thereby indicating reliability of the variables and construct. Compensation and spatial proximity were adjusted, by means of removing a question from each factor to improve reliabilities of their original factors.

The Cronbach's Alpha coefficients of all the sections indicate that the overall scales have an accepted reliability and can consistently measure the particular dimensions of the magnitude they are designed to measure. Therefore the measuring instruments are capable of consistently reflecting the same underlying constructs.

5.2 Hypotheses tested

The internal perception of corporate brand orientation within marketing is predicted by cross-functional integration mechanisms.

Hypothesis 1: H_1 – There is a relationship between multifunctional training and brand orientation

Hypothesis 2: H_2 – There is a relationship between cross-functional teams and brand orientation

Hypothesis 3: H_3 – There is a relationship between compensation and brand orientation

Hypothesis 4: H_4 – There is a relationship between formalisation and brand orientation

Hypothesis 5: H_5 – There is a relationship between social orientation and brand orientation

Hypothesis 6: H_6 – There is a relationship between spatial proximity and brand orientation

Hypothesis 7: H_7 – There is a relationship between Internal volatility and brand orientation

5.2.1 Motivating stepwise multiple regression

The purpose of the stepwise multiple regression analysis is to determine the independent roles of the cross-functional variables in explaining the variance in brand orientation. Here all independent variables, namely the cross-functional integration mechanisms will be regressed on the dependent variable brand orientation.

The results of the stepwise multiple regression, are laid out below in table 11. Two tables are pivotal in determining the fit and acceptability of the model. Table 11 depicts the variables entered and the fit of the model where the R-squared and Adjusted R-squared are presented. Table 13 indicates the extent of multi-collinearity present in the model and the parameter estimates (coefficients) for each of the independent variables.

Table 11: Regression model summary

Model	Variables Entered	R ²	Adjusted R ²
1	Compensation (NEW)		
2	Multifunctional Training		
3	Cross-functional teams	0.39	0.367

Dependent variable: brand orientation

As can clearly be seen from Table 11, through the stepwise estimation technique, only the combination of compensation, multifunctional training and the cross-functional teams are found to be significant, resulting in a final model predicting 37% of influence on brand orientation.

Table 12: ANOVA – test for statistical significance

ANOVA ^d						
Model		Sum of Squares	df	Mean Square	F	Sig.
3	Regression	8,255	3	2,752	16,639	.000 ^c
	Residual	12,898	78	,165		
	Total	21,153	81			

a. Predictors: (Constant), Compensation (NEW)

b. Predictors: (Constant), Compensation (NEW), Multifunctional Training

c. Predictors: (Constant), Compensation (NEW), Multifunctional Training, Cross-functional teams

d. Dependent Variable: Brand Orientation

The above ANOVA table illustrates that the model is statistically significant.

Table 13: Coefficients and collinearity diagnostics of model

Model		Beta	Partial Eta Squared	t	p- value	Collinearity Statistics		
						Tol.	VIF	Cond
3	(Constant)	1.600		3.773	0.000			25.598
	Compensation (NEW)	0.196	.135	3.487	0.001	.776	1.288	
	Multifunctional Training	0.182	.102	2.983	0.004	.871	1.148	
	Cross- functional teams	0.202	.050	2.027	0.046	.828	1.208	

Dependent variable: brand orientation

In terms of table 13, the following abbreviations have been used:

- Unstandardised Beta Coefficients → Beta;
- t Statistic → t Stat.;
- Variance Inflation Factor → VIF; and
- Tolerance → Tol.

Table 13 indicates that collinearity statistics are within an acceptable range for the model. Tolerance levels are above the 0.1 level, while, conversely, Variance Inflation Factor levels are below the level of 10. The Condition Index is situated below 30. Parameter estimates indicate

that the combination of compensation, multifunctional training and cross-functional teams has a positive impact on brand orientation.

Additionally table 13 looks at the practical significance of cross-functional integrating mechanisms, namely compensation, multifunctional training and cross-functional integration, normally termed effect size. The partial eta squared values were taken and squared i.e. for compensation (0.135^2) to get their effect size (i.e. Eta). An Eta value of less than 0.1 (0.0 – 0.09) indicates that the independent variable had a negligible effect on the construct in question (Rosenthal, Rosnow, & Rubin, 2000). An Eta value of 0.1 – 0.29 shows a small effect size, 0.3 – 0.49 a medium effect size, and values above 0.50 a large effect size (Rosenthal, Rosnow, & Rubin, 2000).

Therefore in the case of cross-functional integration the following can be denoted:

- Compensation (NEW) = 0.018 = It has a small effect
- Multifunctional Training = 0.010 = It has a small effect
- Cross-functional teams = 0.003 = It has a negligible effect

Thus the final equation achieved in the predicting of brand orientation can be represented as follows:

$$\begin{aligned}\text{Brand Orientation} &= 1.600 \\ &+ (0.196 * \text{Compensation}) \\ &+ (0.182 * \text{Multifunctional Training}) \\ &+ (0.202 * \text{Cross-functional Teams})\end{aligned}$$

Figure 9 presents the final model visually together with the relevant parameter estimates.

Figure 9: Final brand orientation model

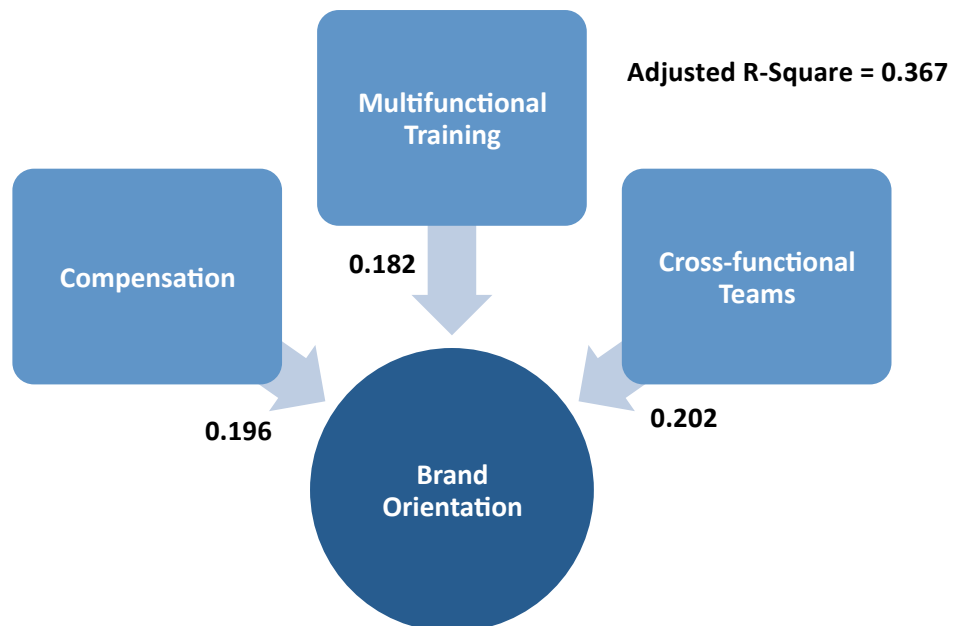


Table 14: Hypotheses summary

Hypotheses	Findings
H ₁ – There is a relationship between multifunctional training and brand orientation	Supported
H ₂ – There is a relationship between cross-functional teams and brand orientation	Supported
H ₃ – There is a relationship between compensation and brand orientation	Supported
H ₄ – There is a relationship between formalisation and brand orientation	Not supported
H ₅ – There is a relationship between social orientation and brand orientation	Not supported
H ₆ – There is a relationship between spatial proximity and brand orientation	Not supported
H ₇ – There is a relationship between Internal volatility and brand orientation	Not supported

Table 14 above summarises which integrating mechanisms of cross-functional integration were supported or not supported in terms of the hypotheses proposed.

Chapter 6: Discussion of results

6.1 Introduction

The research findings reviewed in the previous chapter are discussed in further detail and related to the literature review as well as the research framework developed in Chapter 3. The research hypotheses and questionnaire were developed based on preceding research on brand orientation and cross-functional integration.

Whilst brand orientation is not primarily a new concept, the research findings presented can further contribute to building on existing knowledge by further discussing the effect of cross-functional integration with the purpose of enhancing brand orientation within marketing departments.

6.2 Research hypotheses

The internal perception of corporate brand orientation within marketing is predicted by cross-functional integration mechanisms.

Hypothesis 1: H_1 – There is a relationship between multifunctional training and brand orientation

Hypothesis 2: H_2 – There is a relationship between cross-functional teams and brand orientation

Hypothesis 3: H_3 – There is a relationship between compensation and brand orientation

Hypothesis 4: H_4 – There is a relationship between formalisation and brand orientation

Hypothesis 5: H_5 – There is a relationship between social orientation and brand orientation

Hypothesis 6: H_6 – There is a relationship between spatial proximity and brand orientation

Hypothesis 7: H_7 – There is a relationship between Internal volatility and brand orientation

The primary objective of this research study was to investigate the internal perception of brand orientation within a financial services organisation as well as the influence of cross-functional integrating mechanisms in enhancing brand orientation.

6.3 Brand orientation results

Brand orientation is an approach in which the processes of the organisation revolve around the creation, development and protection of brand identity in an ongoing interaction with target customers with the aim of achieving lasting competitive advantages in the form of brands (Urde, 1999). The brand orientation construct was further operationalised by means of a model with the key variables that make up the construct being depicted as values, norms, artefacts and behaviors.

6.3.1 Values

Question seven comprising of five questions within Section A, tested the values measure of brand orientation, received mean values between 3.63 to 4.33 indicating a favourable response overall. The values variable measured the understanding of basic brand concepts as well as the role of the brand in strategy development. Further it identified the extent to which the brand is recognised as a strategic asset in the form of an integrated marketing idea that drives business (Mosmans, 1996). Baumgarth (2008) stated that values exhibit a relatively general character, and significantly influences concrete brand management behaviour which is evident from the research findings. The findings of this research therefore indicate that within Standard Bank's marketing function, values have a high significance in terms of measuring brand orientation. Further the values variable focuses on top management, their attitudes, their knowledge as well as the strategies they devise (Baumgarth, 2008) to support a variable of brand orientation being the values variable.

6.3.2 Norms

In terms of norms, question eight which comprised of six questions received a favourable response with mean values for all questions ranging between 3.49 to 4.55. The norms layer measures the basic operations of brand management, that is the extent to which explicit or implicit regulations and institutions influence or determine basic brand management practices which is necessary for formal integration of brand communications (Baumgarth, 2008).

Homburg and Pflesser (2000) advise that norms can work effectively as rules guiding execution of branding strategy but only if they are understood as well as accepted by individual employees during implementation. Additionally Cottam and de Chernatony (2006) identified that successful brands were characterised as having employees that have a greater understanding of how their departments contributed to the brand success as well as how their behaviour impacted on consumers. Further norms must be consistent and aligned with commonly held values identified above, which are demonstrated by respondents within Standard Bank's marketing function as the response to the norms variable was positive.

6.3.3 Artefacts

Artefacts were represented by question nine within section A and contained four questions. The artefacts layer sought to identify the tangible symbols or stories used to transfer knowledge which reflects and reinforces the positioning of the brand. The artefacts layer received mean values between 2.97 to 4.19 reflecting a positive response with the exception of one question represented as *"We use 'stories' in our company to reflect the positioning of our brand"*. Dandridge *et al.* (1980) further state that artefacts provide for the correct brand behaviour, motivate and stimulate staff as well as provide orientation for day-to-day behaviour. The latter is consistent with responses from respondents providing for the positive presence of the artefacts variable.

6.3.4 Behaviours

In terms of question ten which comprised of four questions within section A sought to measure the behaviours variable within brand orientation. The behaviours variable received a favourable response with means between 3.24 and 4.22. Behaviours refers to the concrete actions and communications undertaken in support of the brand with Hakinson (2002) advising that concrete brand orientated behaviours indicate a belief in the brand as an important factor in corporate success by top management. Given the positive results of the behaviours variable it can be said that Standard Bank's marketing department has a positive disposition in terms of belief in the brand it supports.

Overall the brand orientation construct received favourable responses from respondents within Standard Bank's marketing department indicating that the research suggests Standard Bank has a positive brand orientation. The variables of brand orientation received favourable responses to values focusing on top management, their attitudes, knowledge as well as the brand strategies they create in relation to the marketing environment. Norms dealt with motivation theory, artefacts with symbolic communication and behaviours redirecting focus to management.

6.4 Cross-functional integration results

Following the establishment of the level of brand orientation within Standard Bank based on respondents feedback, cross-functional integration mechanisms were reviewed in relation to the influence on brand orientation. Cross-functional integration mechanisms consist of multifunctional training; cross-functional teams; compensation; formalisation; social orientation; spatial proximity and internal volatility. Maltz & Kohli (2000) advise that for effective operation, marketing functions must work in harmony with success in competitive business environments largely dependant on the degree to which firms can integrate across

functional boundaries (Cespedes, 1996). Further cross-functional integration is important as it affects cycle time reduction, perceptions of customer value and customer service (Fisher et al., 1997).

The stepwise multiple regression revealed that only the combination of compensation, multifunctional training and cross-functional teams to be influential on the brand orientation construct. A combination of the latter mentioned variables was found to predict a 37% positive influence on the brand orientation construct.

6.4.1 Multifunctional training

Question eleven of section B contained two questions that measured multifunctional training. The focus of the multifunctional training variable was to understand the extent to which managers in a particular function are provided with training opportunities and are encouraged to assimilate knowledge about another function (Griffin and Hauser, 1991). The means were 4.00 and 4.21 which denoted a highly positive response from respondents for the multifunctional training variable. This indicates that within Standard Bank's marketing function, multifunctional training is perceived favourable in terms of helping managers to understand another function's jargon, thereby reducing language barriers and ultimately assisting in reducing conflict between marketing functions. Further Griffin and Hauser (1996) advise that multifunctional training provides for improved understanding of goals, perspectives and functional priorities and given the respondents feedback, this appears to be the case within Standard Bank's marketing function.

6.4.2 Compensation

Compensation was measured by question thirteen of section B and contained three questions. This was later amended to two questions to improve the Cronbach's Alpha value in terms of reliability. The means were 3.16 and 2.99 indicating that a favourable response was not

present and that currently within the Standard Bank marketing function compensation and rewards are not consistently linked to department specific objectives nor are they linked to project goals that span multiple departments. Hauser *et al.* (1994) suggested that changing reward systems to compensate employees based on superordinate goals such as profits from cross-functional projects would drive alignment of different managers objectives within different functions. Additionally Maltz and Kohli (2000) concur that compensation variety also drives interaction between managers and as a result reduces language barriers team creating better understanding of specialist functions.

6.4.3 Cross-functional teams

Cross-functional teams were measured by question twelve of section B and contained three questions. The focus of the cross-functional teams is to yield a greater understanding and appreciation for other functions whereby team members learn the language of different functions and act as translators for their respective functions (Griffin & Hauser, 1996). The means resided between 4.27 and 4.44 indicating a highly positive affinity to cross-functional teams within Standard Bank's marketing function. This result aligns to the findings that Maltz and Kohli (2000) study found whereby cross-functional teams were seen to be a positive integration mechanism for reducing conflict between marketing teams and other functions.

Whilst the stepwise multiple regression found the combination of compensation, multifunctional training and cross-functional teams to have a positive influence on the brand orientation construct, social orientation, formalisation, spatial proximity and internal volatility were not found to have a contribution to the brand orientation model. Whilst these variables were found not to have a contribution to brand orientation, they will be reviewed below as they could be of importance in enhancing cross-functional integration within a marketing function.

6.4.4 Social orientation

Question fourteen contained three statements and was focussed on measuring social orientation. Dougherty (1992) states that social orientation refers to non-work related environments whereby employees of an organisation are given the opportunity to interact socially with purpose of developing camaraderie. The mean values for the three statements resided between 2.77 and 3.61 indicating a relatively positive response. Given that 37.8% of respondents agree that social events span multiple departments, Standard Bank's marketing function should increase the frequency of social activities which might have an impact on improving the development of stronger relationships between colleagues as currently only 68% of respondents either agreed or strongly with the statement whereby company events allow for the opportunity to build stronger relationships.

6.4.5 Formalisation

Formalisation was represented by question fifteen and contained three statements. Maltz and Kohli (2000) further advise that formalised organisations standardise procedures and processes that span multiple functions to reduce conflict. The mean values for the three statements resided between 3.05 and 3.24 indicating a relatively positive response. Only 45.1% of respondents agreed or strongly agreed with the statement that addressed whether clear processes existed as well as whether these processes were understood by the entire team or department. Further the statement enquiring about the existence of common vocabulary across departments and teams had only 53.7% of respondents either agreeing or strongly agreeing. Should processes be standardised further as well as the development of common language or vocabulary exist, the formalisation variable would be improved and could assist in reducing conflict between departments and teams.

6.4.6 Spatial proximity

Spatial proximity was represented by question sixteen and contained three statements. Griffin and Hauser (1996) state that co-location of functions encourages sharing of information amongst different functions. The mean values for the statements resided between 3.84 and 4.24 indicating a positive response to the spatial proximity variable. What is interesting to note is that 82.9% either agreed or strongly agreed to the statement that they were located in close proximity to colleagues with whom they work with regularly. Further 89% of respondents believed that being located close to colleagues increased communication. The final statement on whether working in close proximity increases the sharing of ideas received a response of 91.5% indicating that spatial proximity is of value to Standard Bank in terms sharing of information between departments and teams.

6.4.7 Internal volatility

Finally, internal volatility was represented by question seventeen and contained five statements. Internal volatility refers to the rate of change within an organisation in terms of personnel, structure, rules and procedures (Maltz & Kohli, 2000). The mean values for the five statements resided between 2.93 and 4.45 indicating a positive response to internal volatility variable. Whilst approximately 50% of respondents agree or strongly agree that work processes and department structures change often, only 36.6% of respondents either agree or strongly agree with the statement that policy documents and guidelines change often.

However 95.1% of respondents agree that tight deadlines are common and 90.2% of respondents agree that matters of urgency arise on a frequent basis within their departments or teams. Maltz and Kohli (2000) state that organisations with high volatility harbour managers whom are likely to be unsure of rules and reporting relationships thereby doubting their current and future standing within the organisation which leads to managers focussing on

defending or even expanding their influence as well as the resources allocated to their functions. The latter should be addressed as it could prove counter productive to cross-functional integration.

6.5 Conclusion

The internal perception of internal brand orientation within Standard Bank's marketing function was established utilising the variables of values, norms, artefacts and behaviors. Overall the brand orientation construct received favourable responses from respondents indicating a high level of internal brand orientation within Standard Bank's marketing function. Thereafter stepwise multiple regression identified the combination of compensation, multifunctional training and cross-functional teams to be influential in improving the level of internal brand orientation to the degree of 37%. This therefore establishes a positive relationship between the three integrating mechanisms identified and internal brand orientation. Additionally this provides for the argument that marketing and brand managers should focus on the identified integrating mechanisms to ensure that Standard Bank can further enhance internal brand orientation within its marketing function.

Chapter 7: Conclusion and recommendations

7.1 Introduction

Brand orientation was defined by Urde (1999) as an approach in which the processes of the organisation revolve around the creation, development and protection of brand identity in an ongoing interaction with target customers with the aim of achieving lasting competitive advantages in the form of brands. This research investigated the impact of cross-functional integration in terms of building brand orientation. The hypotheses developed tested the impact of cross-functional integration mechanisms on brand orientation and the managerial implications below are inferred from the research findings presented in chapter six.

7.2 Managerial implications

The research findings have considerable implications for business especially in terms of how marketing departments and particularly brand managers focus on building brand orientation within their organisations. The implications are embedded within the discovery of the integrating mechanisms within cross-functional integration that improve brand orientation. This research discovered that a combination of compensation, cross-functional teams and multifunctional training has a 37% positive influence on improving brand orientation.

Organisations employ brand managers to centralise accountability for a brand's short-term success. The brand manager's primary roles comprises serving as a central resource for all brand-related information and coordinating the various parties involved in creating and implementing brand-building programs (Marketing Leadership Council, 2005). Further the Marketing Leadership Council advises that brand managers maintain responsibility for collecting and analysing market and brand data, implementing brand-building programs as well as educating various parties on brand-related issues. This research establishes that role of

a brand manager be extended to encompass driving cross-functional integration to ultimately improve brand orientation.

Firstly, in terms of brand orientation, brand managers should focus on improving the underlying variables of values; norms; artefacts and behaviours to ultimately improve the brand equity of organisations.

Values measures the understanding of basic brand concepts as well as the role of the brand in strategy development and once the brand is recognised as a strategic asset, it can be considered as an integrated marketing idea that drives the business (Mosmans, 1996). In terms of the values variable, the following could be addressed:

- Ensure that top management is constantly involved in brand decisions
- Create differentiation of the brand in comparison to competitors
- Ensure that brand positioning and branding elements remains relatively the same over the long term

Norms refers to the basic operations of brand management, that is the extent to which explicit or implicit regulations and institutions influence or determine basic brand management practices which are the formal integration of brand communications (Homburg & Pflesser, 2000). To improve the norms variable, the following could be addressed:

- Ensure corporate design guidelines are adhered to
- Pay attention to ensuring that all communications are integrated
- Ensure brand managers have authority, competence and responsibility to position the brand internally

Artefacts refers to the tangible symbols or stories used to transfer knowledge which reflect and reinforce the positioning of the brand. Artefacts provide for the correct brand behaviour,

motivate and stimulate staff as well as provide orientation for day-to-day behaviour (Dandridge *et al.*, 1980). To improve the artefacts variable, the following could be addressed:

- Ensure consistent branding elements are displayed across customer contact points
- Ensure that the meaning of the brand is communicated consistently through all marketing communications
- Conduct regular brand reviews about the status quo of the brand and act consistently to improve the brand
- Utilise story telling within the company to communicate the positioning of the brand

The behaviours variable refers to the concrete actions and communications undertaken in support of the brand. Further Hakinson (2002) states that concrete brand-oriented behaviours are supported by belief in the brand as an important factor in corporate success as well as creating understanding of the basic principles of brand management by top management. To improve the artefacts variable, the following could be addressed:

- Ensure continued investment in image advertising
- Teach and instruct employees about the brand
- Regularly conduct market research studies of the brand and take corrective action

In terms of further enhancing brand orientation, this research identified the cross-functional integrating mechanisms of compensation, multifunctional training and cross-functional teams as positively influencing brand orientation. To improve the compensation variable brand managers should focus on ensuring that rewards are linked to objectives that span multiple departments and team based rewards are prioritised above individual rewards.

The multifunctional training variable could be improved by ensuring that frequent training opportunities exist to understand different departments areas of expertise. Further it is

important that high participation in training activities is maintained and complemented by regularly refreshed training material that is relevant.

The third variable of cross-functional integration that provided a positive influence on brand orientation was cross-functional teams. It is recommended that projects within marketing continually involve team members from multiple departments to allow for greater understanding of different departments areas of expertise as well appreciation for the contributions realised from different departments and teams. Further working in cross-functional teams allows for learning the terminology and language of different departments and teams, which drives cross-functional integration and ultimately improves brand orientation.

7.3 Academic contributions

Cross-functional integration mechanisms were reviewed in respect of their effect on the perception of internal brand orientation. The existing literature outlined seven integrating mechanisms for cross-functional integration namely, multifunctional training; cross-functional teams; compensation; formalisation; social orientation; spatial proximity and internal volatility. Whilst the existing literature strongly motivated that these seven integrating mechanisms play an important role in creating cross-functional integration, the variables had yet to be explored in terms of their impact on brand orientation.

Previous studies looked either to establish the level of brand orientation within an organisation or to reduce marketing conflict utilising cross-functional integration mechanisms. This research paper built on the existing literature of brand orientation and cross-functional integration by establishing the effect of cross-functional integration mechanisms on brand orientation. The data first established the brand orientation construct by validating the level of internal brand orientation within a financial services organisation, namely Standard Bank and

thereafter established that the integrating mechanisms of compensation; multifunctional training and cross-functional teams were positively effective in driving brand orientation within marketing. This research paper established that a combination of compensation, multifunctional training and cross-functional teams are able to predict a 37% positive influence on brand orientation.

7.4 Limitations of the research and suggestions for future study

This research on brand orientation and cross-functional integration was conducted within a single organisation namely Standard Bank and this needs be considered when generalising the results across other industries or companies. Further the research was limited to only to the marketing departments within Standard Bank and future studies should expand the scope of the research to incorporate other business unit or business support functions.

In terms of the brand orientation definition provided by Urde (1999), brand orientation spans an entire organisation however given the size of Standard Bank, approximately 51 411 employees (Standard Bank Group, 2009) this study was limited to the Group and South African marketing departments located within the Johannesburg head office where the highest concentration of branding activities are executed. The sample was thus limited to 131 individuals.

In terms of the research instrument, a self-selection bias may present itself as employees could feel strongly about the constructs of brand orientation and cross-functional integration when measured in terms of Standard Bank, which can be attributed to the uniqueness of the Standard Bank marketing environment.

Further limitations of the self-administered research questionnaire are acquiescence bias, whereby the respondents agree to whatever the interviewer asks in terms of the

questionnaire and extremity bias, whereby respondents answer questions utilising opposite sides of the scale. Additionally the questionnaire utilised primarily closed ended statements and these tend to be superficial, as respondents could not express themselves verbally. Future research could incorporate a comments field for each statement thereby uncovering additional insights in terms of brand orientation and cross-functional integration.

In terms of construct reliability, it is important to note that the following variables of compensation and spatial proximity within cross-functional integration were adjusted to improve their respective Cronbach's Alpha values. Future research should look to improve on this by improving the research instrument, especially the statements relating to the compensation and spatial proximity variables.

7.5 Summary

Brand orientation was described as an approach in which the processes of the organisation revolve around the creation, development and protection of brand identity in an ongoing interaction with target customers with the aim of achieving lasting competitive advantages in the form of brands (Urde, 1999). This study focused on identifying which variables of cross-functional integration would positively influence brand orientation. This research discovered that a combination of compensation, cross-functional teams and multifunctional training has a 37% positive influence on improving brand orientation. Standard Bank and similar organisations should invest in the identified variables of cross-functional integration to further enhance brand orientation thereby enhancing brand equity.

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Appendix A : Research questionnaire

Building Corporate Brand Orientation through Cross-Functional

1. Introduction

I am conducting research on the factors of cross-functional integration that drive brand orientation for completion of my MBA at Gordon Institute of Business Science (GIBS).

You are asked to respond to a number of questions based on your perception toward several statements related to brand orientation and cross-functional integration.

The questionnaire should take no more than 15 minutes of your time.

Your participation is voluntary and you can withdraw at any time without penalty. All data will be kept confidential and no personally identifiable information will be collected.

Please be as honest and accurate as possible.

By completing the questionnaire, you voluntarily agree to participate in this research. If you have any concerns, please contact me or my supervisor. Our details are provided below.

Researcher: Mayur Soni
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Phone: +27 84 666 3636

Supervisor: Nicola Kleyn
Email: kleynn@gibs.co.za
Phone: +27 83 326 3227

Building Corporate Brand Orientation through Cross-Functional

2. Demographics

1. Which business unit do you work for?

- ☐ Group Marketing (incl. Africa)
- ☐ South Africa Marketing

2. What is your job title?

- ☐ Director
- ☐ Senior Manager
- ☐ Middle Management
- ☐ Junior Management
- ☐ Non-Management

3. What is your gender?

- ☐ Male
- ☐ Female

4. What is your highest educational qualification?

- ☐ Secondary / High School
- ☐ Diploma
- ☐ Bachelors Degree
- ☐ Masters Degree
- ☐ Doctor of Philosophy (PhD)

5. No of employees in your department or team?

- ☐ 1-5
- ☐ 6-10
- ☐ 11-15
- ☐ 16-20
- ☐ 21+

Building Corporate Brand Orientation through Cross-Functional

6. How long have you been part of your current department or team?

- ☐ less than 12 months
- ☐ 1-2 years
- ☐ 3-4 years
- ☐ 5-6 years
- ☐ 7-8 years
- ☐ 10 + years

Building Corporate Brand Orientation through Cross-Functional

3. Section A

7. Based on YOUR PERCEPTION, to what extent do the following approaches / activities describe the brand management practices and philosophies at Standard Bank.

Read each statement carefully, then indicate your level of agreement or disagreement in the columns provided.

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
In our company brand decisions are discussed and decided at the top management level	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Our brand is differentiated relative to brands of our competitors	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
We work to ensure that our brand positioning remains essentially the same over a long time period	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
We take care that our branding is constant over a long time period	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
We also invest in our brand in times of scarce financial resources	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

8. Based on YOUR PERCEPTION, to what extent do the following approaches / activities describe the brand management practices and philosophies at Standard Bank.

Read each statement carefully, then indicate your level of agreement or disagreement in the columns provided

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
We regularly check that the corporate design guidelines of our brand are adhered to	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
In all brand communications, we pay explicit attention to the integration of all communication methods	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Our company has a detailed written specification of the brand positioning	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Our company has managers who have clear responsibility for the brand	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Brand managers have the competence and authority to successfully position our brand internally	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
We regularly check whether or not our brand is different from the profiles of competing brands	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Building Corporate Brand Orientation through Cross-Functional

9. Based on YOUR PERCEPTION, to what extent do the following approaches / activities describe the brand management practices and philosophies at Standard Bank.

Read each statement carefully, then indicate your level of agreement or disagreement in the columns provided

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
Visible branding elements are displayed across all customer contact points	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
We ensure that the meaning of the brand is consistently represented in all marketing communication activities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
We conduct regular meetings about the status-quo of our brand	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
We use "stories" in our company to reflect the positioning of our brand	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

10. Based on YOUR PERCEPTION, to what extent do the following approaches / activities describe the brand management practices and philosophies at Standard Bank.

Read each statement carefully, then indicate your level of agreement or disagreement in the columns provided

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
We invest in image advertising	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
We teach our employees about the brand	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
We instruct new employees about the positioning of our brand	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
We regularly conduct market research studies of our brand	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Building Corporate Brand Orientation through Cross-Functional

4. Section B

11. Based on YOUR PERCEPTION,

please indicate how closely each statement below describes the activities currently undertaken within YOUR department or team by indicating your agreement or disagreement in the columns provided.

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
Frequent training opportunities exist to understand different departments' areas of expertise	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Participation in training activities increases my knowledge of other departments capabilities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

12. Based on YOUR PERCEPTION,

please indicate how closely each statement below describes the activities currently undertaken within YOUR department or team by indicating your agreement or disagreement in the columns provided.

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
Projects we work on constantly involve team members from multiple departments	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Working in teams allows for greater understanding and appreciation for each others departments	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Working in project teams allows for learning language / terminology of different departments	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

13. Based on YOUR PERCEPTION,

please indicate how closely each statement below describes the activities currently undertaken within YOUR department or team by indicating your agreement or disagreement in the columns provided.

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
Compensation and rewards are linked to department specific objectives	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Compensation is linked to project goals that span multiple departments	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Team based rewards are prioritised above individual rewards	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Building Corporate Brand Orientation through Cross-Functional

14. Based on YOUR PERCEPTION,

please indicate how closely each statement below describes the activities currently undertaken within YOUR department or team by indicating your agreement or disagreement in the columns provided.

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
We frequently have social events that span multiple departments	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Company social events allow me to better understand my colleagues	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Company social events provide me with the opportunity to develop stronger relationships with colleagues	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

15. Based on YOUR PERCEPTION,

please indicate how closely each statement below describes the activities currently undertaken within YOUR department or team by indicating your agreement or disagreement in the columns provided.

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
Clear processes in terms of "how we do things around here" are understood by the entire department or team	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Defined procedures exist in terms of how we execute projects	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Common vocabulary (words, terms, definitions) are used across all departments and teams	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

16. Based on YOUR PERCEPTION,

please indicate how closely each statement below describes the activities currently undertaken within YOUR department or team by indicating your agreement or disagreement in the columns provided.

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
I am located in close proximity to team members from other departments with whom I regularly work with	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I believe proximity to colleagues from other teams increases communication	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Working in close proximity increases the sharing of ideas	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Building Corporate Brand Orientation through Cross-Functional

17. Based on YOUR PERCEPTION,

please indicate how closely each statement below describes the activities currently undertaken within YOUR department or team by indicating your agreement or disagreement in the columns provided.

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
Work processes in terms of "how we do things around here" change often	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Department or team structures change often within my team or department	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Policy documents or guidelines are constantly changing within our department	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tight deadlines are common within my department or team	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Matters of urgency within our team or department arise on a frequent basis	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Appendix B: Brand orientation scale with subscale

Values	<ul style="list-style-type: none"> • In our company brand decisions are discussed and decided at the top management level • Our brand is differentiated relative to brands of our competitors • We work to ensure that our brand positioning remains essentially the same over a long time period • We take care that our branding is constant over a long time period • We also invest in our brand in times of scarce financial resources
Norms	<ul style="list-style-type: none"> • We regularly check that the corporate design guidelines of our brand are adhered to • In all brand communications, we pay explicit attention to the integration of all communication methods • Our company has a detailed written specification of the brand positioning • Our company has managers who have clear responsibility for the brand • Brand managers have the competence and authority to successfully position our brand internally • We regularly check whether or not our brand is different from the profiles of competing brands
Artefacts	<ul style="list-style-type: none"> • Visible branding elements are displayed across all customer contact points • We ensure that the meaning of the brand is consistently represented in all marketing communication activities • We conduct regular meetings about the status-quo of our brand • We use “stories” in our company to reflect the positioning of our brand
Behaviours	<ul style="list-style-type: none"> • We invest in image advertising • We teach our employees about the brand • We instruct new employees about the positioning of our brand • We regularly conduct market research studies of our brand

Appendix C: Cross-functional integration scale with subscale

Cross-functional teams	<ul style="list-style-type: none"> • Projects we work on constantly involve team members from multiple departments • Working in teams allows for greater understanding and appreciation for each others departments • Working in project teams allows for learning language / terminology of different departments
Compensation	<ul style="list-style-type: none"> • Compensation and rewards are linked to department specific objectives • Compensation is linked to project goals that span multiple departments • Team based rewards are prioritised above individual rewards
Social Orientation	<ul style="list-style-type: none"> • We frequently have social events that span multiple departments • Company social events allow me to better understand my colleagues • Company social events provide me with the opportunity to develop stronger relationships with colleagues
Multifunctional Training	<ul style="list-style-type: none"> • Frequent training opportunities exist to understand different departments' areas of expertise • Participation in training activities increases my knowledge of other departments capabilities
Formalisation	<ul style="list-style-type: none"> • Clear processes in terms of "how we do things around here" are understood by the entire department or team • Defined procedures exist in terms of how we execute projects • Common vocabulary (words,terms,definitions) are used across all departments and teams
Spatial Proximity	<ul style="list-style-type: none"> • I am located in close proximity to team members from other departments with whom I regularly work with • I believe proximity to colleagues from other teams increases communication • Working in close proximity increases the sharing of ideas

<p>Internal Volatility</p>	<ul style="list-style-type: none"> • Work processes in terms of "how we do things around here" change often • Department or team structures change often within my team or department • Policy documents or guidelines are constantly changing within our department • Tight deadlines are common within my department or team • Matters of urgency within our team or department arise on a frequent basis
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Appendix D: Descriptive statistics - brand orientation

D.1 Brand orientation: value (means and standard deviations)

	N	Mean	Std. Deviation
In our company brand decisions are discussed and decided at the top management level	89	4,33	,750
Our brand is differentiated relative to brands of our competitors	89	3,67	1,074
We work to ensure that our brand positioning remains essentially the same over a long time period	89	3,63	1,101
We take care that our branding is constant over a long time period	89	3,75	1,026
We also invest in our brand in times of scarce financial resources	89	3,71	,979
Valid N (listwise)	89		

D.1.1 Brand orientation: value (question responses)

	Strongly Disagree		Disagree		Neither Agree nor Disagree		Agree		Strongly Agree	
	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %
In our company brand decisions are discussed and decided at the top management level	0	,0%	4	4,5%	3	3,4%	42	47,2%	40	44,9%
Our brand is differentiated relative to brands of our competitors	2	2,2%	17	19,1%	7	7,9%	45	50,6%	18	20,2%
We work to ensure that our brand positioning remains essentially the same over a long time period	2	2,2%	19	21,3%	7	7,9%	43	48,3%	18	20,2%
We take care that our branding is constant over a long time period	1	1,1%	16	18,0%	6	6,7%	47	52,8%	19	21,3%
We also invest in our brand in times of scarce financial resources	2	2,2%	12	13,5%	11	12,4%	49	55,1%	15	16,9%

D.2 Brand orientation: norms (means and standard deviations)

	N	Mean	Std. Deviation
We regularly check that the corporate design guidelines of our brand are adhered to	89	4,55	,544
In all brand communications, we pay explicit attention to the integration of all communication methods	89	3,63	,970
Our company has a detailed written specification of the brand positioning	89	4,43	,638
Our company has managers who have clear responsibility for the brand	89	4,48	,586
Brand managers have the competence and authority to successfully position our brand internally	89	3,49	1,099
We regularly check whether or not our brand is different from the profiles of competing brands	89	3,89	,970
Valid N (listwise)	89		

D.2.1 Brand orientation: norms (question responses)

	Strongly Disagree		Disagree		Neither Agree nor Disagree		Agree		Strongly Agree	
	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %
We regularly check that the corporate design guidelines of our brand are adhered to	0	,0%	0	,0%	2	2,2%	36	40,4%	51	57,3%
In all brand communications, we pay explicit attention to the integration of all communication methods	2	2,2%	15	16,9%	7	7,9%	55	61,8%	10	11,2%
Our company has a detailed written specification of the brand positioning	0	,0%	1	1,1%	4	4,5%	40	44,9%	44	49,4%
Our company has managers who have clear responsibility for the brand	0	,0%	1	1,1%	1	1,1%	41	46,1%	46	51,7%
Brand managers have the competence and authority to successfully position our brand internally	3	3,4%	17	19,1%	18	20,2%	35	39,3%	16	18,0%
We regularly check whether or not our brand is different from the profiles of competing brands	2	2,2%	8	9,0%	11	12,4%	45	50,6%	23	25,8%

D.2.2 Brand orientation: artefacts (means and standard deviations)

	N	Mean	Std. Deviation
Visible branding elements are displayed across all customer contact points	89	4,19	,737
We ensure that the meaning of the brand is consistently represented in all marketing communication activities	89	3,67	1,009
We conduct regular meetings about the status-quo of our brand	89	3,67	1,009
We use “stories” in our company to reflect the positioning of our brand	89	2,97	1,238
Valid N (listwise)	89		

D.2.3 Brand orientation: artefacts (question responses)

	Strongly Disagree		Disagree		Neither Agree nor Disagree		Agree		Strongly Agree	
	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %
Visible branding elements are displayed across all customer contact points	0	,0%	4	4,5%	5	5,6%	50	56,2%	30	33,7%
We ensure that the meaning of the brand is consistently represented in all marketing communication activities	0	,0%	18	20,2%	10	11,2%	44	49,4%	17	19,1%
We conduct regular meetings about the status-quo of our brand	2	2,2%	12	13,5%	16	18,0%	42	47,2%	17	19,1%
We use “stories” in our company to reflect the positioning of our brand	10	11,2%	30	33,7%	11	12,4%	29	32,6%	9	10,1%

D.3 Brand orientation: behaviours (means and standard deviations)

	N	Mean	Std. Deviation
We invest in image advertising	89	4,11	,832
We teach our employees about the brand	89	3,24	1,197
We instruct new employees about the positioning of our brand	89	3,42	1,166
We regularly conduct market research studies of our brand	89	4,22	,653

D.3.1 Brand orientation: behaviours (question responses)

	Strongly Disagree		Disagree		Neither Agree nor Disagree		Agree		Strongly Agree	
	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %
We invest in image advertising	1	1,1%	4	4,5%	8	9,0%	47	52,8%	29	32,6%
We teach our employees about the brand	6	6,7%	25	28,1%	12	13,5%	34	38,2%	12	13,5%
We instruct new employees about the positioning of our brand	5	5,6%	19	21,3%	14	15,7%	36	40,4%	15	16,9%
We regularly conduct market research studies of our brand	0	,0%	2	2,2%	5	5,6%	53	59,6%	29	32,6%

Appendix E: Descriptive statistics - cross-functional integration

E.1 Multifunctional training (means and standard deviations)

	N	Mean	Std. Deviation
Frequent training opportunities exist to understand different departments' areas of expertise	82	4,00	,969
Participation in training activities increases my knowledge of other departments capabilities	82	4,21	,782
Valid N (listwise)	82		

E.1.1 Multifunctional training (question responses)

	Strongly Disagree		Disagree		Neither Agree nor Disagree		Agree		Strongly Agree	
	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %
Frequent training opportunities exist to understand different departments' areas of expertise	2	2,4%	7	8,5%	5	6,1%	43	52,4%	25	30,5%
Participation in training activities increases my knowledge of other departments capabilities	1	1,2%	2	2,4%	6	7,3%	43	52,4%	30	36,6%

E.2 Cross-functional teams (means and standard deviations)

	N	Mean	Std. Deviation
Projects we work on constantly involve team members from multiple departments	82	4,34	,689
Working in teams allows for greater understanding and appreciation for each others departments	82	4,44	,590
Working in project teams allows for learning language / terminology of different departments	82	4,27	,704
Valid N (listwise)	82		

E.2.1 Cross-functional teams (question responses)

	Strongly Disagree		Disagree		Neither Agree nor Disagree		Agree		Strongly Agree	
	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %
Projects we work on constantly involve team members from multiple departments	1	1,2%	1	1,2%	1	1,2%	45	54,9%	34	41,5%
Working in teams allows for greater understanding and appreciation for each others departments	0	,0%	1	1,2%	1	1,2%	41	50,0%	39	47,6%
Working in project teams allows for learning language / terminology of different departments	0	,0%	3	3,7%	3	3,7%	45	54,9%	31	37,8%

E.3 Compensation (means and standard deviations)

	N	Mean	Std. Deviation
Compensation and rewards are linked to department specific objectives	82	3,16	1,012
Compensation is linked to project goals that span multiple departments	82	2,99	1,060
Team based rewards are prioritised above individual rewards	81	2,42	,864
Valid N (listwise)	81		

E.3.1 Compensation (question responses)

	Strongly Disagree		Disagree		Neither Agree nor Disagree		Agree		Strongly Agree	
	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %
Compensation and rewards are linked to department specific objectives	3	3,7%	20	24,4%	27	32,9%	25	30,5%	7	8,5%
Compensation is linked to project goals that span multiple departments	5	6,1%	25	30,5%	24	29,3%	22	26,8%	6	7,3%
Team based rewards are prioritised above individual rewards	11	13,6%	34	42,0%	27	33,3%	9	11,1%	0	,0%

E.4 Social orientation (means and standard deviations)

	N	Mean	Std. Deviation
We frequently have social events that span multiple departments	82	2,77	1,169
Company social events allow me to better understand my colleagues	82	3,46	,984
Company social events provide me with the opportunity to develop stronger relationships with colleagues	82	3,61	1,003
Valid N (listwise)	82		

E.4.1 Social orientation (question responses)

	Strongly Disagree		Disagree		Neither Agree nor Disagree		Agree		Strongly Agree	
	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %
We frequently have social events that span multiple departments	11	13,4%	31	37,8%	9	11,0%	28	34,1%	3	3,7%
Company social events allow me to better understand my colleagues	1	1,2%	17	20,7%	16	19,5%	39	47,6%	9	11,0%
Company social events provide me with the opportunity to develop stronger relationships with colleagues	2	2,4%	12	14,6%	15	18,3%	40	48,8%	13	15,9%

E.5 Formalisation (means and standard deviations)

	N	Mean	Std. Deviation
Clear processes in terms of "how we do things around here" are understood by the entire department or team	82	3,05	1,099
Defined procedures exist in terms of how we execute projects	82	3,49	1,045
Common vocabulary (words,terms,definitions) are used across all departments and teams	82	3,24	1,049
Valid N (listwise)	82		

E.5.1 Formalisation (question responses)

	Strongly Disagree		Disagree		Neither Agree nor Disagree		Agree		Strongly Agree	
	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %
Clear processes in terms of "how we do things around here" are understood by the entire department or team	4	4,9%	30	36,6%	11	13,4%	32	39,0%	5	6,1%
Defined procedures exist in terms of how we execute projects	3	3,7%	16	19,5%	10	12,2%	44	53,7%	9	11,0%
Common vocabulary (words,terms,definitions) are used across all departments and teams	5	6,1%	18	22,0%	15	18,3%	40	48,8%	4	4,9%

E.6 Spatial proximity (means and standard deviations)

	N	Mean	Std. Deviation
I am located in close proximity to team members from other departments with whom I regularly work with	82	3,84	,949
I believe proximity to colleagues from other teams increases communication	82	4,17	,681
Working in close proximity increases the sharing of ideas	82	4,24	,794
Valid N (listwise)	82		

E.6.1 Spatial proximity (question responses)

	Strongly Disagree		Disagree		Neither Agree nor Disagree		Agree		Strongly Agree	
	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %
I am located in close proximity to team members from other departments with whom I regularly work with	2	2,4%	10	12,2%	2	2,4%	53	64,6%	15	18,3%
I believe proximity to colleagues from other teams increases communication	0	,0%	2	2,4%	7	8,5%	48	58,5%	25	30,5%
Working in close proximity increases the sharing of ideas	1	1,2%	3	3,7%	3	3,7%	43	52,4%	32	39,0%

E.6.2 Internal volatility (means and standard deviations)

	N	Mean	Std. Deviation
Work processes in terms of "how we do things around here" change often	82	3,17	1,063
Department or team structures change often within my team or department	82	3,43	1,133
Policy documents or guidelines are constantly changing within our department	82	2,93	1,052
Tight deadlines are common within my department or team	82	4,45	,756
Matters of urgency within our team or department arise on a frequent basis	82	4,37	,868
Valid N (listwise)	82		

E.6.3 Internal volatility (question responses)

	Strongly Disagree		Disagree		Neither Agree nor Disagree		Agree		Strongly Agree	
	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %
Work processes in terms of "how we do things around here" change often	0	,0%	33	40,2%	9	11,0%	33	40,2%	7	8,5%
Department or team structures change often within my team or department	1	1,2%	25	30,5%	8	9,8%	34	41,5%	14	17,1%
Policy documents or guidelines are constantly changing within our department	2	2,4%	37	45,1%	13	15,9%	25	30,5%	5	6,1%
Tight deadlines are common within my department or team	1	1,2%	2	2,4%	1	1,2%	33	40,2%	45	54,9%
Matters of urgency within our team or department arise on a frequent basis	1	1,2%	4	4,9%	3	3,7%	30	36,6%	44	53,7%

Appendix F: Reliability – brand orientation

F.1 Reliability: Brand orientation values

	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
In our company brand decisions are discussed and decided at the top management level	,014	,748
Our brand is differentiated relative to brands of our competitors	,281	,683
We work to ensure that our brand positioning remains essentially the same over a long time period	,634	,502
We take care that our branding is constant over a long time period	,645	,503
We also invest in our brand in times of scarce financial resources	,561	,551
Cronbach's Alpha	N of Items	
,668	5	

F.2 Reliability: Brand orientation norms

	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
We regularly check that the corporate design guidelines of our brand are adhered to	,399	,726
In all brand communications, we pay explicit attention to the integration of all communication methods	,574	,672
Our company has a detailed written specification of the brand positioning	,490	,704
Our company has managers who have clear responsibility for the brand	,460	,713
Brand managers have the competence and authority to successfully position our brand internally	,553	,685
We regularly check whether or not our brand is different from the profiles of competing brands	0,479	0,704
Cronbach's Alpha	N of Items	
,739	6	

F.3 Reliability: Brand orientation artefacts

	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Visible branding elements are displayed across all customer contact points	,423	,670
We ensure that the meaning of the brand is consistently represented in all marketing communication activities	,564	,573
We conduct regular meetings about the status-quo of our brand	,461	,639
We use “stories” in our company to reflect the positioning of our brand	,505	,623
Cronbach's Alpha	N of Items	
,694	4	

F.4 Reliability: Brand orientation behaviours

	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
We invest in image advertising	,455	,707
We teach our employees about the brand	,637	,598
We instruct new employees about the positioning of our brand	,652	,585
We regularly conduct market research studies of our brand	,411	,734
Cronbach's Alpha	N of Items	
,731	4	

Appendix G: Reliability - cross-functional integration

G.1 Reliability: cross-functional integration | multifunctional training

	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Frequent training opportunities exist to understand different departments' areas of expertise	,636	.
Participation in training activities increases my knowledge of other departments capabilities	,636	.
Cronbach's Alpha	N of Items	
,767	2	

G.2 Reliability: cross-functional integration | cross-functional teams

	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Projects we work on constantly involve team members from multiple departments	,248	,769
Working in teams allows for greater understanding and appreciation for each others departments	,585	,320
Working in project teams allows for learning language / terminology of different departments	0,496	0,414
Cronbach's Alpha	N of Items	
,619	3	

G.3 Reliability: cross-functional integration | compensation

	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Compensation and rewards are linked to department specific objectives	,525	,273
Compensation is linked to project goals that span multiple departments	,487	,333
Team based rewards are prioritised above individual rewards	0,205	0,72
Cronbach's Alpha	N of Items	
,587	3	

G.4 Reliability: cross-functional integration | compensation adjusted

	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Compensation and rewards are linked to department specific objectives	,543	.
Compensation is linked to project goals that span multiple departments	,543	.
Cronbach's Alpha	N of Items	
,703	2	

G.5 Reliability: cross-functional integration | social orientation

	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
We frequently have social events that span multiple departments	,303	,903
Company social events allow me to better understand my colleagues	,656	,459
Company social events provide me with the opportunity to develop stronger relationships with colleagues	0,674	0,429
Cronbach's Alpha	N of Items	
,706	3	

G.6 Reliability: cross-functional integration | formalisation

	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Clear processes in terms of "how we do things around here" are understood by the entire department or team	,581	,645
Defined procedures exist in terms of how we execute projects	,568	,660
Common vocabulary (words,terms,definitions) are used across all departments and teams	0,558	0,671
Cronbach's Alpha	N of Items	
,743	3	

G.7 Reliability: cross-functional integration | spatial proximity

	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
I am located in close proximity to team members from other departments with whom I regularly work with	,142	,732
I believe proximity to colleagues from other teams increases communication	,563	,037
Working in close proximity increases the sharing of ideas	0,319	0,386
Cronbach's Alpha	N of Items	
,496	3	