Chapter 2

The Outside-in Approach to Brand Contact Management

"It's a new brand world"

Tom Peters

2.1 Introduction

Ries and Ries (2000:2 - 4) argue that the broad range of marketing functions have one common goal and that is to build brands. "The essence of the marketing process is building a brand in the minds of consumers". The concepts of marketing and branding are so inextricably linked that it is futile to separate them.

Core to the process of marketing and branding, is promotions or marketing communications. Rix and Stanton (1998:405) observe that virtually all marketing activities require effective promotion. Marketing Communications play a vital role in brand building.

Chapter Two will set out to investigate the classical role and function of promotions in marketing. The strategic focus of the various promotional tools (Advertising, Direct Marketing, Public Relations, Personal Selling and Sales Promotions) will briefly be discussed, with a view to addressing the shift to Integrated Marketing Communications. The aim of which is to ensure that all promotional messages communicate in one voice, to build a consistent brand identity.

Kapferer (1997:25) however argues that the brand is a focal point for consumer impressions created through a myriad of contacts with the brand. The brand image results from contacts that stem from both the marketing and communications domains. To develop a synergistic brand identity all levels of consumer interaction with the brand must be addressed and not only those delivered through planned marketing communications efforts.

The effective planning and management of the identity of a brand therefore demands a holistic understanding of the integrated nature of marketing and communications.

Chapter Two will move beyond Integrated Marketing Communications to introduce and discuss an outside-in, consumer oriented approach to brand creation. The concept of brand contacts will be introduced and the importance of integrating all levels of consumer interaction with the brand will be argued. As Duncan (2002:324) advocates, strategic integration must be achieved across all points of brand contact to build an integrated brand identity.

According to Trout and Ries (1972:51-53) and Aaker and Meyers (1987:125) the identity of a brand is defined by its positioning. The development of a focussed brand positioning is paramount to the process of creating contact synergy and building a consistent brand identity. The role and value of a single-minded brand positioning strategy, in effective brand contact management, will therefore also be explored.

Chapter Two will furthermore investigate the process of brand contact planning and will hone in to explore the role of the Brand Contact Task Team and the Integrated Communications Agency, in the development and management of points of brand contact.

The outside-in, holistic and consumer oriented assessment of brand communications is paramount to the focus of this study. It is within this context that brand contact thinking is enforced and that the nature, role and planning of alternative points of brand contact in the South African market place, are discussed and explored through secondary and primary research.

2.2 Marketing Communications in Context

Kotler (1997:9) defines the function of Marketing as a "social and managerial process by which individuals and groups obtain what they need and want through creating, offering, and exchanging products (goods, services, and ideas) of value with others". According to the American Marketing Association, marketing essentially involves the process of planning and executing the conception, distribution, pricing and promoting of ideas, goods, and services to create, as Engel, Warshaw and Kinnear (1994:4) confirm, exchanges that satisfy the goals of the individual and that of the organisation.

Marketing evidently comprises of a total system of business activities designed to generate and facilitate exchanges to satisfy human needs or wants. The concept of exchange is core to marketing and occurs, according to Etzel, Walker and Stanton (1997:4), whenever "one social unit (person or organisation) strives to exchange something of value with another social unit ".

The act of exchange defines the *marketing concept.* As Berkowitz, Kerin, Hartley and Rudelius (2000:21) explain, an organisation should strive to satisfy the needs of consumers while also aiming to achieve the organisation's goals. Thus, the purpose of marketing is to create, grow and sustain the transfer of value in order to ensure an organisation's long-term success.

To achieve and grow exchanges, the focus of marketing is, as Rozin and Magnusson (2003:185) agree, on the needs and wants of the consumer and the core objective is to effectively market the consumer benefits that are built into products and services.

Perreault and McCarthy (1996:35) furthermore observe that for marketing to be effective it must be an organisation-wide effort. To satisfy customer needs on an ongoing basis, must be the driving force behind all business activities.

Bearden, Ingram and LaForge (2001:4) agree that satisfying customer needs demands integrated and coordinated efforts throughout the organisation.

Bearden et al. (2001:4) and Berkowitz et al. (2000:21) are of the opinion that an organisation should therefore foster a market orientation. An organisation's efforts must consistently be focussed on "collecting information about customers' needs and competitors' capabilities, sharing this information across departments, and using the information to create customer value". Understanding consumers and customers must be an organisational philosophy, to create customer value and develop sustainable relationships.

The development of a marketing strategy then involves the planning and implementation of an overall marketing offer, to appeal to defined groups of consumers and/or organisations with whom a business wants to create marketing exchanges and develop long term relationships. According to Bearden et al. (2001:10) the process of strategy development involves decisions in primarily four areas, namely product and brand development, pricing, distribution and marketing communications. These decisions are effectively blended into a mix designed to serve the target market.

The role of marketing communications according to Burnett and Moriarty (1998:3) as a function of the marketing mix, is to communicate product or service information to "those who have significant potential to respond to the communication messages".

The strategic focus of the marketing communications function is therefore also embedded in customer need satisfaction. Communication efforts aim to inform, persuade and remind the target market of product and/or service benefits, with the objective to influence their attitudes and consumption behaviour.

The role and scope of Marketing Communications has classically been defined in context of the Promotional Mix. Rix and Stanton (1998:405) define the promotional mix as an "organisation's combination of promotion

23

techniques". Organisations employ the functions of Advertising, Sales Promotions, Personal Selling, Direct Marketing and Public Relations to communicate and persuade target audiences to buy and ultimately become loyal to products and services. Each of the promotional methods or tools has distinct features that determine the strategic context in which it will be most effective.

A brief description of the promotional tools follows.

2.2.1 Advertising

According to Bearden et al. (2001:393) Advertising is the activity that consumers most associate with the term marketing. Arens (2002:7) defines Advertising as "the structured and composed nonpersonal communication of information, usually paid for and usually persuasive in nature, about products (goods, services and ideas) by identified sponsors through various media".

Advertising generally involves the buying of space and time in mass media (such as TV, radio and magazines) to communicate messages to large audiences, often at the same time. Herein lies its core strength – the ability to create broad-based awareness and intensify demand amongst a mass audience (Burnett and Moriarty 1998:279).

Duncan (2002:511) explains that Advertising adds value to a brand by creating brand awareness, long-term brand images and brand positions. Advertising has the ability to increase and reinforce brand knowledge effectively. Ormerod (1999:48) and Percy, Rossiter and Elliott (2001:4) conclude that advertising plays a pivotal role in building positive brand attitudes and strengthening the brand promise.

The marketing communications tool does however have its limits. Burnett and Moriarty (1998:279) highlight that Advertising is increasingly perceived as intrusive and as cluttering the environment. Duncan (2002:516) and Ries and

24

Ries (2002:xix) furthermore argue that credibility is not a strength of advertising, because consumers today recognize advertisements as paid messages delivered on behalf of a brand.

The use of mass media, which are non-personal, presents a further shortfall of Advertising as a marketing communications tool. As Berkowitz et al. (2000:495) point out, Advertising does not have an immediate feedback loop, as does Personal Selling or Direct Marketing. The advertising message can not be personalised to the extent that the direct and personal communications message can be tailored to address consumer needs and wants and ultimately to build long-lasting and profitable customer relationships.

An adversarial relationship exists between Advertising and the other marketing communication tools. Because of its high profile, Advertising has traditionally received high investment levels, with Public Relations, Personal Selling and Sales Promotions for example, taking a back seat. Krige (2001:11) confirms that in South Africa, "about 80 per cent of marketing budgets were spent on mass media" in the past, with the balance going to other promotional activities.

However, a paramount shift in investment levels has occurred. Krige continues that today, more than half the allocation is spent on other marketing communications activities. This is greatly the result of marketers' demand for more accountability in an increasingly competitive environment and companies' strategic intent to retain existing customers by building lifelong customer relationships.

Burnett and Moriarty (1998:280) however emphasise that the power of Advertising in building brand image and creating broad-based demand can not be negated. A correlation between money spent on advertising, sales, and profitability does exist. The Strategic Planning Institute and the Ogilvy Center for Research and Development (1986), have proven that businesses with higher relative advertising-to-sales ratios earn a higher return on investment. Advertising expenditures and market share are related.

The strategic challenge today, is to maximise the strengths of Advertising relative to other marketing communication tools.

2.2.2 Personal Selling

Unlike Advertising, Personal Selling involves interpersonal communication in which a seller's objective, according to Belch and Belch (1998:21) is to "assist and or persuade prospective buyers to purchase the company's product or service or to act on an idea". The two-way flow of communication between a seller and buyer is purposefully designed to influence the buyer's purchase decision. Rix and Stanton (1998:421) point out that the goal of all marketing efforts is to satisfy long-term market needs and wants in order to increase profitable sales. Personal Selling is the major promotional method or tool used to attain this goal.

The power of Personal Selling resides in the ability to customise the product offering and communications appeal and to deliver an immediate response to customer feedback. As Perreault and McCarthy (1996:449) argue, an effective sales person responds to and assists the customer in the buying process, by understanding and responding to the customer's needs.

Belch and Belch (1998:8) furthermore observe that the focus of market-driven companies is on developing and sustaining customer relationships. Customers have firstly become more demanding and require superior value in products and services that are competitively priced, supported by excellent customer service, and tailored to their specific needs and wants. Secondly, investing in the lifetime value of the customer has become more profitable as it is more cost effective to retain customers than it is to acquire new customers.

In a highly competitive market place the focus is on the continued satisfaction of customers to ensure, as Perreault and McCarthy (1996:448) and Arens (2002:318) urge, that the relationship between the customer and the company

continues to be mutually beneficial. Personal Selling plays a powerful role in customer relationship marketing. Bearden et al. (2001: 374) conclude that the dynamic nature and flexibility of Personal Selling makes it an excellent communications medium for creating and nurturing customer relationships to attain customer loyalty.

The high cost of Personal Selling is, however, its major disadvantage. Arens (2002:319) confirms that on a cost-per-contact basis, Personal Selling is generally the most expensive promotional element to employ.

2.2.3 Direct Marketing

Like Personal Selling, Direct Marketing is an interactive promotional tool with the ability to personalise communication messages and gain customer feedback. Duncan (2002:600) explains that Direct Marketing is a "closed-loop, interactive, database-driven messaging system that uses a broad range of media to create a behavioral response".

Direct Marketing is primarily based on the effective development and management of a direct mail database (customer file). Duncan (1995:7) elaborates that the primary aim of the customer database is to profile customers and track their behaviour. Databases make it possible for companies to become learning organisations which means that the company better understands and satisfies customer needs. A database is employed in Direct Marketing, as Percy et al. (2001:231) advocate, to enter into purposeful and ongoing personalised dialogue with customers.

According to Burnett and Moriarty (1998:378) one or more advertising media is applied in the direct marketing process, to communicate with target consumers and to "effect a measurable response and/or transaction at any location". Direct Marketing communication can take on many forms including, direct mail, catalogue marketing, telemarketing, direct response advertising and online marketing. Direct Marketing can therefore occur anywhere at any

time without the assistance of a sales person or requirement of a retail store environment. The direct marketing medium can in effect function as the market place.

Although all marketing communications aim to achieve measurable results, Direct Marketing objectives are generally more action-specific, such as purchase or request for information. Direct Marketing thus has a further strategic advantage in that the achievement of goals can be effectively measured.

Bearden et al. (2001:469) conclude that Direct Marketing communications have two primary objectives. The first is to create relationships by soliciting a direct and immediate response from prospects or customers. Direct Marketing communications often employ deadlines for action and offer incentives for immediate action. The second, and increasingly important objective, is to maintain, as well as enhance customer relationships.

Schultz and Barnes (1995:256) agree that a key element to success, in a highly competitive marketplace, is to retain present customers and build sales or volume over time. According to Belch and Belch (1998:13) the growth and development of Direct Marketing, as opposed to mass media communication, can be attributed to its relationship building potential.

2.2.4 Sales Promotions

Sales Promotions aim to stimulate immediate sales by providing extra value or incentives to the sales force, distributors or the ultimate consumer. Kotler (1997:661) states that "where advertising offers a reason to buy, sales promotion offers an incentive to buy". Percy et al (2001:4) similarly argue that the strategic purpose of Advertising is to turn consumers toward a brand whereas the strategic intent of a promotion is to move the consumer forward. Sales Promotional activities are specifically employed by marketers to perform well in the short term.

This promotional tool involves the development and implementation of both trade-oriented (push) strategies, for example, price and performance deals, display allowances and cooperative advertising; and consumer-oriented (pull) strategies, for example, price promotions, competitions and samples.

Trade Sales Promotion at the wholesale and retail level is employed to push products through the marketing channel. The core objectives are to gain the support of resellers and to defend competitive actions.

Consumer Sales Promotion pulls a product through the channel of distribution, with the primary objectives to stimulate trial and consumption, and neutralise competitor offers. Schultz and Barnes (1995:211) elaborate that most consumer sales promotion programmes aim to change purchasing behaviour by creating purchase acceleration, stockpiling and or consumption increases. Duncan (2002:572) concludes that Consumer Sales Promotion is ultimately designed to motivate prospects and customers to make a decision and purchase the brand.

Both sales promotional push and pull strategies are, as Carefoot (2000:73) asserts, employed to "generate short-term volume, improve trade relations, and interdict competitive efforts to erode a manufacturer's sales".

Although Sales Promotion can accomplish a variety of objectives, Bearden et al. (2001:435) warn against an over-reliance on the tool, to the extent that "consumers may come to see the deal as more important that any other real or perceived brand difference". Duncan and Moriarty (1997:235) agree that when consumers "are conditioned to respond to the best deal, that's exactly what they will do – forgetting all about brand loyalty".

Schultz and Barnes (1995:216) argue that Sales Promotion must achieve more than immediate sales. The residual market value of Sales Promotions is a vital strategic variable. The Sales Promotional strategy must ultimately contribute to the brand identity and image in the market place.

2.2.5 Public Relations

The function and practice of Public Relations, according to Grunig and Hunt (1984:6) entails the "management of communication between an organisation and its publics". Public Relations comprises a broad range of diverse activities with the core objective to build the corporate name and to create and cultivate public goodwill. Corporate Identity Advertising, Internal Company Communications, Publicity, Sponsorship and Event Marketing and Customer Relationship and Social Responsibility Programmes, all form part of the vital process of promoting the vision of an organisation.

Schultz and Barnes (1995:241) and Duncan (2002:537-559) differentiate between Corporate Public Relations and Marketing Public Relations. The corporate public relations area is primarily concerned with image and goodwill management activities. The strategic intent is to identify, establish, and maintain mutually beneficial relationships between an organisation and the various publics on which it depends. Employees, customers, stockholders, suppliers, community members, and the government are examples of the publics targeted in the process of goodwill creation and image management. The general public also increasingly believes that companies have obligations to more than their customers and stockholders and that they should behave responsible toward society as a whole.

Corporate Public Relations is therefore focussed on building and maintaining a harmonious relationship between an organisation and its different target publics and ultimately, as Skinner and Von Essen (1999:7) confirm, between the organisation and its environment. The ultimate challenge of Corporate Public Relations is, as Duncan (2002:541) explains, to merge the image and reputation of the brand, to create integrity.

Marketing Public Relations, as defined by Harris (1993:12) entails the process of "planning, executing and evaluating programs that encourage purchase and consumer satisfaction through credible communication of information and impressions that identify companies and their products with the needs, wants,

concerns and interests of consumers". Marketing Public Relations is primarily focussed on the successful introduction and growth of a company's products in the marketplace.

Harris (1993:48-50) identifies three strategic options for Marketing Public Relations: push, pull and pass. A push strategy is focussed on channel members to gain their support and encourage promotion of the product to the consumer. In a pull strategy the emphasis is on drawing the attention of the consumer and stimulating demand for the product. A pass strategy aims to gain the support of gatekeepers such as special interest groups within the marketplace. Duncan (2002:544) observes that Marketing Public Relations is essentially employed to "build brand credibility, make product news announcements, and reach hard-to-reach target audiences with articles in special interest and trade publications". Marketing Public Relations is most often employed in new product launches when brand publicity is introduced to broaden awareness and brand knowledge.

Rossiter and Percy (1996:28) conclude that the core objective of all Public Relations activity is to develop and maintain a positive company and/or brand image and to defend negative communications from external sources. According to Ries and Ries (2000:28) Public Relations has eclipsed Advertising as the most powerful force in brand building. Publicity plays an influential role in this regard as the opinion of the media achieves higher levels of credibility than paid for advertising messages – "what others say about your brand is so much more powerful than what you can say about it yourself".

Belch and Belch (2001:19) identify a further form of marketing communications in the shape of Interactive/Internet Marketing. The dramatic advances in technology and the growth of interactive media, in particular the Internet, enables users to participate in and modify information, make inquiries, respond to questions and purchase products and services in real time terms.

The Internet as Belch and Belch (2001:19) continue to reason is a medium that in fact can be applied "to execute all the elements of the promotional mix". The Internet is thus a medium that can be utilised in the development and execution of Advertising, Sales Promotional, Direct Marketing, Personal Selling and Public Relations strategies.

The function of Marketing Communications or Promotional Management traditionally entails the evaluation of all of the above promotional tools in view of identified promotional objectives. Simply put, a company will for example, employ an Advertising campaign should the core objective be to create large-scale national awareness of a new product or service, and a PR driven Direct Marketing programme should the objective be to forge relationships with core customer groups.

Jones, as quoted in Ormerod (1999:49) observes that "no company can afford everything it would like to do. Resources have to be allocated. The essence of strategic planning is to allocate resources to those areas that have the greatest future potential". The objective is to assess the effectiveness and efficiency of the various promotional options in lieu of the campaign objectives and brand communications budget.

As Belch and Belch (1998:21) confirm, a company combines the promotional mix elements by balancing the strengths and weaknesses of each, to develop an effective promotional campaign.

A company's promotional mix presents the combination of one or more of the promotional elements it chooses to employ to achieve defined marketing communication objectives.

2. 3 Brand Building and the Concept of Brand Contacts

It is evident that each of the promotional methods plays a focussed and valuable strategic role in the process of communicating with markets and creating sales. **The strategic intent and value of the various tools in the development of a promotional strategy is not the topic of study. The overriding and ultimate objective in undertaking and in investing in promotions however, is key to the investigation.**

2.3.1 The Value of the Brand and Elevated Role of Marketing Communications

According to Kapferer (1997:15) the 1980s marked a turning point in Management's focus, as companies realised that the principal asset was in fact the brand names. Brand awareness and positive brand attitude have come to deliver real-time value as businesses set out to invest in attaining a distinctive and valued brand position in the minds of customers and potential consumers.

Ries and Ries (2000:77) claim that a company's very existence today depends on building brands. Quoted in The Economist, Clifton (2001:30) asserts that brands are the ultimate accountable institution. "If people fall out of love with your brand, you go out of business".

Cleaver (1998:312) in agreement reasons that the only definite thing to catalyse business success is the brand. According to Cleaver the challenge for any organisation is to acknowledge the importance of brands as the key assets of the business, and to involve the entire organisation in building and living the brand. Brand building therefore not only creates valuable assets but is vital for the success and survival of an organisation.

Consequently the new competitive arena is brand value. As products, pricing and distribution increasingly become commodities the focus shifts to the value

of the brand, which as Duncan and Moriarty (1997:xi) argue, creates long-term, brand relationships. Business Week (2001: 46) observes that brands are now taking center stage "in a sweeping shift that some compare to the wave of mass marketing that occurred in the years following World War II". The brand has evolved from an abstract concept to a valuable corporate asset.

A strong brand acts as an ambassador when companies launch new products or enter new markets. Brands today, define the corporate strategy in determining which strategic initiatives are in keeping with the brand concept and which are not. A brand ultimately has the power to "command a premium price among customers and a premium stock price among investors" (Business Week. The Best Global Brands 2001:46). As Duncan and Moriarty (1997:xii) conclude, brand equity now accounts "for the majority of many companies market value".

The building and management of brand equity has consequently, according to Keller (2000:157; 2001:13), become a priority for companies of all sizes, in all types of industries, in all types of markets. The purpose of branding is fundamentally to endow products and services with the power of brand equity.

Aaker and Biel (1993:69) define brand equity as the value of a company beyond its physical assets used to manufacture and deliver goods and services. In other words, as Duncan (2002:47) explains, a company's total value (what it would sell for), minus its net physical assets, presents brand equity. Hence the widely held accounting term for brand equity is 'goodwill'.

Keller (2001:13) further explains that brand equity relates to the fact "that different outcomes result in the marketing of a product or service because of its brand, as compared to if that same product or service was not identified by that brand". Brand equity results from developing and implementing an effective brand building programme.

Aaker and Joachimsthaler (2000:17) elaborate that brand equity comprises brand name awareness, perceived quality, brand associations and brand loyalty. Brand equity ultimately encapsulates the territory that a brand occupies in consumers' minds. It involves as Cooper (1999:154) confirms, "the sets of associations, attributes and imagery which consumers vest in the brand", and ultimately the strength of consumers relationship with a brand. From strong brand equity flow customer loyalty and profits.

Keller (2001:14) concludes that brand equity is inherently defined by the knowledge that the consumer has of the brand. The consumer's ability to recall a brand name and connect it with associations that are strong, favourable and unique, is core to the concept of brand equity.

The power of a brand ultimately lies in the mind of the consumer or customer, in what has been experienced and learned about the brand over time. The true value or equity of a brand rests with consumers and their knowledge of the brand. This bond defines the essence of brand equity.

Core to the process of brand building is the function of marketing communications. Kapferer (1997:15) observes that the newly found power in brands is confirmed by the increasing importance that so many marketers place on the promotion of their own brands. Marketing Communication is recognised as a powerful tool in defining and building the identity of a brand. The essential aim of marketing communications, as Ries and Ries (2000:4) conclude, is to build a brand in consumers' minds.

Duncan (1995:4) asserts that marketing communication has become the key integrating force, not only in the promotional and marketing mix but throughout the organisation.

The elevated focus on marketing communications as a brand building tool resulted in a critical assessment of the total impact value of the array of promotional tools in the development of a clear brand identity. Berkowitz et al. (2000:502) observe that in the past the promotional elements were regarded

and treated as separate functions, by experts in separate departments. The result was an uncoordinated and inconsistent communication effort.

Brand strategists and academics now reason that the various tools need to work together to present an integrated brand identity. Communication messages that are delivered through the spectrum of promotional tools must be coordinated to present a consistent brand message to customers and consumers. As Bearden et al. (2001:374) observe, the strategic integration of the multiple means of marketing communications must be attained "to form a comprehensive, consistent message".

This outlook resulted in the birth of the concept of Integrated Marketing Communications. The move towards Integrated Marketing Communications (IMC) is described by Belch and Belch (1998:11), as one of the most significant marketing developments of the 1990's. The American Association of Advertising Agencies (the 4 A's) defines IMC as " a concept of marketing communications planning that recognizes the added value of a comprehensive plan that evaluates the strategic roles of a variety of communication disciplines – for example, general advertising, direct response, sales promotion, and public relations – and combines these disciplines to provide clarity, consistency, and maximum communications impact" (Schultz 1993:17).

The intent is to develop a marketing communications plan in which the communication disciplines work together as an integrated whole, to achieve maximum communications impact and deliver a consistent brand identity.

2.3.2 From IMC to Managing Brand Contacts

Kotler (2000:404) identifies the American Marketing Association's definition of a brand as "a name, term, sign, symbol, or design, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors". Marketers today have come

36

to realise that branding is, As Kotler (2000:404) quotes, "the art and cornerstone of marketing".

The identity and reputation of a brand is however not solely the result of planned marketing communications with target consumers. A brand, as Kapferer (1997:25) explains, represents "a focal point for all the positive and negative impressions created by the buyer over time as he comes into contact with the brand's products, distribution channel, personnel and communication". Meyers (2000:x) agrees that the identity of a brand is created through many cues, including the product itself, its appearance, its function, its colour, its packaging, its advertising, its name and so forth.

The brand concept has evolved into a complex strategic tool and it involves, as Robertson (2000:18) concludes, the entire process of managing consumers' perceptions. Oosthuizen (2000(a):50) refers to the realm of the brand as a broad conceptual appeal across all marketing and communication applications, whilst Sampson (2000:63) defines the brand as a total experience - or as the Americans term it, 360 degrees branding. Hofmeyr and Rice (2000:29) in agreement confirm that the brand is simply everything that attaches to a product and gives it an identity in consumers' minds.

The brand encapsulates the perceptions of consumers and these perceptions are created through a myriad of marketing and communication cues. A brand is built through every level of contact, through both marketing and promotional activity, in consumer and customer markets.

Consumers' perceptions of the Diesel Jeanswear brand, for example, are based on exclusive outlets that are positioned in high profile shopping environments, the shop layout and merchandising design, the implementation of a premium pricing strategy and the development of a controversial advertising campaign. As Oosthuizen (2000(a):51) elaborates, Diesel has created a cult identity that is the result of their total marketing and

communications approach. Consumers conceptually buy into the total Diesel brand experience.

To treat the functions of marketing and promotions as separate practices defies the basic premise of branding. Duncan and Moriarty (1997:xv) forewarn that "integrating the marketing communications is futile if contrary, more powerful messages are being sent by other actions of a company". An integration of marketing and communications activities must be achieved to develop a consistent brand identity.

Burnett and Moriarty (1998:63) refer to the concept of Integrated Marketing. The aim is to coordinate all company based marketing messages – "those sent by the marketing mix, the unplanned messages (such as a dirty parking lot), and planned messages sent through marketing communications". Belch and Belch (1998:9) submit that companies fail to recognise that the wide range of marketing and promotional tools must be coordinated not only to communicate effectively but also to present a consistent image to target markets. Kotler (1997:23) agrees that consistency in brand identity will only be achieved if the company works as a co-ordinated force and specifically, if the functions of marketing are integrated.

Companies therefore need to develop a holistic and integrated marketing and communications mindset, and must acknowledge the collective effect of all marketing and promotional activities on the status and identity of the brand in the consumer's mind. As Runnalls (2002:24) and Dru (2002:66) argue, an enterprise-wide approach to brand building is required. Branding is not confined to either marketing or communications as it encapsulates the entire domain of business. A multiple of sources are sending messages to consumers through a multiple of marketing and communication media. Brands are formed, as Duncan and Moriarty (1997:9) explain, on "bundles of brand messages that stakeholders automatically integrate".

Schultz and Barnes (1995:3-8) debate that the consumer's perception of a company and/or its brands, is the result of a synthesis of messages received

at every level of contact with the company or brand. The authors further argue that it is strategically fatal to define, categorise and plan advertising and all other forms of marketing communications from the practitioner's point of view, a mindset that the authors define as inside-out thinking. "Consumers do not differentiate between, for example, a piece of print advertising and a direct mail piece, between consumer and trade sales promotions, or between events and sponsorships". Everything that a marketing organisation does to promote the company and/or its brands is perceived by consumers as a form of advertising.

The above theory, as presented by Schultz and Barnes (1995:3-8), is based on a random survey conducted by the Leo Burnett advertising agency in 1992 in the USA. A list of 100 forms of marketing communications was generated by the agency. Ninety-four of the identified forms of marketing communications were described by respondents as 'simply advertising'. Eighty percent of the respondents agreed that the list just identified various types of advertising.

Schultz and Barnes (1995:8) level the marketing and communications playing field in a profound manner. The many means through which a brand makes contact with consumers and through which consumers come into contact with the brand, are referred to as *brand contact points* and every form of contact with the company or brand communicates. "The brand never stops communicating with customers and consumers. It communicates whenever and wherever the consumer comes into contact with it".

Duncan (2002:138) points out that the concept of brand contact was first popularised by Jan Carlson, former chairman of Scandinavian Airlines Systems (SAS), who coined the term "moments of truth". All situations, where consumers or customers have the opportunity to be exposed in some way to a brand message, whether initiated or uninitiated, establishes a moment of brand truth. Brand contacts find their origin in both the marketing and communication practices of companies.

Hofmeyr and Rice (2000:29) refer to brand contacts as "touch points" and confirm that "we commonly talk about touch points when we describe how brand identity is created". As every form of contact communicates, it either adds to the value of the brand in consumers' minds or it erodes the value of the brand. McLean in Dru (2002:261) likewise apply the term 'connections' as anything and everything that exists between a brand and its target audience – that communicates the brand identity. O'Malley and Birge in Dru (2002:277) conclude that the concept of brand connections thus encompasses every aspect of a brand's interaction with its audiences, from product design to, for example, fair trade policies. The common line of reasoning is that consumers do not differentiate between the various brand contacts, connections or touch points in developing an image of the brand.

To the consumer it is of little concern whether contact with the brand stems from the marketing domain, for example, an impression of the distribution outlet, or the communications domain, for example, the impact of a 30' second television advertisement. Nor do consumers concern themselves with the nuances of a direct mail piece in comparison to that of an event marketing effort.

Of significance is that the brand contact approach follows an outside-in thinking and planning pattern. The consumer's experience of the brand and its marketing and communications process is viewed as the point of departure in working toward a consistent, unified brand identity.

As Ries and Ries (2000:108) state, the view from the outside is very different from the view from the inside. The perceptions that consumers have and hold of a brand are the result of a myriad of interwoven brand activities and it is vital that brand communications planning be undertaken from the consumer's frame of reference.

Drucker, as qouted by Webster (1994:7) concludes that marketing is not a specialised activity at all, as it encompasses the entire business. "It is the whole business seen from the point of view of its final result, that is, from the

customer's point of view". Belch and Belch (1998:10) agree that all of a firm's marketing actions and not just promotion, communicate with its customers. Marketing encapsulates all activities that create and shape perceptions in consumers' minds.

A holistic and total marketing and communications approach is found in the brand contact theory. The brand is the result of all positive and negative perceptions created at every level of consumer contact with the company and/or its brands. The brand contact approach embraces the continuous nature of brand communications with the core objective to achieve continuity in brand identity at every level of contact.

The traditional boundaries between marketing and communications and between advertising and the other forms of marketing communications fall away, as the process of brand communications is defined from the consumer's point of view. This study is rooted in brand contact methodology.

2.4 The Need for Integrated Brand Contact Management

According to Moon (2000:57) brand identity represents a gestalt of images and perceptions that customers and consumers associate with products, services and the company behind it. Brand identity, Moon argues, "constitutes what most people call a brand".

Kapferer (1997:94) more specifically differentiates between the identity and the image of a brand. The brand image is represented by the consumer's perception of the brand and its communication messages. Image research focuses "on the way in which certain groups perceive a product, a brand, a politician, a company or a country". Gordon (1996:33-56), in agreement, elaborates that the image of a brand is compiled by consumers through their direct experience of the brand. Brand image is created through exposure to advertising and promotion, to packaging, and even through observation of

what kind of people use the brand as well as the occasions and situations in which the brand is used.

The brand identity on the other hand, is crafted by the sender of the brand message and defines the meaning of the brand and what it aspires to stand for. Of importance in the management of a brand is that the development of the brand identity precedes the brand image. Aaker and Joachimsthaler (2000:x) confirm that the construct of brand identity guides the brand building process. Brand identity is the cornerstone of brand strategy.

The outside-in approach to brand contact methodology advocates that all points of consumer and/or customer contact with the brand must be integrated to communicate and reinforce the core identity of the brand. Robertson (2000:21) confirms that the process of creating a cohesive brand identity, should be driven by a broad perspective and an assessment of real time consumer experience of the brand - "There should be cohesion between the brand promise and the reality".

Runnalls (2002:23-24) further comments that when brand communications are not effectively synergised, brands often tend to send conflicting messages. The result is that the public becomes confused and come to disbelieve the brand promise – trust in the brand is eroded. Duncan and Moriarty (1997:70) agree that a lack of consistency in brand messages will create a brand identity that is "unfocused, diffused, and fuzzy".

Synergy in brand contact communications is core to the building of a cohesive brand identity. All brand contacts therefore have to be integrated to present a consistent and synergistic brand identity.

Duncan (1995:5) observes that the word integration stems from the Latin root *integere*, meaning 'oneness, wholeness, anything complete in itself'. The basic concept of integration is synergy, "where the whole is greater than the sum of the parts". The intent is to deliver communication contacts that

compliment and reinforce one another to produce an effect that is greater than if each contact were to communicate in isolation.

All brand contact messages must compliment and reinforce one another by presenting a consistent brand identity. The development of a clear brand identity is thus paramount to the process of integrated brand contact management.

2.4.1 Brand Positioning in Developing an Integrated Brand Identity

Trout and Ries (1972:51-53) and Aaker and Meyers (1987:125) assert that the identity of a brand is defined by the positioning that a company or brand aims to attain in the minds of consumers, relative to competitors. Brannon (1995:23) further argues that without a clear brand positioning, "there can be no true integration". The positioning of the brand is the single focus around which every aspect of communication must be constructed. As Keller (1999:43) concludes, the brand positioning must be at the heart of all marketing activity. Brand positioning is key to effective brand contact management. To develop an integrated brand identity all brand contact messages must effectively communicate and reinforce the positioning of the brand.

The challenge to the development of an effective brand positioning is essentially two-fold.

The brand positioning must firstly be relevant to the needs and wants of identified target consumers by capturing the benefit/s sought from a relationship with the brand. Keller (2000:148) states that the brand must excel "at delivering the benefits customers truly desire". Consumers must ultimately identify and associate with the brand's promise. Carter (2001), in agreement, observes that consumers come into contact with a lot of brands, but they only purchase the ones that "recognise their lives and play a role in it" or as Rozin and Magnusson (2003:194) state, that they find meaningful. The brand and its

positioning must, as Bedbury (2002:74) confirms, resonate with consumers. The brand positioning must therefore achieve relevance to develop a satisfying, intimate and potentially long lasting relationship with consumers and customers.

Secondly, the brand positioning must be clearly differentiated from competitors' brand promises. Keller (2000:150) argues that the brand positioning must create points of parity in those areas where competitors have or aim to establish an advantage whilst, at the same time, a point of difference must be created to achieve an advantage over competitors. The strategic objective, as Keller, Sternthal and Tybout (2002:85) explain, is to announce the points of parity, the frame in which the brand is positioned, but to compete on the point of difference. As Rice (2000:37) concludes, the brand must be effectively differentiated to occupy a unique niche in target consumers' minds.

With regards the two-fold challenge of developing an effective brand positioning, Robertson (2000:20) asserts that the brand must have a 'reason to be'. This means that the brand has to be both relevant and distinctive in its appeal to the consumer. To truly distinguish a brand from competitors it must demonstrate differentiation that is meaningful to consumers. Bedbury (1999:2) confirms that only then will a brand's level of differentiation resonate deeply with consumers to create a human connection. Brands will only survive and prosper if they are effectively differentiated and have the scale and scope to meet fundamental and enduring consumer needs.

The development of a relevant and distinctive brand identity is however challenged by the dynamics and demands of a complex market place. The following two variables, in particular, impact on the development of an effective brand positioning strategy:

- According to Ries and Ries (2000:115) consumers "have a cornucopia of choice".

  The brand communications arena is highly competitive and, in most sectors, cluttered. The result is a proliferation of commercial messages directed at the consumer, creating communication overload. Ries and Ries (2000: 26) explain that we live in an "over-communicated society", or as Duncan (2002:29) states, a "commercial message cocoon", where each consumer gets hit with hundreds of brand communication messages daily. This trend is of mounting concern. Consumer audiences are simply inundated by the communication overload and general clutter of the commercial market place. As Schultz and Barnes (1995:23) observe, "too many messages, too many advertisers, too much noise, and too much stimulation to the consumer".

- In addition, product and service categories are characterised by extreme levels of parity.

  Schultz, Tannenbaum and Lauterborn (1993:43) explain that "traditional marketing functions – pricing, distribution, product – have become relatively commoditised, and therefore are seldom capable of sustaining competitive advantage". Duncan and Moriarty (1997: 32) confirm that the majority of companies are able to match competitive product, pricing, and distribution improvements within months.

  A sustainable, consumer relevant and differentiated positioning in the tangible attributes of a product does not often exist. There are simply so many similar offerings available in the market place that functionality rarely succeeds as a point of differentiation. Bedbury (1999:2) concludes that today, in almost every industry, product parity is encountered.

  The development of brands has largely been driven by the state of product parity. Cleaver (1998:309) asserts that it is the brand that usually

differentiates the product offering of one supplier from that of another. Relevance and differentiation is achieved by the identity or personality created through and around the product or service. FitzGerald, quoted in The Economist (2001:28) deduces that brands thus "matter more and more as choices multiply" and levels of product parity inevitably increase.

Increasing competitive activity and the development of brand positioning strategies that fail to trigger distinctive and meaningful levels of consumer relevance are however resulting in growing levels of brand parity. Duncan (2002:28) confirms that there are more brands competing against each other than ever before, and that there are often very few differences between those brands. Oosthuizen (2000(a):52-53) agrees and asserts that effective branding and integration is not about "a parity application of a brand name across packaging, creative application and media". The result, Oosthuizen argues, is that perceptual parity has become the norm today.

Joachimsthaler and Aaker (1997:6) elaborate that weak management of the brand identity further increases levels of brand parity. This is firstly the result of a lack of shared vision amongst those responsible for brand communication messages (a lack of a clear and unified brand identity) and secondly, because "the brand is allowed to drift, driven by the often changing tactical communication objectives of product or marketing managers". The brand loses its focus as brand communication messages address only tactical objectives and neglect to communicate and reinforce the core identity of the brand.

Robertson (2000:20) concludes that where consumers can not see the brand differences and do not appreciate the brand appeals, sectors become commodotised and price consequently becomes the key determinant to purchase. Farquhar (1999:5) agrees that when consumers fail to recognise any meaningful brand differences, brands become blurred, are treated as commodities and increasing pricing pressures are experienced. When brand formulations and experiences are on a par and are perceived as such by the market, parity rules will apply and price will come to dictate behaviour.

The increasing competitive nature of categories and resulting levels of product and brand parity and communication clutter necessitates focus and clarity in brand identity. To succeed in the market place of today brand positioning strategies need to deliver not only consumer relevance and a meaningful point of differentiation but a single-minded thrust to brand contact messages. It is as Sampson (2002:71) reasons, vital that a brand acts as a point of reference, delivers a point of difference, remains relevant and is "totally focussed".

2.4.2 Brand Contact Integration requires a Focussed Brand Positioning

Ries (1997:103) asserts that powerful brands are built through focussed positioning strategies. A successful brand, in the competitive, cluttered and parity-ridden market place of today, is based on the concept of singularity. The objective is to take ownership of a consumer relevant and differentiated positioning and define it on a clear-cut and singular level.

Ries and Ries (2000:44) describe the strategic challenge as follows: "You have to reduce the essence of your brand to a single thought or attribute. An attribute that nobody else already owns in your category". Moon (2000:48) likewise refers to the brand's 'defining idea', the one word or concept that captures the brand's essence and ultimately delivers a focussed brand positioning.

Farquhar (1999:5) defines the challenge as the 'rule of one'. A brand should strive to own a single, relevant benefit or value that will uniquely differentiate it from all other brands in the market. The key to successful brand positioning is singularity and singularity demands " a consistent focus on one (and only one) benefit or value".

Aaker and Joachimsthaler (2000:45) in support of singularity and focus in brand identity, propose that a brand essence statement be developed. A brand essence statement embodies the single thought that resonates with

customers, provides differentiation from competitors and "captures the soul of the brand".

According to Duncan (1995:5) Nike has for example, achieved a single-minded brand positioning: "Phil Knight can define his company Nike in one word, 'performance'. Every message, no matter about which product directed at which consumer, reinforces this concept". In comparison Apple, as Dru (2002:65) reasons, revolves around the idea that it does not manufacture computers but "tools for creative minds". The Apple brand essence is core to what type of hardware it makes, its 'think different' internal and external brand communications and its radical retail experiences in the way it takes Apple products to market.

Ries (1997:103) argues that by finding a word or concept to own in consumers' minds, a brand is defining its position. Duncan (1995:5) reasons that the more focussed the brand positioning, the greater the brand communications or contact synergy will be. As every form of contact between a brand and a consumer communicates, it stands to reason that every contact is an opportunity to introduce, build or reinforce the brand's identity. Cleaver (1998:312) observes that power brands consequently live and demonstrate a focussed brand positioning through every point of contact with the consumer. "There is one brand, one kind of relationship and one message".

The aim of integrated brand contact management is to take ownership of a relevant, distinctive and focussed brand positioning through every form of contact with the consumer. This is what the integration of brand communications implies. Brand credibility is lost, and the reputation and equity value of the brand suffers when brand contact messages do not reinforce a focussed brand promise with consistency.

2.5 The Nature and Scope of Integrated Brand Contact Planning

The brand contact approach is firmly embedded in an outside-in, consumer oriented planning philosophy as opposed to an inside-out, company or product driven planning approach. Core to this philosophy is the holistic understanding of the brand concept.

The brand is a focal point for all the impressions created by consumers over time. These impressions result from a myriad of consumer contacts with the brand. To build a focussed brand identity it is vital that all the points of contact consistently communicate and reinforce the single-minded positioning of the brand. For this reason, Ries and Ries (2000:116) argue that a company can not apply an inside-out branding system to a market "that sees things differently". The integration of marketing communications activities only will not ensure that a focussed and consistent brand identity is created.

2.5.1 The Sources of Brand Contact

Duncan and Moriarty (1997:78) and Duncan (2002:129) indicate that points of brand contact primarily stem from four major sources of brand messages. These are planned, product, service and unplanned messages.

• Planned Points of Brand Contact

  Planned points of brand contact are encountered in the traditional scope of marketing communications. The notion of Integrated Marketing Communications originated with the strategic intent to build a consistent brand identity through Advertising, Sale Promotional, Public Relations, Direct Marketing and Personal Sales messages. Duncan and Moriarty (1997:78) reason that consistency in brand identity development is more

readily achieved in this domain, because brand communication messages are purposefully planned and can be controlled.

The building of a consistent brand identity however requires more than the coordination of planned promotional messages. Duncan and Moriarty (1997:xiii) observe that as companies have grown bigger and more departmentalised and their marketing communication agencies have grown more specialised in their function, customers and other stakeholders have increasingly received mixed messages about brands and companies and as a result feel increasingly more disenfranchised. The integration of marketing communications alone, according to Duncan and Moriarty (1997:xiv), does not offer a holistic brand identity solution, as it represents only the tip of the integration iceberg.

- Product related Points of Brand Contact

Further intrinsic brand contacts affect the process of brand building. Duncan and Moriarty (1997:97) observe that these points of contact exist automatically as part of the buying, performing and servicing process of the product / brand. Product related points of brand contact present messages that are inferred from the product itself, such as its appearance and performance, the points of distribution and the pricing as a cue of product quality.

Price and distribution, for instance, are often not considered as brand building elements. Price and distribution however positions a brand, stating how the brand compares to competitor offerings. The frequency and extent of price promotions, for example, communicate a lot about the brand. For example, the more a brand is on sale and the greater the discounts are, generally the more ordinary the consumer considers it to be (Duncan 2002:132).

- Service Contacts

Brand messages furthermore originate from service contacts shaped through personal interactions with an organisation and its employees. Service contacts are highly influential as they usually involve personal interaction, which as Duncan and Moriarty (1997:84-85) reason, is the most persuasive form of communication. A service that is correctly delivered is ultimately a fulfilled promise. Service contacts are furthermore particularly powerful because they involve real-time interfaces between a company and a customer or consumer.

With regard managing the breadth and depth of service contacts Parasuraman, Zeithaml and Berry (1998:12-40) and Zeithaml and Bitner (2003:135) refer to the principle of SERVQUAL. Five combined service measures are related to the sources of service messages. Tangibles include the experience of the physical facilities, including the appearance of service providers. Reliability involves the consistency of performance. Responsiveness refers to the promptness and quality of response. Assurance involves the ability of service providers to evoke confidence and trust. Empathy, as the final variable, relates to service providers' ability to experience consumers or customers 'pain' – to identify and associate with their needs and wants.

The service contact experience is complex and layered and as Duncan (2002:135) concludes, "one negative service message can more than counter the effects of dozens of positive, planned messages".

- Unplanned Points of Brand Contact

A myriad of contact points deliver further unplanned brand messages, for example, actions, findings, rumours and comments by the trade, employees,

government, research institutions, the media, competitors and interest groups that often lead to publicity and word-of-mouth.

Clift (2001) observes that new technology such as e-mail has furthermore empowered the scope and speed with which unplanned contacts are delivered. Publicity and word-of-mouth are fully leveraged in the virtually connected world. Companies and brands are exposed and consumers are able to galvanise opinion as never before.

Schultz and Barnes (1995:8) reason that unplanned points of brand contact occur "almost through serendipity" and are particularly impactful as the message sources are perceived as experts on the company or as objective protectors of public interest. These points of contact are also particularly difficult to control, as Duncan (2002:135) points out, because they often come from sources outside of the company.

2.5.2 The Integration of Sources of Brand Contact

The process of planning and managing the array of brand contact message sources must be undertaken from the consumer's point of view. All points of contact with the brand communicate and must reinforce the single minded positioning of the brand, in order to build a consistent brand identity. Schultz and Barnes (1995:8) submit that both the continuousness and continuity of points of brand contact must be noted. Consumers accumulate brand impressions from the entire spectrum of brand contacts.

In this respect, Duncan and Moriarty (1997:90) propose an integration triangle. An integrated brand identity is achieved when the brand positioning communicated through planned communication contacts is consistent with the performance of product and service contacts, and are confirmed by unplanned points of brand contact.

Duncan (2002:138) more specifically deduces that there are thus three forms of brand contact that need to be identified and integrated: company-created, intrinsic and customer-created brand contacts. In other words, all planned marketing communications, existing product and service contacts experienced when buying and using the brand, and all customer-initiated communication contacts must be identified, influenced and controlled to communicate and reinforce an integrated experience of the brand.

Duncan (2002:328) concludes that "all the 'say' messages delivered by marketing communication must be consistent with all the 'do' messages of how products and services perform, as well as with what others say or 'confirm' about the brand". Gaps between the points of brand contact will undoubtedly result in an unfocused and diffused brand image. Herein lies the strategic challenge to the planning and management of brand contact points.

It is evident that the sources of brand contact messages are not confined to specific departments within an organisation, nor to the organisation alone. Product, service, planned and unplanned points of brand contact can originate from several internal company sources as well as external company sources, such as the advertising agency.

2.5.3 Cross-functional Management in Brand Contact Integration

Dimancescu (1994:232) asserts that organisational synergy is ultimately created through the cross-functional integration of information. Points of brand contact evidently flow across functional lines. To create an integrated brand identity all points of contact must, irrespective of function or department, communicate a focussed positioning of the brand.

Schultz and Barnes (1995:40) comment that inside-out oriented companies are however, typically organised according to function or area of specialisation, by markets, by product or product line. The obvious flaw in inside-out organisational designs is too little focus on the consumer, and total

focus on the product and sales, volume or profit goals. The lack of cross-functional awareness and integration of the consumer's brand contact experience inhibits the brand building process.

Senge (1990:24) warns that in companies that draw on functional divisions "the complex issues that cross functional lines, become a perilous or non-existent exercise". The process of brand contact management can not be confined to a specific department. Every department and function within a company has a communication dimension and will influence and shape consumers impressions of the brand. Duncan and Moriarty (1997:10) confirm that everything a company does and sometimes does not do sends a brand message. A cross-functional management orientation must be instilled to ensure an integrated brand identity is communicated at every point of contact with the brand.

The process of integrated brand contact management must be applied as a cross-functional goal. Consistency in brand identity is achieved through the cross-functional integration of the company, its marketing operations and communication messages. Integrated brand contact management thus requires an approach that, as Hammer and Champy (1993:3) explain, "looks across and beyond functional departments to processes".

Duncan (2002:8) supports the idea that integrated brand contact management must be embedded in a cross-functional management approach and process. The primary challenge is to develop systems that permit cross-functional planning and coordinated execution, both within a company and between a company and its communication agencies. A cross-functional process integrates all of the players working on a brand, in order to plan and manage all of the brand contact messages that are sent to and received from customers, prospects and other stakeholders.

The implementation of a cross-functional management process however demands that companies make significant changes in how they are organised and in what they consider to be a corporate priority.

According to Duncan (2002:90) and Gronstedt and Thorsen (1993) the cross-functional integration of points of brand contact requires the implementation of a dedicated task group. To create a consistent brand identity, Gronstedt and Thorsen suggest that representatives from every major department and division be involved in a task group that will plan and manage the integration of all points of brand contact. Duncan (2002:90) asserts that cross-functional planning "involves multiple departments and functions".

Hankinson and Hankinson (1999:38) support the implementation of a cross-functional task team and observe that the team should function as "brand champions with the vision and passion to promote the interests of the brand at all times and in all places". According to Schultz and Barnes (1995:42), Aaker and Joachimsthaler (2000:298) and Duncan (2002:90) the core function of the task group is to ensure that the brand identity is in place and that all brand communication messages are integrated throughout the entire organisation.

2.5.4 The Zero-based Mindset of Integrated Brand Contact Planning

Duncan (2002: 202) encourages the introduction of a dedicated cross-functional task group but argues that the planning mindset of the group must be conducive to the outside-in, consumer-oriented approach to brand contact planning. Brand contact planning must evolve from a zero-based frame of mind with analysis that is function neutral. This implies that objectives and strategies are based on current brand and marketplace conditions.

Schultz and Barnes (1995:148) elaborate that zero-based planning requires that points of brand contact be planned based on an " assessment of what needs to be done now". The process is function neutral in that it is founded in and guided by an analysis of consumers current experience and impressions of points of brand contact and not by historical brand contact patterns.

An inside-out, preconceived commitment to previous marketing and communication functions is counter productive to the process of brand contact

planning. Duncan (1995:7) and Aaker and Joachimsthaler (2000:298) assert that in contrast, conventional brand communications planning unfortunately tends to begin and end with advertising. This, Duncan believes, is largely because advertising agencies are the dominant force in the planning of brand communication messages and because most advertising agencies approach communication problems with the preconceived notion that "advertising is the answer, now what is the problem?" Aaker and Joachimsthaler (2000:298) and O'Malley and Birge in Dru (2002:276) agree that traditional advertising agencies, as the purveyors of the 30' second spot, are simply too committed to advertising.

This type of inside-out thinking must, according to Duncan (1995:7) and Billet quoted in Rogers (2003:17) give way to a planning philosophy that is founded on a platform-neutral or zero-based, clean slate of communication options. Duncan and Moriarty (1997:148) in agreement conclude that the effective management of brand contact points depends on a zero-based planning approach rather than internal, preconceived judgements. Points of brand contact and communication options must be built up from clear-cut brand communication objectives that evolve from a zero-based, outside-in analysis of the status of a brand's points of contact in the market place.

According to Duncan and Moriarty (1997:97) the communication management of points of brand contact requires that the entire brand communications network is analysed, both internally and externally, from a zero-based platform. Duncan (2002:731) proposes that an audit be done with the main purpose to identify process gaps and barriers to the development of consistent brand contact messages.

2.5.5 The Brand Contact Audit as Foundation

The audit of the brand communications network firstly entails the identification of every form of contact that delivers a brand message and thus influences the positioning of the brand in consumers' minds. As Duncan (2002:129)

56

asserts, once sources are known to the brand contact task group, they can be assessed and strategies can be developed to influence and control messages so that strategic consistency can be attained.

Schultz and Barnes (1995:35) reinforce that the outside-in identification of brand contact points must be based on actual in-market behaviour and experiences. The process of identifying points of brand contact "starts with the consumer or prospect and works inwards toward the marketer, brand, product, or service". Insight into the consumer's field of contact with the brand is therefore a prerequisite to the identification of points of brand contact.

Secondly, the points of brand contact must be prioritised on the grounds of their impact. According to Muller (1996:85) impact encapsulates the impression made by a brand message on a consumer or customer. High on impact points of brand contact, are those that create more powerful impressions of the brand, whether positive or negative. Duncan and Moriarty (1997:155) refer to these points as key brand contacts. The task team's immediate challenge is to ensure that the most impactful negative messages are changed and that the most impactful positive messages are reinforced and leveraged.

The communications audit will thus entail an analysis of all brand contact messages with particular focus on the key points of brand contact. It is essential that contact messages are analysed to assess the extent to which the single-minded positioning of the brand is effectively communicated and reinforced in consumers' minds. The process of integrating the brand identity will focus foremost on key points of brand contact to then include all further brand contact points. The outcome of which is a fully integrated brand contact strategy that reinforces the single-minded brand positioning with consistency.

Duncan and Moriarty (1997:149) and Duncan (2002:203) propose that the identification and assessment of points of brand contact be undertaken through a SWOT analysis. A SWOT analysis according to Duncan, is a "structured evaluation of internal situations (strengths and weaknesses) and

external situations (opportunities and threats) that can help and hurt a brand",
and is applied to catagorise and prioritise brand conditions from a strategic
viewpoint. Duncan and Moriarty submit that a SWOT analysis is conducive to
the outside-in brand contact planning process as it logically leads to zero-
based planning. The degree to which points of brand contact are succeeding
in communicating and reinforcing the brand identity with consistency, is the
focal point of the brand contact SWOT analysis.

Duncan and Moriarty (1995:149) elaborate that strengths and weaknesses
are internal brand contact factors under the company's control. Opportunities
and threats are external brand contact factors over which the company has
little or no control but on occasion can influence. The strategic objective is to
build on brand contact strengths, turn-around the brand contact weaknesses,
neutralise the brand contact threats and leverage the brand contact
opportunities.

Duncan and Moriarty (1997:271- 275) present a comprehensive set of
question areas in conducting a brand communications audit, such as:

- How aware are internal brand contact sources of the company's central
  vision and/or the brand's positioning?
- Is there cross-functional awareness of brand communication objectives?
- Are the internal sources of brand contact messages aware of key points of
  brand contact and are they managed from the outside-in?
- Is there clarity in roles and functions to achieve brand communication
  objectives?
- Above all, does a culture off integrated brand contact management exist?

Integrated brand contact planning is however based on an outside-in,
consumer oriented assessment of points of brand contact. The brand is the
result of consumers' experience and impressions of the myriad of brand
contact messages.

Schultz et al. (1993:12) and Duncan (2002:205) conclude that the brand contact audit and SWOT analysis must ultimately be applied from the consumer's point of view, that is from the outside-in. The SWOT analysis must take an outside-in perspective, rather than solely relying on internal judgements to analyse the company, the brand and its points of contact, and the competitive situation. Perceptions ultimately determine to what extent customers and prospective consumers will buy the brand.

Duncan (2002:205) observes that "not only do managers perceptions differ from customers' perceptions, but managers' are not always in agreement on the brand's strengths, weaknesses, opportunities and threats". It is important that the brand contact task team employ customer and market research to gain an accurate outside-in assessment of the brand and its points of contact. In this regard, Duncan (2002:205) proposes that customer surveys, analyses of service calls, interviews with sales force, observation studies of customers shopping, supplier and channel member surveys and planned brand contact reviews are for example, implemented. Duncan and Moriarty (1997:274) specifically propose that service contacts in particular, be regularly assessed through techniques such as mystery shopping or phantom calling because they are so highly influential, complex and layered.

Ward and Hebert (1996:28-31) furthermore urge that content analysis of brand messages is undertaken to determine the extent to which the strategic intent of brand contact sources are in fact practiced in brand contact message delivery. Content analysis findings are thus compared to the views of message sources. The gaps in the company's brand contact performance will subsequently emerge.

With an outside-in assessment of points of brand contact the focus thus shifts from an internal analysis of the product and its competitors to the consumer's perspective on how the brand compares to competitor offerings. The analysis shifts from a comparative price analysis to an assessment of the consumer's price perceptions and from a distribution and brand penetration analysis to an

appraisal of the consumer's view on purchase convenience and the purchase environment.

Finally, rather than solely focussing on promotional redemption figures and brand tracking studies, Schultz et al. (1993:12) and Duncan (2002:205) urge that the consumer's experience of the brand communication environment and brand contact points direct the analysis. This approach is in keeping with Duncan and Moriarty's (1997:78) assessment of the sources of brand contact. The SWOT analysis must ultimately move outside-in to investigate the consumer's impressions of the brand as created through product, service, planned and unplanned sources of brand contact.

However, Duncan and Moriarty (1997:165) further highlight that companies that communicate with several different stakeholder groups and customer segments experience a more complex challenge to the integration of the brand identity. Planning and monitoring for consistency becomes more complex and consequently demands more attention from the cross-functional brand contact task team. A brand that, for example, relies heavily on publicity messages released by the media must be equally sensitive to the media journalist's insight into and portrayal of the brand's identity. In this instance the media acts as an influential stakeholder group and point of consumer contact with the brand. Service companies, likewise rely on the brand message delivery of front-line staff. To create an integrated brand experience it is imperative that staff is managed as an influential stakeholder group and point of customer brand contact.

Creating a consistent brand identity across stakeholder groups and customer segments is particularly a challenge for companies that are building an overarching master brand identity. The Virgin master brand for example, provides an umbrella under which many of its businesses such as, Virgin Airlines, Virgin Rail and Virgin Cola operate.

Aaker and Joachimsthaler (2000:119) explain that exposure in one context can affect brand impressions in other contexts. Although sub-brands have

distinctive associations, the master brand identity must be enforced and managed with consistency at every point of brand contact. A lack of consistency will result in brand anarchy and inefficient and ineffective brand building.

Duncan and Moriarty (1997:157) therefore propose that the cross-functional task team identify and assess the brand impressions and influence of all stakeholder groups in the analysis of points of brand contact. This will lead to a succession of focussed SWOT analyses that Duncan and Moriarty (1997:270) suggest must be prioritised on the basis of stakeholders impact on key consumer audiences and ultimately on the development of a consistent brand identity. An integrated assessment of stakeholders' impact on key consumer audiences will then determine the key points of brand contact and will focus the process of integrating the brand identity.

The analysis of a brand's points of contact through an outside-in and zero-based SWOT analysis will, according to Duncan and Moriarty (1997:150), ultimately illuminate the key contact issues facing the brand. The gaps between the internal and external perceptions of the company, its products, and its operations will be identified, analysed, assessed and prioritised. A comprehensive SWOT analysis enables the task team to create a zero-based platform from which to focus and plan the brand contact strategy and integrate brand contact messages.

The process of integrated brand contact planning however takes place in real-world circumstances. It is therefore also important that the brand contact task team consider, as Duncan (2002:139) suggests, the ability of the company to influence the contact point experience and specifically the cost of making each contact a positive and integrated brand experience.

2.5.6 Appropriation of the Process of Integrated Brand Contact Management

The brand communications audit and application of a comprehensive SWOT analysis assists in the vital role of planning budget appropriation in the brand contact strategy, primarily because it involves a current assessment and accordingly identifies and prioritises brand contact issues.

Schultz and Barnes (1995:143) propose that the process of budgeting the brand contact strategy is likewise, developed from the outside-in. The objective is to base budgeting on the objectives and goals to be achieved. In integrated brand contact planning, funds can hardly be determined in advance of a sound analysis of the brand situation.

Duncan and Moriarty (1997:155) confirm that the appropriation of spend must be guided by the brand communications audit and brand contact objectives and must not be set by historical precedent. Investment in brand contact planning is based on what needs to be done to achieve an integrated brand identity.

The brand communications investment must therefore be developed zero-based from the bottom-up, rather than from the top-down. Appropriation in integrated brand contact planning is determined by the brand contact objectives derived from the zero-based brand contact audit and not by previous budgeting patterns or formulae. It is as Schultz and Barnes (1995:143) confirm, the "value-back, not investment-in, that drives the outside-in approach" to integrated brand contact planning.

2.5.7 The Need for a Brand Charter in Integrated Brand Contact Planning

It is evident that the brand contact audit presents the foundation to, and framework for integrated brand contact planning. The audit delivers insight into the status of a brand's points of contact in consumers' minds and

identifies the key issues and objectives facing the process of brand identity integration. The brand contact audit both focuses and directs the integrated brand contact planning strategy and the appropriation thereof.

Keller (2001:21) and Aaker and Joachimsthaler (2000:91) in conclusion, urge that the insights gained through the brand contact audit be summarised in a Brand Charter or Brand Manual. The purpose of this document is to capture brand learnings and to codify the brand identity and positioning strategy.

The Brand Charter captures the essence of the brand to present a platform through which the brand can communicate with a consistent voice. The Brand Charter thus serves as a strategic guide to the process of brand contact planning, by providing as Keller (2001:21) asserts, long-term strategic brand direction and guidelines to short-term brand tactics.

The key role and function of the brand contact task team is thus as Schultz and Barnes (1995:42) and Aaker and Joachimsthaler (2000:298) propose, to ensure that the Brand Charter is codified and ultimately employed by all sources of brand contact in the development of an integrated brand identity.

The task team must therefore also effectively communicate the strategic purpose and value of the brand charter document to all sources of brand contact. The aim is to ensure, as Farnfield (1999:256) asserts, that the brand positioning is incorporated into the way the organisation behaves and the way in which it communicates.

Gronstedt and Thorsen (1993) and Duncan and Moriarty (1997:269) support the role and value of a dedicated task team to manage and ensure the integration of all points of brand contact. The authors do however stress that a thorough understanding of the philosophy of integration, the dynamics of brand communications and importantly, the ability to assess points of brand contact objectively, is paramount to conducting a valid and insightful zero-based brand communications audit.

Consequently, Duncan and Moriarty (1997:269) propose that the brand communications audit be co-conducted by an outside team. Duncan and Moriarty argue that the integration of points of brand contact can be hindered by internal company politics and departmental turf battles. Companies rooted in an inside-out and departmentalised culture will especially experience initial anxiety in developing a cross-functional, zero-based brand contact planning mindset.

O'Brien, quoted in Senge (1990:271) asserts that organisations also grow so accustomed to their own approaches and conditions, that they take it for granted and eventually don't even notice it. Duncan and Moriarty (1997:269) agree, and reason that an outside team will "more accurately see things as they are".

The task team responsible for the integration and management of points of brand contact need objective guidance and support to fulfil their role and function. It is in this regard that the potential role and value of the advertising agency must be considered.

2.6 The Role of the Communications Agency in Integrated Brand Contact Planning

Duncan and Moriarty (1997:231) are of the opinion that the advertising agency can fulfil an integral, value -added role in the process of integrated brand contact planning and management. To do so, the traditional advertising agency will however have to reposition itself.

Schultz and Barnes (1995:46) assert that agencies can no longer afford to be perceived as mere suppliers or vendors of specialised communication services when effective brand building requires insight into the total array of brand contact communications. O'Malley and Birge in Dru (2002:277) argue more blatantly that it is the traditional advertising agency's stubborn adherence to the specialisation of advertising and the traditional business

model that accompanies it, that has led to the agency's "apocryphal journey down the food chain". Fitzgerald (1995:46), Dawson in Dru (2002:80) and Scorer in Rice (2003:32) consequently conclude that to play a credible role as brand custodians, advertising agencies will have to evolve as strategic partners to deliver integrated brand communications solutions and add meaningful value to clients' brands and ultimately, business.

However, a pitfall resides in the belief that integrated brand communications solutions are delivered by making the full spectrum of communication functions available to companies. Georgescu (1991:7) observes that such an approach delivers the cross selling of services rather than effective strategic planning. A full service offering by the agency does not assure integration at the strategic level.

Duncan and Moriarty (1997:257) agree that for advertising agencies to have a competitive advantage in the new brand communications environment, "they need to redefine the business they are in and what it really means to be a full-service agency. They need to take charge of their future as communication managers". To deliver integrated brand communications solutions the advertising agency will have to deliver value beyond its access to and delivery of brand communication tools and services.

2.6.1 The Integrated Communications Agency

According to Duncan and Moriarty (1997:232) the modern advertising agency must exhibit the strategic and creative insight and skill to add value on all levels of brand contact. The agency must be apt in assessing, integrating and presenting solutions to product, service, planned and unplanned sources of brand contact. The focal point of the advertising agency will have to shift from the practice of predominantly traditional mass media advertising, to the brand and its communication needs.

Schultz and Barnes (1995:25) confirm that the concept of integrated brand contact management is critical to today's advertising planners. No longer is the management of brand communications limited to messages that appear in traditional mass media. The advertising agency must sensitise itself to "all the things that make up and reinforce the brand in the minds of consumers". Integration is as Lascaris (2000:63) states, the crucial driving force in holistic brand communications planning.

To play a meaningful role in the process of integrated brand contact management advertising agencies must transform into brand contact management consultants. Oosthuizen (1996:35) reasons that the advertising agency will thus have to deliver holistic solutions and profound strategic advice. The classical advertising agency will have to evolve into a strategic partner and as Duncan and Moriarty (1997:231) propose, an Integrated Communications Agency.

As a result, Schultz and Barnes (1995:46) argue that the role of strategic or account planners within advertising agencies, will become increasingly more important. The role of the strategic planner, as Duncan (2002:98) confirms, is to gain insight into the consumer's experience and impressions of the brand, to determine relevant brand contact communication objectives and to assist in the development of an integrated brand contact strategy. It is evident that the strategic or account planner plays a pivotal role in ensuring that an outside-in, consumer focussed planning approach is applied in the development and integration of points of brand contact. Wessels (2001) thus proposes that the Integrated Communications Agency be driven by a strategic, zero-based and media neutral planning mindset. The agency must be led by strategic planners with the insight and skill to deliver holistic brand contact solutions and the expertise to direct and coordinate the development of brand contacts across the different communication domains.

Wessels's (2001) point of view is in synergy with Duncan and Moriarty (1997:148) and Aaker and Joachimsthaler's (2000:298) approach to brand contact management. A zero-based and cross-functional planning mindset is

paramount to the development of holistic, relevant and integrated brand contact solutions.

2.6.2 Introducing Cross-functional Account Teams in Tandem with the Brand Contact Task Team

To enhance cross-functional and integrated management within the advertising agency further, Duncan and Moriarty (1997:252) suggest that the agency be organised into brand or account teams rather than specialised departments. Aaker and Joachimsthaler (2000:299) explain that the goal is to create teams with multiple communication capabilities rather than ineffective teams with limited focus.

Schultz and Barnes (1995:44) likewise agree that the Integrated Communications Agency must employ a structure that allows it to serve the client and ultimately the brand. This implies that the strategic, media, creative and specialised promotional skills needed to deliver effective brand contact solutions, must be integrated into cross-functional account groups or teams. The expertise of team members is thus maximised and the opportunity to develop integrated brand contact solutions is optimised.

However, to ensure holistic cross-functional management and the development of an integrated brand identity across all points of contact, the working relationship between the communications agency and the brand contact task team must also be addressed. The agency and client relationship must be founded on what Duncan and Moriarty (1997:245) describe as a "partnership philosophy" in which the brand is the focal point.

Duncan and Moriarty (1997:269) propose that the strategic or account planners leading account teams be involved in the brand contact audit. The collaboration of skills and expertise will ensure that strategic synergy is achieved between the brand contact task team and the account team within the agency. The joint assessment and planning of points of brand contact to

achieve an integrated brand identity will also ensure that a close working relationship is established and maintained. The Integrated Communications Agency will thus be firmly positioned as a strategic partner.

The strategic question that remains is who should lead the integration of a brand's points of contact – the communications agency or the client? Duncan and Moriarty (1997:252) submit that the answer is both.

The client is in the best position to ensure that points of product and service contact are effectively planned and integrated and are ideally, reinforced through unplanned points of brand contact. The strength of the Integrated Communications Agency resides more specifically, in the field of planned brand contact messages. In Duncan and Moriarty's (1997:252) opinion, few clients are able to keep up with all of the changes and opportunities on offer in the new media and marketplace. An Integrated Communications Agency with an outside-in and zero-based planning mindset should know better than its clients what communication tools and programmes are most effective, to ensure that an integrated brand identity is created (Duncan and Moriarty 1997:234).

The Integrated Communications Agency must however add value within and beyond the scope of planned brand contact messages. Although the agency is expected to excel in the development of effective, integrated planned brand contact solutions, it must have the skills and expertise to compliment and advise on the holistic integration of all points of brand contact.

The integration triangle introduced by Duncan and Moriarty (1997:90) can be achieved through a productive and efficient partnership between the brand contact task team and the Integrated Communications Agency. A fully-fledged Integrated Communications Agency will have the potential to add value to the process of integrated brand contact management to maximise brand synergy.

2.7 Conclusion

Brands are the key assets of business. Ries and Ries (2000:77) confirm that a company's success today, depends on building brands.

A brand, as Kapferer (1997:25) stipulated, represents a focal point for all impressions, created by consumers over time, as they come into contact with the brand's products, distribution channel, personnel and communications. Branding entails the entire process of managing perceptions in consumers' minds.

Brand impressions are evidently created through a myriad of contact points. To build a credible and meaningful brand identity, all points of contact with the brand must communicate and reinforce a single-minded, relevant and differentiated brand positioning strategy. Integration of only the marketing communications activities is typical inside-out thinking and negates the process of brand identity creation. The challenge as Duncan (2002:324) reinforces is not only to achieve "one-voice, one-look" consistency in all points of planned brand contact, but to achieve strategic consistency across all points of contact with the brand.

The core principle of the integrated brand contact strategy is that the strength of the brand begins and endures with its ability to consistently deliver on a single-minded brand positioning or promise, at every point of contact. As Schultz and Barnes (1995:167) conclude, "the greater the consistency, the greater the impact and the greater the persuasion".

The need for integrated brand contact planning and management has redefined the classical roles of marketing and communications. Effective brand building demands an integrated and consumer oriented perspective to marketing and communications planning. Hence the shift from inside-out to outside-in thinking and from integrated marketing communications to integrated brand contact planning.

The process of integrated brand contact planning therefore also starts with a consumer oriented, outside-in audit of points of brand contact. All points of brand contact are identified to assess their impact on consumers' impressions of the brand. As Duncan and Moriarty (1997:155) assert, the process of integrated brand contact planning will commence to change the most impactful negative messages and to reinforce and leverage the most impactful positive messages.

The brand contact audit is ultimately applied to assess the extent to which the single-minded positioning of the brand is being communicated through all product, service, planned and unplanned points of brand contact. The brand contact audit therefore presents a foundation to, and directs the process of integrated brand contact planning. The goal of which is to ensure that a relevant, distinct and single-minded brand positioning is communicated and reinforced at every point of contact with the brand.

An analysis of the process of integrated brand contact planning however highlights two important management issues:

- Firstly, to ensure that all product, service, planned and unplanned points of contact are assessed, planned and managed to ultimately communicate and reinforce a focussed positioning of the brand, a brand contact task team must be introduced.

- Secondly, to enhance the zero-based, outside-in assessment, planning and management of points of brand contact, the task team must find a strategic partner in its advertising agency.

This implies that the advertising agency will have to evolve its role and function into that of a holistic Integrated Communications Agency. Although the advertising agency is expected to excel in the field of planned points of brand contact, it must demonstrate strategic insight and skill on all levels of brand contact planning.

The Integrated Communications Agency must therefore exhibit an outside-in, zero-based and media-neutral planning mindset, to add value to the process of integrated brand contact management. This goal can best be achieved by introducing cross-functional account teams rather than adhering to an inside-out oriented and departmentalised agency structure. The focus of the agency is then on the development of a planned brand contact strategy that communicates and reinforces the brand's positioning, to contribute to the process of creating a holistically, integrated brand identity.

It is within the realm of integrated brand contact planning and specifically the scope of planned contacts, that the nature and role of the alternative brand contact will next be introduced and explored.

The planned brand contact environment is faced with a number of challenges, if not threats. To add value to the process of integrated brand contact planning the Integrated Communications Agency will have to take cognicense of these conditions to present alternative solutions to tried and trusted planned brand contact approaches. Little value can be added to the process of integrated brand building if conventional planned points of contact fail at their first challenge and that is to be noticed.

The nature and role of alternative brand contacts will be explored in context of the framework of integrated brand contact planning. Any new approach to planned brand contact planning will have to acknowledge, respect and support the cardinal role of building a single-minded and integrated brand identity in target consumers' minds.

Chapter Three will proceed to investigate the nature, role and planning of alternative points of brand contact to set a sound foundation to the primary research study. The aim of which is to investigate the perspective of the South African marketing and communications industry on the subject.