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BRAND IN THE EYE OF THE BEHOLDER

Case UPM Raflatac RFID

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ABSTRACT

This study discovers the global brand image of UPM Raflatac RFID in the minds of its important stakeholders. The purpose of the research is to describe and analyze what kind of strategic brand image UPM Raflatac RFID has among its RFID chip provider, converters, system integrators, software providers, reader device provider and end users in the two most important end use segments that are Supply Chain Management and Apparel & Brand Protection.

The brand image of the company is studied theoretically based on The extended model of strategic brand image. The model consists of sources, formation, structure and content of brand image. It also includes brand image associations, types and dimensions of brand image associations, strategic functions of brand image, and finally results in brand association networks and brand concept map.

The study is conveyed as qualitative case study and the empirical information is gathered based on judgemental sampling. The method which is used to collect the empirical information is telephone theme interviews with 13 stakeholder interviewees by means of free association. Seven of the interviewees are from the USA, five of them are from Europe and one of them is from Asia. The theme interview outline guides the telephone theme interviews and consists of 19 questions in three themes. The research information is properly recorded, transcribed and analyzed.

The UPM Raflatac`s strategic brand image model includes brand image sources and the formation of the image. Also the structure and content of the UPM Raflatac RFID brand is included. Furthermore, the associations that are found are discussed by their type and dimensions. Moreover, the possible strategic functions of the brand image are discussed. The UPM Raflatac`s brand concept map finally includes the most important brand image associations with the brand. The UPM Raflatac`s brand concept map is based on frequencies of the stakeholder interviewees` brand image associations. The UPM Raflatac`s brand concept map illustrates the strength of the brand associations and links between the associations and the brand. The brand concept map consists of associations mentioned by 31–85 % of the interviewees (from four to 11 interviewees) and the associations form four different levels based on the frequency of each association.

The theoretical part and the main model of the thesis are compared to the empirical results of the study and UPM Raflatac specific conclusions are driven. In the end of the thesis key findings and opportunities for further research are discussed.

TIIVISTELMÄ

Tämä tutkimus käsittelee UPM Ralflatacin RFID-liiketoiminnan globaalia brändi-imagoa yrityksen tärkeiden sidosryhmien keskuudessa. Tutkimuksen tarkoitus on kuvata ja analysoida, minkälainen strateginen brändi-imago UPM Raflatac RFID:llä on siru-toimittajansa, jatkojalostajiensa, järjestelmäintegraattoreidensa, ohjelmistointegraattoreidensa, lukijalaitevalmistajansa ja loppukäyttäjiensä keskuudessa kahdessa tärkeimmässä loppukäyttösegmentissään, jotka ovat toimitusketjun hallinta ja vaatetus & brändin suojaaminen.

Yrityksen brändi-imagon tutkimisen perusta luodaan ensin teoreettisesti ja se pohjautuu Laajennetun strategisen brändi-imagon malliin. Malli sisältää brändi-imagon muodostumisen, lähteet, rakenteen, sisällön, brändi-imagoassosiaatiot, sekä assosiaatioiden tyypit ja niiden ulottuvuudet. Lisäksi malliin kuuluvat brändi-imagon strategiset toiminnot ja lopulta kokonaisuus muodostuu brändiassosiaatioiden verkoksi eli brändikartaksi.

Tutkimus toteutetaan laadullisena tapaustutkimuksena ja empiirinen tutkimustieto kerätään harkinnanvaraiseen näytteeseen perustuen. Tutkimus tehdään puhelimitse teemahaastatteluina vapaan assosiaation keinoin sisältäen 13 haastattelua eri sidosryhmissä. Haastatelluista seitsemän on USA:sta, viisi Euroopasta ja yksi Aasiasta. Teemahaastattelurunko toimii puhelinteemahaastatteluiden perustana sisältäen 19 kysymystä kolmesta eri teema-alueesta. Tutkimustieto nauhoitetaan, litteroidaan ja analysoidaan huolellisesti.

UPM Raflatacin strategisen brändi-imagon malli sisältää brändi-imagon muodostumisen ja sen lähteet. Malli sisältää lisäksi UPM Raflatacin RFID-liiketoiminnan brändi-imagon rakenteen, sisällön, brändiassosiaatiot, brändiassosiaatioiden tyypit ja ulottuvuudet, sekä brändi-imagon mahdolliset strategiset funktiot. UPM Raflatacin brändikartta tiivistää lopulta tärkeimmät brändiin liitettävät assosiaatiot ja se perustuu brändiassosiaatioiden yleisyyteen haastateltavien keskuudessa. UPM Raflatacin brändikartta kuvaa brändiassosiaatioiden vahvuutta ja niiden yhteyksiä suoraan brändiin sekä toisiin assosiaatioihin. Brändikartta koostuu brändiassosiaatioista, jotka 31–85 % (4–11 henkilöä) haastateltavista mainitsivat ja assosiaatiot muodostavat neljä eri assosiaatioiden tasoa sen mukaan, kuinka usein assosiaatio tuli haastatteluissa ilmi.

Tutkimuksen teoreettista viitekehystä, sekä päämallia verrataan empiriaan ja näin muodostetaan UPM Raflatacia koskevat johtopäätökset. Lopuksi tutkielmassa käydään läpi tärkeimmät tutkimustulokset ja jatkotutkimusmahdollisuudet.

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1 INTRODUCTION

1.1 Significance of Brand Image for a Global Business-to-Business Company

Nowadays, in the environment of high technology and fierce rivalry it may be that there are not considerable differences in typical competition factors like the price or quality of the products. The image that the brand and its manufacturer have can make the key difference now and in the future[1]. Brand image is a significant factor in business-to-business (B-to-B) marketing because in industrial markets organizational buyers assess both rationally competing factors and emotional considerations of brands. In addition, for example, to performance reassurance, buyers are also influenced by the prestige associated with the specific brand[2]. Brand image can be a differential advantage for a company because it comprises all the attributes and benefits associated with the brand[3]. It is really essential for a company to know what kind of brand image it has, for example, among its customers. By knowing how the brand is seen in the value chain, a company can try to affect the brand image in its marketing and business actions.

Brand image is the way the organization`s stakeholders, for example customers, perceive the organization in respect of features like achievements, values, mission and product aspects such as product range, price and quality, whereas brand identity is the way the organization sees itself in the features mentioned and it is really essential to make the distinction between the terms. Brand identity is a company`s reality or target reality and it can partly affect the brand image. Brand image is, however, a sum of many different signals from the brand identity sender company and other sources interpreted by the brand image receiver[4]. The challenge for firms is to align brand identity with brand image. Marketers and managers may try to promote a specific brand identity, but they cannot entirely control brand image. It is very important for a company to have a sound understanding of its brand image in the minds of its stakeholders on which to

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[1] Christensen & Askegaard 2001, 292.
[2] de Chernatony & McDonald 2004, 193.
[3] Davis, Golicic & Marquardt 2008, 221.
[4] Kapferer 2004, 98.

base for example further promotion[5]. There is continuous interplay between corporate identity and image as it can be seen as negotiation between signs and interpretations[6].

The image concept has its roots in 1955, when Sydney Levy introduced it in Northwestern University and since then there has been a lot of research in the brand image field[7]. Many of the authors of journal articles and literature have used a lot of time and energy in defining brand image and its relationships with other concepts. Brand image can almost be said to have as many meanings as is the number of people who use it. Apparently there are many ways to understand and perceive brand image, but after all it is a very essential and valuable topic for research. Brand image in business-to-consumer markets has been more in the spotlight than industrial brand image, but also business-to-business brand image research has become more and more generalized focus in the brand image field.

In business-to-business markets both the seller and the buyer are companies and global business environment including several countries and cultures around the world is a very typical challenge in these markets. The benefits of having a strong business-to-business brand image are similar to business-to-consumer markets: premium prices, demand for products, customer satisfaction and competitive strength. In global B-to-B markets brand image includes references indicating that a company name is mainly used for identification of the source and with time also a symbol of quality in the complex market channels in business-to-business branding[8].

In B-to-B markets there is not such thing as impulse buying, which is why industrial buyers are not so affected by advertising as a trigger for the demand but base their decisions mainly on other information sources. Industrial companies usually act according to the communications mix traditionally assumed feasible for the context, advertising, of course, being one part of the mix. There is plenty of information that can guide the behaviour of the stakeholder. In B-to-B markets brand image is a key factor in the comprehensive information about the global company. The stakeholder considers whether the supplier is good or suitable, usually having really little time to assess all the poten-

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[5] Rowley 1997, 246.
[6] Christensen & Askegaard 2001, 311.
[7] Blombäck 2005, 89.
[8] Blombäck 2005, 23; 66; 245; 335.

tial sources. Moreover, the brand image assessment is a continuous evaluation process. All in all, industrial buyers and the significance of corporate brand image are affected by product, purchase situation, time, all the suppliers and information sources available[9].

The UPM Raflatac specific purposes for this research lay in many current issues. There is a structural reform facing the Finnish forest industry and in the environment of change one of the future focus businesses for UPM is UPM Raflatac RFID. RFID business is quite a young branch which is very high-tech and project-led in its character. RFID (radio frequency identification) is quite a new technology to replace bar codes in form of microchips in which to save information. UPM Raflatac is the industry leader in developing and manufacturing RFID products and it has the first-mover advantage. However, the company`s brand image has not been researched before. UPM Raflatac produces both passive HF and UHF tags and inlays as some of its competitors have made different focusing decisions and are spurting right behind the market leader UPM Raflatac. The RFID technology and UPM Raflatac as the leading manufacturer of RFID products have huge opportunities in the future. Even many recent catastrophes like the melamine in milk products in China or Listeria bacteria found in meat products in Canada could have been avoided with RFID product authentication and origin controlling[10]. All this makes it important at this point to research the image that the world leading company in its business has among its stakeholders.

1.2 Purpose of the Research and the Research Problems

The purpose of this research is to describe and analyze what kind of strategic brand image UPM Raflatac RFID has among its RFID chip provider, converters, system integrators, software providers, reader device provider and end users in the two most important end use segments that are Supply Chain Management and Apparel & Brand Protection. The research problems in this brand image study are:

1. What possible sources of brand image there may have been and how the brand image is formed?

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[9] Blombäck 2005, 23; 66; 245; 335.
[10] Myllyoja 2008, 1.

2. What kind of brand image structure and content the company has?

3. What kinds of brand associations form the brand image (types and dimensions)?

4. What strategic functions the brand image may have?

5. What kind of brand concept map (BCM) can be built based on the associations and association networks related to the case company?

The research aims at producing description and analysis that would benefit the case company in understanding what kind of brand image it has and how it is constructed in the minds of the stakeholders. These results may help the case company in, for example, planning their future marketing activities.

1.3 Features of RFID Industry and UPM Raflatac RFID

RFID (Radio Frequency Identification) technology is used in identifying and tracking all kinds of commodities. The benefits of RFID lay in making different kinds of identification and inventory handling processes more effective. The benefits more specifically are the continuity of the supply chain and the availability of the products without big inventories. Usually, the processes are automated even before RFID is adopted but RFID technology makes the physical world of automation possible. RFID solutions replace increasingly bar codes and RFID functions so that a small tag is put into, for example, a pallet, box or even product so that it can be tracked automatically and reliably in the whole logistic chain, from manufacturing to consumers. There is information about the product in the tag`s little microchip and its antennas pass the information to a reader device. The information goes further to computers in digital format[11]. An RFID system comprises a tag, a reader and a host system. The host computer manages the information flow, sending to and receiving information from the reader and the tag. The data flow between the reader and the tag occurs over an air interface or radio frequency link. The functioning of RFID technology is illustrated in appendix 1. Passive RFID technology means that RFID tags do not require an internal power supply or battery. The power required to energize the tag is drawn from the magnetic field created by the reader unit's antenna. The tag's ability to draw energy efficiently from the reader's radio frequency field is based on the electrical resonance effect[12].

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[11] Myllyoja 2008, 1.
[12] RFID technology, UPM Raflatac WWW sites 2008.

There are two main technologies in the passive RFID field that UPM Raflatac operates in: HF (high frequency) and UHF (ultra high frequency). UHF products have clearly two antennas illustrated in figure 1[13]. HF products are round-shaped like a dartboard or racetrack as shown in figure 2[14]. The UHF and HF products have differences, for example, in the reading distances from the reader device and furthermore the products basically fit in different end use areas. HF products are mainly used in library, mass transit and product authentication applications. Whereas the end use applications for UHF products are retail and various supply chain management purposes[15].

The market share of UPM Raflatac RFID is about 25 % and it has a few main competitors, most of them are Americans. In the HF side UPM Raflatac is the leader in innovation and implementation and the six main competitors in this field are Tagsys, Texas Instruments Inc., IER, Omron Corp. and Checkpoint Systems. In the UHF business UPM Raflatac is at the second place in the factors of innovation and implementation, the leader being Alien Technology. The five main competitors behind UPM Raflatac are Avery Dennison, IER, Omron Corp., KSW Microtec AG and Tagsys[16]. If the market situation of RFID is generally considered, there is a lot of interest to invest in RFID technology, cost savings are very current issue and there is a bit of a struggle between UHF and HF technologies.

Figure 1 Example of UHF product   **Figure 2 Example of HF product**

UPM Raflatac is a part of the consolidated corporation UPM and it is the global leader in development and high-volume production of passive HF (high frequency) and UHF (ultra high frequency) tags and inlays. Some of UPM Raflatac`s competitors have made different focusing decisions than UPM Raflatac, including for example Avery Denni-

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[13] UHF products, UPM Raflatac WWW sites 2009.
[14] HF products, UPM Raflatac WWW sites 2009.
[15] UHF products & HF products, UPM Raflatac WWW sites 2009.
[16] Company rankings UHF & HF, ABI Research WWW sites 2008.

son`s vertical integration to customers in form of services or Alien`s production of other solutions needed in the RFID system e.g. reader devices[17]. The company has 2 700 employees worldwide and its annual sales are about one billion euros, which is a tenth of UPM`s total sales. UPM Raflatac`s RFID business started in 1997 and the actual production begun in Finland in 1999[18]. UPM Raflatac has seven different segments for which it develops and produces RFID technology: Supply Chain Management; Apparel & Brand Protection; Pharma, Health & Life Sciences; Media Management; Transportation; Ticketing and Industrial segment. The headquarters is in Tampere and production in Jyväskylä, the USA and China[19]. UPM Raflatac`s competitive advantages are quality, products, know-how and being truly global[20]. The biggest market for UPM Raflatac RFID is Europe but recently there has been more growth in the American and Asian markets compared to the European markets[21].

RFID users include really significant names like Wal-Mart, Tesco, Metro Group, Hewlett-Packard, MK, Lacoste and Zara. For example, Wal-Mart`s subsidiary Sam`s Club requires all its suppliers to RFID tag all the pallets they receive, otherwise the processing costs are higher[22].

RFID Update has done an industry branding research in 2008, in which it measured the attitudes of more than 500 RFID users, prospects, providers and integrators around the world. According to the research only few firms were identified as brand leaders. Some of the top brands in 2006 are in clear decline, while many others have muscled and marketed their way to the top. Moreover, brand is important to six out of seven interviewees and only a handful of nominees are widely recognized and clearly separated from the rest. The company`s brand is the sixth important factor out of 19 factors in things that influence the way RFID companies are perceived[23].

According to the research UPM Raflatac was ranked to the eighth place in the top 10 most widely recognized RFID product & service providers meaning that its place had

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[17] Strömberg 5.12.2008.
[18] Remes 2008, 22.
[19] Myllyoja 2008, 1.
[20] Härkönen 12.12.2008.
[21] Vaenerberg 12.12.2008.
[22] Nikkanen 10.10.2008.
[23] RFID Update brand report 2009, 5–7; 14–22; 28.

improved 2,5 % and especially among end users compared to the year 2006. In the top 10 most widely recognized RFID product and service providers regionally UPM Raflatac did not exist in the list of North America, was at second place in Europe and at fifth place in Asia. It is also notable that UPM Raflatac`s brand image is worth of studying globally based on these regional differencies. In best technology providers category UPM Raflatac was ranked to the seventh place and was at 11th place in best marketed RFID brands. As a result, brand matters a lot in this business and having a really recognized brand image is worth of research and hard work in branding, positioning and marketing[24].

The general assumption at UPM Raflatac is that the brand image is good especially in Asia, Europe and maybe even in the USA. Moreover, it is thought that the image is good in the UHF products business[25]. A customer satisfaction survey has been done at UPM Raflatac during summer 2008. According to the study UPM Raflatac`s brand image is positive thanks to the sales people as there have been some delivery problems which have been handled in a professional way. As further action a global brand image study is planned to be carried out during 2009 and this brand image research is an important part of it[26].

1.4 Limitations of the Research

This research focuses on external brand image in corporate level. The focus is also on researching core brand associations related to brand image. UPM Raflatac also has another business line, self-adhesive materials, but this thesis is focused only on the RFID business.

UPM Raflatac RFID business value chains are multidimensional and complicated depending also on which of the seven segments is in focus. A very essential issue in this brand image study is the global aspect as the business is truly global. The focus segments of this study are Supply Chain Management and Apparel & Brand Protection because they are the most important segments in many ways. The segments are both most attractive and most challenging. These segments are not inherited from UPM and they

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[24] RFID Update brand report 2009, 5–7; 14–22; 28.
[25] Vaenerberg 3.10.2008.
[26] UPM Raflatac customer satisfaction survey 2008.

are also purely closest to consumers. These markets are called as "open loop" because sometimes it is not easy to define the end users compared to "closed loop markets" where one actor can decide the end use of products and sell its own brand like H&M. Both of the segments will face many changes in the future and this is why this brand image research is done now: in order to know the opinion of the gatekeepers and to strengthen the position of UPM Raflatac. Supply Chain Management and Apparel & Brand Protection are also essential focus segments to research because of the facing of the main competitors daily in these segments. In both focus segments the same RFID tag can be used by the manufacturer, logistics service provider and retailer to track and identify products accurately and cost-efficiently throughout the whole supply chain. In the Supply Chain Management segment the volumes are big, whereas in the Apparel and Brand Protection segment they are currently smaller[27].

In the selected target segments the focus is on 13 most important stakeholders: a RFID chip provider, converters, system integrators, software providers, a reader device provider and end users. UPM Raflatac develops and produces passive RFID tags in which it buys the RFID chips from a RFID chip provider. A converter prints the tag with the RFID chip into the right format depending on the end use application. In the value chain system integrators are the group that integrates the whole RFID technology solution including host systems, reader devices, RFID tags and software. The end users like the mobile phone manufacturers use RFID tags in for example inventory handling and logistics. The simplified model of the value chain for the two selected focus segments including the six specific focus groups (marked in bold) are shown in the figure 3. The model is simplified from the supply chain management field.

In the Supply Chain Management segment UPM Raflatac sells savings and efficiency. RFID has the capacity to revolutionize global logistic chains and improve supply chain management. Major retailers and their suppliers are already tagging pallets, cases and other returnable transit items like plastic crates used for fresh food. RFID technology enhances asset management by supplying visibility and real-time inventory data to guarantee traceability and availability. This results in reduced shrinkage and counterfeiting as well as a reduction in out-of-stocks[28].

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[27] Strömberg 1.10.2008.
[28] Supply Chain Management, UPM Raflatac WWW sites 2008.

| UPM Raflatac | ⇨ | **Converter** | ⇨ | **System integrator** | ⇨ | **End user, e.g. Nokia** |

⇧   ⇧

RFID chip provider   **Software provider**

Host system

Reader device provider
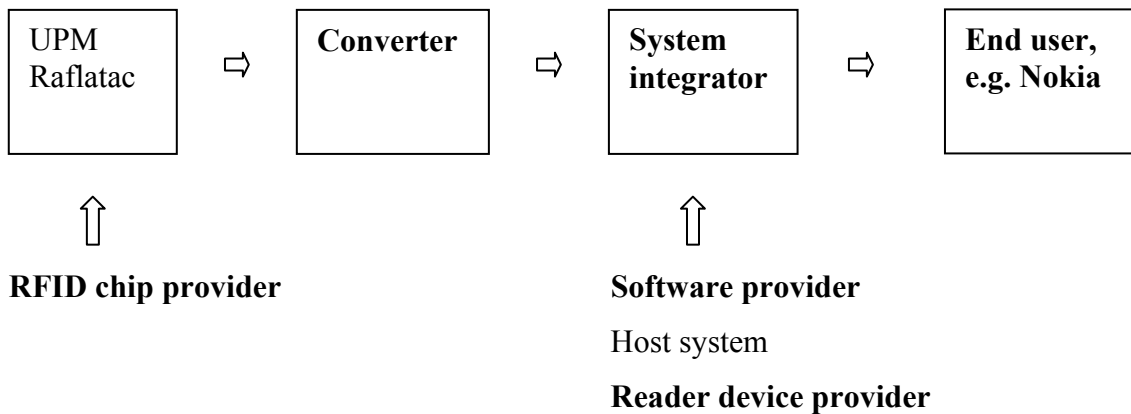
Figure 3 The simplified example model of the value chain of UPM Raflatac RFID segments

The Apparel & Brand Protection segment includes end uses like alcohol, cosmetics, apparel and footwear. The focus in this segment is on products, efficiency and partnerships. UPM Raflatac is a really well-known RFID supplier in the apparel business and it has the best products and availability[29]. In the Apparel & Brand Protection segment RFID tags are incorporated into garment labels or even into the garment itself providing a valuable tool for brand owners. A tag inserted at the point of manufacture can identify a garment's source. The tag's unique ID certifies that the garment is authentic and also makes it possible to identify and control counterfeits. Grey market imports can be controlled through the use of source identity. RFID tags enable inventory visibility throughout the supply chain, reducing shrinkage and out-of-stocks[30]. Especially in the Apparel & Brand Protection segment the competitive weakness of UPM Raflatac compared to Avery Dennison is that UPM Raflatac does not supply converted products.

1.5 Research Process

At first theoretical framework is formed and the topic is taken over. The empirical part of this study is conducted with recorded and transcribed telephone theme interviews. Analysis of the gathered data is done by means of comparing the relationships between the theoretical framework and the empirical data collected in the case study. Furthermore, a brand concept map is formed on the basis of the empirical data. Figure 4 The simplified model of strategic brand image describes the structure of this research. The

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[29] Immonen 15.10.2008.
[30] Apparel & Brand Protection, UPM Raflatac WWW sites 2008.

study starts with the brand image sources and formation. Then brand image structure and content are discussed before moving on in the model to brand image and brand image associations. Brand image and brand associations include the types and dimensions of brand image associations. After that the strategic functions of brand image are discussed. The last part in the thesis includes brand image association networks and brand concept map[31].
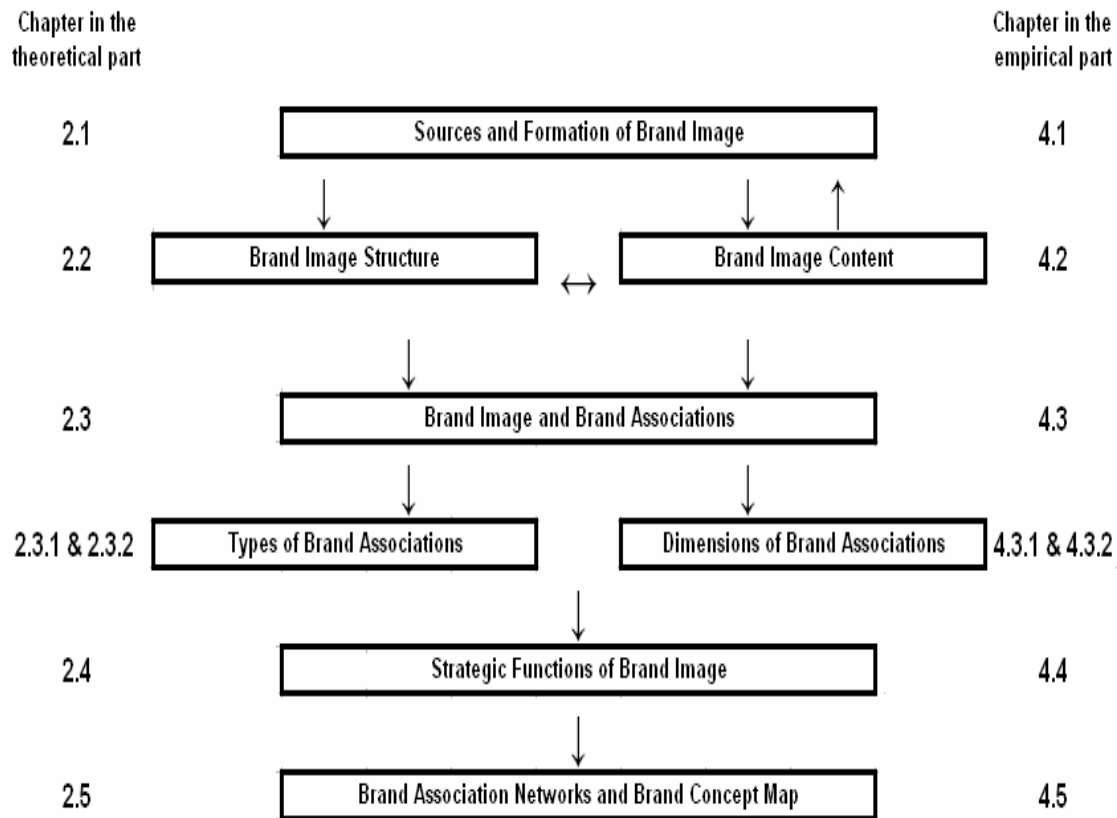
Figure 4 The simplified model of strategic brand image

After analyzing the empirical data and comparing it with the theoretical framework conclusions are driven and opportunities for further research defined.

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[31] Modified Kahle & Kim 2006, 4–5.

2 STRATEGIC BRAND IMAGE

2.1 Sources and Formation of Brand Image

In the business-to-business context every interaction between a firm and its stakeholders is an input to brand image. Everything associated with the brand makes it distinctive and distinguish the firm`s offer from those of the competition and at the same time provide a differential advantage. In the many-to-many marketing environment brand image is frequently centred on firm attributes such as experience and reputation, which are often valuable, but also underused assets [32].

Brand image sources and formation in the global environment can most clearly be seen by mixing two models illustrated in figure 5: The brand image formation and The elements of the international communication process resulting in The formation process of global brand image model. The underlying factors influencing the whole global brand image formation process are differences in language, economic, sociocultural, legal or regulatory and competitive aspects in the different cultures[33]. The image formation begins in the context of the brand`s home country when the sender firm forms the brand identity. In this phase there are also other sources of inspiration, namely mimicry, opportunism and idealism. At this point in the process competitors can, for example, imitate the sender`s brand image, the company itself may try to meet all the needs of the different customers or the brand`s identity may be too ambitious[34].

Based on the sender and other sources of inspiration the message takes its form from the signals transmitted, for example products, people, places and communication. The message is sent to the context of the foreign culture via media like mass communication, word of mouth or personal selling. There are also external factors with their own potential effect on the process such as competitors` marketing communication and distractive noise like a blizzard of commercials from different sources. All the factors preceding the receiver in the communication process affect the total brand image that the receiver

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[32] Davis et al. 2008, 221.
[33] See also Hsieh 2001, 47.
[34] Modified Kapferer 2004, 98 & Hollensen 2007, 543.

forms. The receiver sends feedback to the sender in light of the whole process and there are also effects of competition and noise in the feedback communication. Consequently the global environment has its own challenges for brand image formation which is also otherwise quite a complicated process[35].

Figure 5 The formation process of global brand image

Furthermore, cross-cultural differences make it difficult for a company to maintain coherent images with diverse constituents[36]. Global brand image is a sum of very many factors, because when stakeholders think of the image of some brand, they do it in a certain context, for example, in the country of origin, the industry it operates in or the company as a whole. A specific context is a very important thing because it is better for a brand to be known for something special than be part of everything[37].

According to Kahle & Kim[38] the sources of brand image are direct experience and indirect experience of the brand and also the stakeholders` response to marketing communi-

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[35] Modified Kapferer 2004, 98 & Hollensen 2007, 543.
[36] Formbrun 1996, 394.
[37] Dowling 2002, 188–194.
[38] Kahle & Kim 2006, 5; 247–250.

cations. Moreover, alliance partners are seen as a source of brand image, too. All these sources contribute further to the brand image content and structure. Each stakeholder will draw a perception about the brand image of a company in terms of individual resources and experience. The stakeholders` roles, norms and values will determine the important factors in assessing the reputation of the firm including information from superficial public information to intense individual perceptions and knowledge. One important issue in brand image sources is the role and personal characteristics of the CEO as he or she is the face of the company. Anyhow, companies usually create a vision statement to give an objective touchstone independent of any individual[39].

Formbrun[40] also highlights the significance of, for example, financial monitors like Standard & Poor`s and Moody`s in the formation of brand image. He also takes into account the importance of the closeknit world of a company including people that come and go. The communication in different social networks affects the brand images formulated in people`s heads. Moreover, image building programmes are a source of brand image as in those programmes companies try to intentionally influence the brand image and they are also at least partly able to do so.

According to Dowling[41], brand image precedes reputation and has five stages in The image-reputation pyramid in figure 6. Before brand image there is only unawareness or confusement of the brand. The first stage in the actual brand image pyramid is recognition when, for example, the customer is confronted with the brand for the first time. Then the second stage is recall, when the customer is confronted with the brand and recognizes it. After the recall stage there is familiarity with the brand because the customer has often seen the brand. The fourth phase is image, as the customer already knows what the brand presents. The ultimate stage of brand image is inclination, as the customer searches for the brand actively. The highest image level creates reputation, which means trial purchases, dominant place in customer`s mind or even recommending the brand to others.

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[39] Dowling 2002, 55.
[40] Formbrun 1996, 150–151; 394.
[41] Dowling 2002, 138.

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                                    Referral          I will tell others to try you

                                    Dominant          You are my first choice

REPUTATION                          Trial             Show me what you can do

                             ------------------------
                       Inclination        I will look for you

                       Image              I know what you stand for

                       Familiarity        I see you often

IMAGE                  Recall             I remember that company

                       Recognition        I have seen that name before

                  ------------------------
             Confused        I think I have seen that name before

             Unaware         I have never heard of you
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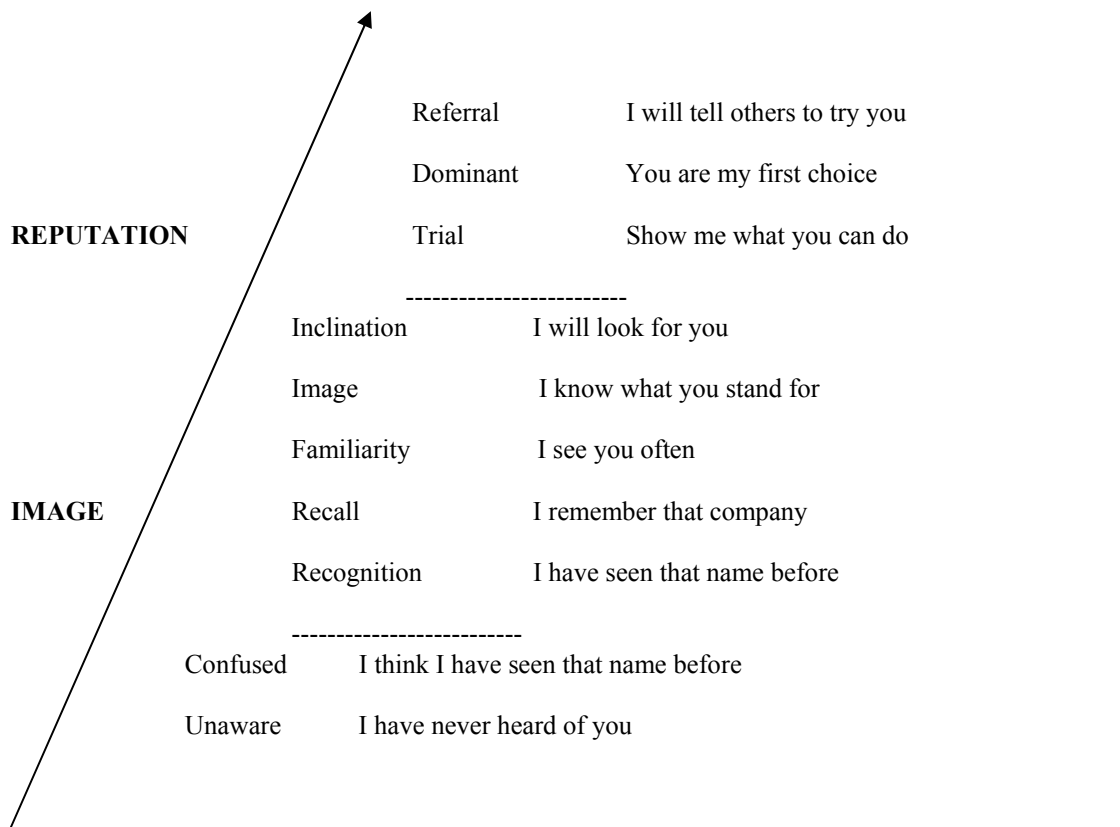
Figure 6 The image-reputation pyramid

Balmer and Greyser[42] sum up the theories of cognitive psychology about brand image formation. The process begins with the sensory process of sight, sound, taste, touch and hearing. Everything that is sensed is not recognized and hence the second stage of message consumption is perception. In perception a person can recognize objects or see patterns in sensory stimuli. In order to remember or process messages they receive they must construct mental representations, concepts. What the person perceives is based on the cognition meaning what they believe to be real.

An organization can try to create brand image with promotional activities that are often significant elements in the process of creating the brand in the minds of stakeholders. Brand images are rarely created from a blank sheet as there is usually a prior image in the minds of the stakeholders. Credibility and consistency are important in the brand image creation process[43].

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[42] Balmer & Greyser 2003, 214.
[43] Rowley 1997, 248.

It is absolutely essential to note that the receiver side of the communication process can modify the sent message and it is really hard to change these interpretations. The company`s communications have a key role in avoiding the spreading of negative images and actually everything that a company does is communicating[44]. de Chernatony & McDonald[45] also stress the importance of aiming at as a cohesive brand image as possible. Adaptability is one key element for success for a cohesive brand image.

Customers` levels of involvement with the category of the brand contribute to brand image. Involved procedures are appropriate in measuring brand image because when customers are very involved in the brand selection process, they spend lots of time and effort seeking out and processing brand information. Conversely for low involvement categories, where customers undertake minimal information searching and habitually buy the brand, brand image is an holistic impression of the brand`s position relative to its perceived competitors[46].

Semiotically the brand image is an impression created by a sign or a set of signs. It is a more or less complex construct based on the signs that have come to represent the organization in the minds of its various audiences[47]. All the conceptualizations presented in this chapter are together of value in this research as they provide a broad view of the possible sources and formation of brand image.

2.2 Structure and Content of Brand Image

There is unfortunately no single consensus definition of brand image as the concept is very broad and has many conceptualizations, categorizations and evaluations. Image can be described as an abstraction of associations related to a thing, person or place. Image can be distinguished between visual aspects like logos or colour schemes and abstract mental representations that are the more commonly used way for defining brand image. Brand image could be conceptualised as a schema, category or part of an associative memory formulation of brand associations. Brand image includes thoughts, experiences, feelings, benefits, concrete and abstract attributes, attitudes, values and other symbolic

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[44] Bernstein 1986, 7–10.
[45] de Chernatony & McDonald 2004, 190–191.
[46] de Chernatony 2001, 19–40.
[47] Christensen & Askegaard 2001, 305.

benefits. The brand image is also multidimensional in nature because it can be observed from many different perspectives like customers, employees or shareholders[48]. In business-to-business settings, user imagery might also relate to the size or type of the organization behind the brand[49].

In the early days of brand image research Dowling and Bernstein conceptualized image as a set of meanings by which an object is known and through which people describe, remember and relate to it. That is, the net result of the interaction of a person`s beliefs, ideas, feelings and impressions about an object in the person`s mind. It affects attitudes and in turn the behaviour of the people doing business with the company in question[50].

Brand image is often conceptualised as the total impression an organization makes on its various audiences and external stakeholders. Hence it describes the reception of an organization in its surroundings. Importantly, a company has multiple images, because it serves multiple publics and each of them forms own image about the brand. Corporate brand image is related to the receiver side of the marketing communication process, whereas brand identity is at the other end of the process where a company organises and sends signals to its external world. Brand image emerges beyond the organization`s formal boundaries and is in a way sent back to the organization via external analyses. Individuals and groups that hold a brand image are external to the organization and the image they hold presents a holistic and vivid impression of the organization[51].

Keller[52] defines brand image as stakeholder perceptions of and preferences for a brand that can be measured by the various types of brand associations held in memory. From Christensen`s and Askegaard`s[53] semiotic point of view, corporate image is also on the interpretant`s side of the communication process and consists of the organization`s official self-image and the general impression and estimation of the organization among its various audiences, in other words, its reputation. The image that decision-makers are truly interested in developing among the public or in a specific segment is the official self-image.

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[48] Kahle & Kim 2006, XV–XVI; 247.
[49] Keller 2008, 66.
[50] Blombäck 2005, 89.
[51] Christensen & Askegaard 2001, 296.
[52] Keller 2008, 636.
[53] Christensen & Askegaard 2001, 295.

According to de Chernatony[54], brand image is one perspective on brand interpretations and a set of associations perceived by an individual as a result of direct or indirect experience of the brand. It is unlikely for two people to have completely the same image of a brand, because they do not have exactly the same experiences. However, different brand images may have common features and this is where they overlap, for example, across different stakeholders. Consequently, brand image is the condensed mental construct of all the perceivers[55]. The key to understanding images is to understand them as constructs based on information and experiences in the heads of the target audience and not any fixed attribute of an organization, but a global evaluation a person has of an organization[56].

However, there are also different views about brand image as some scholars link it to the organization`s internal perspectives and interpretations. According to this view, organizational image is seen as the way that organizational members believe others see the organization. This viewpoint does not take into account the symbolical aspects and how the symbolical representations are received by audiences outside the organization`s formal boundaries. This definition of brand image in the company`s viewpoint is relevant, as the roles between senders and receivers in the communication model are becoming blurred and more problematic to define because of people belonging to multiple groups, all of whom have their own brand image of the same organization[57].

In Gray`s[58] view, corporate image results from a mosaic of attitudes and perceptions formed in the minds of those in close contact with the corporation. According to this view, the image begins with those inside the organization and then spreads into the external environment building the total image picture. The goal is to reach a fit between corporate reality and the external image.

[54] de Chernatony 2001, 19–40.
[55] Kahle & Kim 2006, 4.
[56] Dowling 2002, 17–19.
[57] Christensen & Askegaard 2001, 296–297.
[58] Gray 1986, 4–14.

Dowling[59] divides corporate image into two components which form overall corporate image: logical cognitive beliefs and emotional feelings. Both components are essential and experienced simultaneously in a person`s mind. The emotional component gives the energy to the cognitive component and thereby stimulates the action in question, for example the decision-to-buy.

Structural representations of brand image consist of belief hierarchies, schemas, brand categories and nonverbal images. Higher order description includes consistency, complexity, distinctiveness and stability. Belief hierarchies include means-ends chains that consist of attributes, consequences and values. Schemas are flexibly built brand images and brand categories are comparisons between the brand and other brands in the same business or same product category. Brands also have non-verbal images, meaning associations with pictures and sounds. Consistency as a part of brand image structure is the continuity, for example in the advertising of a certain brand and the complexity of the number of different but consistent attribute associations in stakeholders` minds. Further, stability refers to the extent to which brand images change over time and distinctiveness the extent to which the brand is perceived to be different from those of its competitors[60].

The content of brand image is composed of brand name associations, products associations, source associations, buyer associations and feelings toward the brand according to Kahle & Kim[61]. Brand name ties all other aspects of the brand image together and is therefore very central and significant part of the brand. Product associations include product attributes, customer benefits and product quality. Brand image includes also important information about the expected product quality. Source associations that brand image includes are perceptions of origin shared with, for example, products that have same brand name and therefore the same symbolic value. Brands are often humanized as source associations contain brands` human characteristics, the personality of the brand. Buyer associations of brand image involve attributions about the buyers who choose a certain brand. Attitude toward the brand as the last component of the brand image content means feelings and beliefs that stakeholders have for the brand.

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[59] Dowling 2002, 20–21.
[60] Kahle & Kim 2006, 16–21.
[61] Kahle & Kim 2006, 12–20.

Furthermore, Kahle & Kim[62] state that the powerful positive image consists of three key elements and their synergistic impact: trust, expertise and an affective brand-self connection. These factors determine the customers` attachments to a brand and the stronger they are the stronger the attachments to the brand become. Attachment is an innate need to develop and sustain an emotional bond with others and a human`s basic need. The desire for strong affective bonds is a variable between customers and the brand based on the emotional, psychological and functional relevance of the brand to customers. The affective connection between the brand and the customer is critical as it enables even stronger feelings for the brand than trust. On the other hand, the trust and expertise components strengthen the relationship between the brand and the customer, create the capability to satisfy customer needs and who make customers more favourably disposed to the brand. The image as a whole should create a strong emotional bond with the brand and the intensity and strength of the bond varies in each brand relationship. Kahle & Kim state that brand image research should be focused on brand attachments, not attitudes. Brand attachments have strong motivational and behavioural implications, unlike attitudes. In contrast to attitudes, attachments are emotion-based responses, evaluative and have effects beyond attitudes.

There are three types of brand images according to Kahle & Kim[63]: functional, symbolic and experiential. Functional brand images are based on psychological, external and security needs and refer to performance, concrete attributes and practicality. Symbolic brand images are based on the desired image, self esteem and social needs. Social needs refer to image associated with the desired group, role or self-image. Experiential brand image is based on uniqueness, impressive experiences and relates to self-actualization needs. Experiential brand image relates to sensory pleasure, variety seeking and cognitive stimulation. Both experiential and symbolic image are internally generated needs. Functional and symbolic images can be seen as contrasts. Functional images belong to the cognitive side of the dichotomy and they are often processed sequentially and analytically. Symbolic images belong to the affective side of the dichotomy and are possessed holistically and emotionally.

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[62] Kahle & Kim 2006, XI–XIII.
[63] Kahle & Kim 2006, 283–284.

Balmer & Greyser[64] categorize brand image according to four perspectives regarding corporation. They are transmitter of images, receiver-end of image categories, image categories (like image of the industry or country image) and construed image categories (for example employees` perception of the image). In this study the focus is on the receiver-end image categories. The receiver-end image can be further divided into transient image, corporate reputation, the brand user image and stereotype image. Transient image is the mental picture construed through observation and interpretation of, for example, communication sent by the organization. Corporate reputation consists of judgements made of the organization over time based on the organization`s behaviours, performance and experiences of the organization. The third category is the image of the corporation that most closely corresponds to the self-image of the stakeholder or group of stakeholders. Stereotype images are shared beliefs across all stakeholder groups.

Davies[65] defines brand image as a part of The corporate reputation chain and in many cases the brand image concept is seen as equal to reputation concept. In some models brand image precedes reputation or vice versa. Other concepts that the brand image is often used synonymously with are message, perception, cognition, attitude, credibility, belief, communication or relationship[66].

All the main definitions of brand image explained in this chapter are shown in table 1. The definitions that this study is based on are the general view of brand image, Keller`s view, de Chernatony`s view, Balmer`s & Greyser`s view and Kahle & Kim`s view. So in this research brand image is understood as perceptions and preferences that are abstractions of associations related to a thing, person or place. The brand image has formed based on both the visual aspects and the abstract mental representations of the case company. It is assumed that brand image is the total impression that the case organization has among its different audiences and there is not completely same kind of image in the minds of different stakeholders. So the brand image is a set of associations and condensed mental construct in each receiver`s mind. The receiver-end image categories of Balmer & Greyser are also essential part in this research. As the study is very strongly based on the modified version of The strategic model of brand image by Kahle

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[64] Balmer & Greyser 2003, 174.
[65] Davies 2003, 159.
[66] Balmer & Greyser 2003, 209.

& Kim, it is natural that their structural view is very important in conceptualizing brand image. Brand image can be seen consisting of functional, symbolic and experiential associations.

Table 1 Definitions of brand image

Author	Definition of brand image
Early definition	• Mental meanings of an object • Logical cognitive beliefs & emotional feelings
Gray (1986)	• A mosaic of attitudes & perceptions in minds of those close to the company
General view	• Total impression that surrounding audiences have of an organization • Each audience have its own
Opposite view for the general view	• Internal representations & interpretations
Christensen & Askegaard (2001)	• Organization`s official self-image & general reputation
de Chernatony (2001)	• A set of associations • Condensed mental construct per each receiver
Davies (2003)	• Part of reputation
Balmer & Greyser (2003)	• Transmitter, receiver, image categories & construed image categories
Kahle & Kim (2006)	• Structural view: functional, symbolic & experiential
Keller (2008)	• Perceptions & preferences • Abstraction of associations related to a thing, person or place • Visual aspects vs. abstract mental representations

All in all, defining brand image in a simple and consistent way is probably impossible, but researching the image can help to render it more concrete. In the recent discussion brand image has also been criticized and often been bundled with brand and reputation concepts as if they meant exactly the same thing. The focus of the criticism is on defining brand image, for example, due to the negative connotations of the concept and the notions that the concept is very simplistic, visual, superficial, cosmetic in its nature, glorified and even unreal[67]. Other possible problems related to brand image are its multiple meanings, the difficulty or impossibility of controlling it, its multiplicity and the different image effects on different stakeholder groups[68].

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[67] Heinonen 2006, 32–34.
[68] Balmer & Greyser 2003, 174.

2.3 Brand Image and Brand Associations

Brand associations are the values and personality linked to the brand[69]. Brand image is reflected by the brand associations held in stakeholder memory. Associations are informational nodes linked in memory to the brand node and contain the meaning of the brand for the stakeholder. Associations come in all forms and they may reflect different things concerning the brand relating to, for example functional qualities of the brand or individual people. Stakeholders also form brand associations in a variety of ways other than marketing activities: from direct experience, through information from other sources like reports, word of mouth, by assumptions or inferences about the brand, its name, logo, identification with the company, country, distribution channel, person, place or event. Some general and most important brand associations are product attributes, benefits, attitudes, people, relationships, values, programmes and corporate credibility[70]. Brand image created by strong brand associations can to some extent influence the customer`s buying behaviour, evoke unique psychological patterns of behaviour and influence individuals` information processing[71].

2.3.1 Types of Brand Associations

Core brand associations are those abstract attributes and benefits that characterize in maximum of ten most important aspects or dimensions of a brand. According to this view two types of brand associations can be distinguished: performance-related and imagery-related attributes and benefits. Mental maps are accurate way to portray in detail salient brand associations and responses for a particular target group[72].

Secondary brand associations can be created by companies through branding strategies, countries or other geographic areas through identification of product origin, channels of distribution through channel strategy, other brands through co-branding, characters through licensing, spokespersons through endorsements, events through sponsorship or other third-party sources through awards or reviews[73].

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[69] Hollensen 2007, 440.
[70] Keller 2008, 51; 454.
[71] Kahle & Kim 2006, XV.
[72] Keller 2008, 121.
[73] Keller 2008, 280.

Keller`s categorization of brand association types is very often used. The Keller`s view of brand associations is based on the amount of information summarized in the association and consists of attributes (the least information subsumed), benefits and attitudes (the most information subsumed). Attributes are those descriptive features that characterize a product or service: what a customer thinks the product or service is or has and what is involved with its purchase or consumption. Attributes can be further divided in product-related and non-product-related attributes. Product-related attributes are defined as the ingredients necessary for performing the product or service function sought by customers. They relate to a product`s physical composition or the requirements of service. Non-product-related attributes are defined as external aspects of the product or service that relate to its purchase or consumption, for example the price of the product. Product benefits can be functional, experiential and symbolic[74].

In Keller`s definition of brand associations, benefits are the personal values that consumers attach to the product or service attributes, meaning what consumers think the product or service can do for them. Functional benefits are the more intrinsic advantages of product or service consumption and usually correspond to the product-related attributes, for example by solving some basic need. Experiential benefits relate to what it feels like to use the product or service and they also usually correspond to the product-related attributes. Symbolic benefits are the more extrinsic advantages of product or service consumption, for example the prestige of a brand. Brand attitudes are defined as consumers` overall evaluations of a brand and they are important because they often form the basis for customer`s behaviour, for example the decision to buy the brand. All these associations can vary in their dimensions presented in the next sub chapter of this thesis[75].

Aaker categorizes brand associations into 11 types: product attributes intangibles, customer benefits, relative price, use or application, user or customer, celebrity or person, life-style or personality, product class, competitors and country or geographic area[76].

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[74] Keller 1993, 3–4.
[75] Keller 1993, 4.
[76] Chen 2001, 440–441.

Giner-Sorolla[77] also divides attitudes further into cognitive and affective components. Cognitive component is the factor that activates beliefs about the object`s properties and consequences whereas affective components of attitudes activate emotions or the memory of emotions. Together the components inform an overall positive or negative evaluation of the object, contribute separately to behavioural responses and influence other psychological processes such as persuasion and memory organization. Important property of attitudes is also accessibility, the speed with which a person can retrieve a concept or make a judgement. More accessible attitudes tend also be stronger, more stable, guiding and they require less cognitive effort to be expressed than less accessible attitudes. Evaluative relevant cognitive and affective information are nearly equally accessible, the affective though being often faster than cognitive, but only in affectively based attitudes.

Chen[78] distinguishes two types of brand associations: product and organizational associations. Product associations include functional and non-functional attribute associations while organizational associations consist of corporate ability and corporate responsibility associations. Functional attribute associations are, for example perceived quality and product attributes, whereas non-functional attributes include value or usage situation associations. Corporate ability associations are those associations related to the company`s expertise in producing and delivering outputs. Moreover, corporate social responsibility associations reflect the status of the organization and its activities with respect to its perceived societal obligations.

Also according to Biel there are two types of associations: the perception of utilitarian or functional attributes and soft or emotional attributes. Utilitarian or functional associations are, for example, the speed of delivery or ease to operate. The soft associations are, for example, providing fantasy, being exciting, innovative or trustworthy[79]. Farquhar & Herr have suggested product category, usage situation, product attribute and customer benefits to be the brand association types[80]. The table 2 shows the definitions of brand association concept and the types of the associations presented in this study.

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77 Giner-Sorolla 2004, 761–762; 773; 776.
78 Chen 2001, 439; 443.
79 Chen 2001, 441.
80 Chen 2001, 441.

Table 2 Brand association types

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┌─────────────────────────────────────────────────────────┐
│                                                         │
│              Brand associations                         │
│                                                         │
│         Hollensen (2008):                               │
│         Values & personality of the brand               │
│                                                         │
│         Keller (2008):                                  │
│         Nodes linked to the brand in memory             │
│         brand`s meaning for stakeholder                 │
│                                                         │
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Brand associations types	
Author	**Classification**
Aaker (1991)	● 11 different types
Biel (1992)	● Utilitarian/functional vs. soft/emotional
Farquhar & Herr (1993)	● Product category, usage situation, product attribute & customer benefit
Chen (2001)	● Product & organizational
Kahle & Kim (2006)	● Name, product, source, buyer & feelings
Keller (1993; 2008)	● Attributes, benefits and attitudes; Core & secondary associations

First of all, brand associations are the values and personality of the brand. They are nodes linked to the brand in memory and the significance of the brand for a member of certain stakeholder group. In this brand image research the types of brand associations are seen according to the views of Keller, Chen, Biel and Kahle & Kim. Basically associations can be divided in two: most important core associations and secondary associations. The core associations are performance or imagery related attributes and benefits. This study is focused on the brand image associations consisting of product-related or non-product-related attributes; functional, experiential or symbolic benefits; and attitudes. The organizational associations in focus are utilitarian/functional or soft/emotional. They may consist of associations related to the name of the company, products, sources, buyers or feelings, but so that they are linked to the company`s brand image.

2.3.2 Dimensions of Brand Associations

Brand associations may be either multi-dimensional or unidimensional because the brand association constructs can be seen as brand association dimensions or simply indicators of brand image. The dimensionality of brand associations depends on the familiarity of the brand to the stakeholder. It is more likely for familiar brands to have multi-dimensional brand associations as the brand association structures are more highly developed for familiar brands than for less- or unfamiliar brands[81].

According to Hsieh[82] the dimensions of brand image correspond to stakeholders` various needs and are members of higher-order category, which underlies brand associations. The factors that differentiate one brand from another in memory in associative networks are brand image dimensions: the strength, favourability and uniqueness of associations that constitute image dimensions.

The more deeply a person thinks of new information and relates it to existing brand knowledge, the stronger the resulting brand associations will be. Personal relevance of the association and the consistency with which it is presented over time strengthens the association. The particular associations that are recalled and their salience will depend not only on the strength of the association but also on the retrieval cues present and their context in which we consider the brand. There are different ways with which to form beliefs about brand attributes and benefits. Brand attributes are the descriptive features that characterize the brand, whereas brand benefits are the personal value and meaning that, for example, customers attach to the product or service attributes. Generally, direct experiences create the strongest brand attributes, benefit associations, and are especially influential in consumers` decisions when they accurately interpret them[83].

Associations differ also in their favourability, which consists of desirability and deliverability, and in their uniqueness. Desirability depends on how relevant, how distinctive and how believable stakeholders find the brand association. Deliverability depends on the actual or potential ability of the brand to perform and communicate the sustainability of the performance over time. Unless associations are strong enough for stakeholders

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[81] Low & Lamb 2000, 354; 361.
[82] Hsieh 2001, 50.
[83] Keller 2008, 56–58; 362.

to recall them, their favourability does not matter, and unless they are favourable enough to influence stakeholders` decisions, their uniqueness does not matter. Benefit associations are often important determinants of behaviour and they include associations of functional performance, convenience, ease of access, brand personality, pricing and value[84].

According to Keller[85] the more information is placed on the meaning of information during encoding, the stronger the resulting associations in memory will be. Then, when actively thinking about and elaborating on the significance of product or service information, stronger associations are created in memory. Key determinants for the strength of new associations are also content, organization and strength of existing brand associations. It is much more likely for the new association to be strong when it is built to existing memory structures. The strength of the brand association increases the likehood of the information accessibility and the ease with which the information can be recalled by spreading activation. Successful recall depends also on the presence of other product information, the time between exposure and encoding, and the number and type of external retrieval cues[86].

The previous information can cause, for example, the new information to be overlooked. The longer the time delay is between exposure and encoding, the weaker the association. However, cognitive psychologists believe that memory is very durable so that if we once store information in memory, the strength of association decays very slowly. In order to be able to retrieve information from memory, the proper retrieval cues are essential for getting the access. Consequently the particular associations for a brand depend on the context in which the brand is considered. The more cues linked to a piece of information the greater the likehood that we can recall the information. Associations that are related to functions represent a greater degree of abstraction, are more accessible and remain longer in the memory than those referring to attributes[87].

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[84] Keller 2008, 56–58; 362.
[85] Keller 2008, 258–259.
[86] Del Río, Vázquez & Inglesias 2001, 411.
[87] Del Río et al. 2001, 411.

2.4 Strategic Functions of Brand Image

Brand image research is essential in order to know the stakeholders` perceptions of the brand and in taking action to encourage favourable perceptions. The sent message is not necessarily understood as was intended because of the perceptual processes of the receivers[88]. However, brand purchase decision is more confidently made when the buyer favourably associates the supplier`s brand with well-respected brand image[89].

Brand image is an essential source of strategic competitive advantage, enhancing the long-term ability of a corporation to create value. Positive brand image has many positive outcomes like pricing concessions by suppliers, improved employee morale, reduced risk for investors, increased strategic flexibility, improved financial performance, profitable marketing opportunities and increased market value of the firm[90].

It is worth of noticing that profiling the brand image should be a continuous process because the brand image is such a complex system. There can be changes in the image and the company should be aware of them in order to be able to react. By means of being aware of the brand image that the organization has, even some crisis can be overcome[91]. Moreover, the brand image study can prevent the company from storms. Even if the company would not face any difficulties, it is significant to know if the company`s most valuable asset, brand image, is in beneficial use, has it been wasted or forgot to benefit from it totally[92].

In the selected analyzing method of this study, the brand concept maps it should be ensured that the core positive associations and any positive associations connected to them continue to resonate with customers. These core associations should also be protected from erosion or dilution. Negative associations should be somehow overcome. Moreover, changes in the brand image should be monitored over time with respect to the core brand associations uncovered by the brand concept maps. The methodology can be repeated on long-term basis to evaluate whether the stakeholder perceptions of the brand

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[88] de Chernatony 2001, 19–40.
[89] de Chernatory & McDonald 2004, 194.
[90] Kahle & Kim 2006, 245.
[91] Gray 1986, 1; 143.
[92] Bernstein 1986, 272.

have changed as a result of, for example, branding programmes or competitive activity[93].

In Kahle & Kim`s[94] strategic model brand image can have strategic relevance to market entry, as source of added product value, to corporate store of value and to channel power. Brand image can both permit the firm to enter a new market and at the same time inhibit the market entry of the competitors. The ways to gain and hold place in the market are pioneering advantage, brand extension and brand alliance. Brand images allow the firms to cement first mover`s advantages and many of the strongest brands have been among the first to be strongly associated with their business. Usually, it is very hard for later entrants to compete with the first mover that has occupied the best position because of the challenge of, for example, uniqueness and costs-efficiency. Brand images also offer chances to leverage customer franchises developed in one product market into another through brand extensions. Brand alliances are also strategies for leveraging brand image, for example, in form of association or combination of tangible and intangible attributes associated with brand partners.

Besides market entry benefits, brand image can be a source of added product value by transforming the experience into cash flows. Brand image can also function as corporate store of value in the form of accumulated investments in strategic marketing e.g. advertising and maintenance of product quality, and convert it into a long-term competitive advantage. Additionally, strong brand image is an indicator and a source of power in channel distribution as it helps in outperforming competitors but also in acquiring distribution and maintaining control in the terms of trade[95].

Poiesz states that brand images can have three functions in the psychological processes of the customer. First of all, brand images are a complexity-reduction device in the information processing. Secondly, brand images are choice heuristic in low-involvement decision making. Thirdly, they function as the gatekeeper that prevents from further psychological elaboration in the event of an immediate negative image[96].

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[93] John, Loken, Kim & Monga 2006, 562.
[94] Kahle & Kim 2006, 6–7.
[95] Kahle & Kim 2006, 6–7.
[96] Christensen & Askegaard 2001, 302.

Also according to Davis et. al brand image can have an influence on information processing of the stakeholder and the nature of this influence depends on the type of the stakeholder. Brand image has influence on stakeholder groups` memory, evaluation and decision processes. Positive brand image can help in recall and recognition, forming positive attitudes, decision rules and comparison of the products[97]. If the brand is to thrive, it must convey something profound about the company and the message should resonate with the customers[98].

A positive brand image can increase the brand knowledge of a particular product or service. It can also enhance the customer based brand equity and satisfaction long-term[99]. A positive or even superior image can help the company or business to improve the competitive advantage[100].

Corporate brand image can be an important factor regardless of where a buyer is in the purchasing process. The significance and importance of brand image depends on and differs depending on what is being purchased, the type of the supply situation and the subcontractor situation. Further, depending on the subcontractor situation, different pieces of corporate brand image have significant impacts[101].

2.5 Brand Association Networks and Brand Concept Map

Recently proposed methodology for studying brand image is brand concept maps that elicit brand association networks, brand maps, from stakeholders and aggregate individual maps into a consensus map of the brand[102]. Consensus brand maps include the core associations that define the image of the brand, show the associations that are directly linked to the brand, illustrate which associations are linked indirectly to the brand and which associations are grouped together. Brand concept maps are a good method for identifying the networks of strong, favourable and unique brand associations in stakeholders` memory[103].

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[97] Kahle & Kim 2006, 8–12.
[98] Davis et al. 2008, 221.
[99] Keller 1993, 8; 17.
[100] Kahle & Kim 2006, 6–8.
[101] Blombäck 2005, 245–248.
[102] Keller 2008, 281.
[103] John et al. 2006, 549.

Associations are usually stakeholders` perceptions of particular attributes, features, usage situations, spokespersons or logo of the brand. The network of these associations constitutes a brand`s image, identifies the uniqueness of the brand and its value to stakeholders. Moreover, the network also suggests ways to leverage the brand`s equity in the market place. Ideally a brand association network can be measured to obtain a brand map[104].

The map identifies important brand associations but also conveys how these associations are connected to the brand and to one another. First, the map pinpoints several associations that are connected directly to the brand and are more closely tied to the brand`s meaning. Second, the map shows how other associations are connected to these close brand associations. Third, the map shows additional linkages between associations and, for example, some core associations that are linked together[105].

2.6 Synthesis of the Theoretical Framework

The extended model of strategic brand image describes comprehensively the theoretical framework of this research, links it to the empirical part and even to the theme interview questions in figure 7. The basic assumption behind the model is that brand image can be seen as mental impressions that individuals form based on experience, marketing communications and associations from brand partners. The components of the model are discussed in the chapters mentioned. The arrows connecting the boxes indicate direct influence relations between the factors. Brand image sources and formation (2.1 and 4.1, questions 1–2) have an effect on brand image structure and brand image content (2.2 and 4.2, questions 3–14), whereas brand image content influence its sources and structure. Also brand image structure can influence its content and both the content and the structure can affect the brand associations (2.3 and 4.3, also included in questions 3–14). Brand associations are further discussed by their type and dimensions (2.3.1, 2.3.2, 4.3.1, 4.3.2 and questions 3–14). The preceding factors influence on market entry, added product value, corporate store of value and channel power, which are the strategic

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[104] John et al. 2006, 549.
[105] John et al. 2006, 549.

functions of brand image (2.4 and 4.4, questions 15–19). Finally, brand association networks and a brand concept map (2.5 and 4.5) can be formed[106].

Chapter in the theoretical part		Chapter in the empirical part	Interview questions

Sources and Formation of Brand Image
Direct Experience
Vicarious Experience
Response to Marketing Communications
Alliance Partners

2.1 — 4.1 — 1→2

Brand Image Structure

Representation of Image
    Belief Hierarchies
    Schemas
    Categories
    Non-verbal Images
Higher order Description
    Consistency
    Complexity
    Distinctiveness
    Stability

Brand Image Content

Brand Name Associations
Product Associations
    Attributes and Benefits
    Quality
Source Associations
    Personality
Buyer Associations
Feelings toward the Brand

2.2 — 4.2 — 3→14

Brand Image and Brand Associations

2.3 — 4.3

Types of Brand Associations — **Dimensions of Brand Associations**

2.3.1 & 2.3.2 — 4.3.1 & 4.3.2

Strategic Functions of Brand Image
Market Entry
    Pioneering Advantage
    Brand Extension
    Brand Alliance
Source of Added Product Value
Corporate Store of Value
Channel Power

2.4 — 4.4 — 15→19

Brand Association Networks and Brand Concept Map

2.5 — 4.5

Figure 7 The extended model of strategic brand image

In the synthesis level of the theoretical framework sources and formation of brand image are direct or vicarious experience of the brand, response to marketing communica-

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[106] Modified Kahle & Kim 2006, 4–5.

tions and alliance partners. Brand image structure can be divided in two: representation of the image and higher order description. Belief hierarchies, schemas, categories and non-verbal images form the representation of the image. Higher order description includes consistency, complexity, distinctiveness and stability. Brand image content consists of brand name associations, product associations, source associations, buyer associations and feelings toward the brand. Product associations can be further divided in attributes, benefits and quality, whereas source associations include the personality of the brand. Strategic functions of brand image include market entry, source of added product value, corporate store of value and channel power. Market entry functions are comprised of pioneering advantage, brand extension and brand alliances.

3 CONDUCTING THE RESEARCH

3.1 Qualitative Research and Case Study

Qualitative case study is the method used in acquiring empirical information in this research. Qualitative research is also often called descriptive and exploratory research as it describes and interprets rather than explains the relationships between variables. In qualitative research there are quite a small number of interviewees and it is also called story telling, full, rich, real, soft and narrow technique. Qualitative research can provide the investigator with meaningful insights by delving more deeply and examining the intangible aspects of complex issues. The drawbacks of the method are slowness, expensiveness, complicatedness and intuitiveness[107]. The target of qualitative research and this brand image study is to find the truth about the phenomenon that is being studied. A good qualitative research requires a lot of work – sometimes even more than quantitative research. Qualitative research is an essential method when the researcher wants to get deep and detailed information like in this study. The method helps in getting to know the associations and conceptualizations of particular groups in natural settings of certain case during certain period[108].

Most commonly used methods in brand image research are according to de Chernatony & McDonald[109] projective techniques, qualitative techniques, ratings of evaluations or beliefs and comparison of brand associations. Qualitative research is known to be the best method for uncovering brand image research. Dowling[110] classifies the most popular qualitative research techniques to be: management introspection, in-depth interviews and focus group interviews. When using in-depth interviews and focus groups, the key to success is in selecting the interviewees carefully like in this brand image study. These methods are designed to produce rich insights into the way different stakeholders think about the organization and its brand. After a number of interviews the main characteristics of the company and the opinion range of them will clarify. At this point it is time to

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[107] Ahmad & Ali 2003, 2–3.
[108] Metsämuuronen 2006, 81; 88.
[109] de Chernatony & McDonald 2004, 406.
[110] Dowling 2002, 217–218.

terminate interviewing and compile the results. The moderator-analyst describes the range of characteristics using the language of each stakeholder interviewee. Also different clusters of similar characteristics can be found. It is important to find out what are the motivational triggers that energize the stakeholders to respond to the organization and benefits that they feel the brand is offering.

Case study means studying individual cases and the target is to get deep information[111]. The questions and the theory guide the interviews in case study. The grounds for single case lie in the fact that it can be very critical, unique or extreme. The case can strengthen, challenge or expand theory. Finally, the case can be revealing as it can help in observing the target that has not been researched before. Case study is of value as such as it opens a new research topic[112]. In the case study method of this research the objective is to arrive at specific conclusions regarding a single case as this particular case history is of particular interest. In another case method general conclusions are derived from a limited number of cases. This case study is descriptive and it includes making choices guided by analysis and interpretation. Case study enables a holistic and deep understanding and description of particular research phenomenon. Case study is often criticized because of its lack of statistical reliability, validity, testing hypothesis and generalizations[113]. Anyhow, the case study method has the before mentioned benefits that cannot be reached with any other methods.

3.2 Judgemental Sampling

This empirical study will consist of small number of interviewees based on judgemental sampling. The first telephone interview (see appendix 2) can be seen as pilot interview which proved to be a very good part of the empirical material for the research. No changes were needed in the interview questions based on the first interview.

Qualitative research is usually based on judgemental sampling, not on probability sampling. The judgemental sample in qualitative research is often chosen so that it is as informative about the topic as possible. For example, in image research it is much more purposeful to interview some experts that are important regarding the topic than ask

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[111] Metsämuuronen 2006, 90–91.
[112] Koskinen, Alasuutari & Peltonen 2005, 156; 161.
[113] Gummesson 2000, 84–86; 88.

thousand persons what they think about the brand image of the company. Often basic assumption behind judgemental sample size is saturation, meaning that new interviews are made as long as no new information is gotten anymore. The judgemental sample size in qualitative research is also case-specific. This requires the researcher to analyze the material continuously in order to notice the saturation[114]. Judgemental sampling is inexpensive, convenient and quick. Judgemental samples are commonly used in B-to-B marketing research projects, given that in many projects the target population is relatively small[115].

The judgemental sample of this study was chosen carefully with key persons inside UPM Raflatac. The judgemental sample includes the most important opinion leaders globally and they are representative of the population of interest including different parts of the value chain in the segments under the spotlight.

The focus is on different value chain parts consisting of a RFID chip provider, converters, system integrators, software providers, a reader device provider and end users in the Supply Chain Management and Apparel & Brand Protection segments. The total number of the interviewees in the judgemental sample is 13 including one RFID chip provider, three converters, five system integrators, two software providers (one of the interviewees being both system integrator and software provider), one reader device provider and two end users. Seven of the interviewees are from the USA, five of them are from Europe and one of them is from Asia. Furthermore, five of them are from the Apparel & Brand Protection segment, seven from the Supply Chain Management segment and one is operating in both of the segments. The globalness of this study is also based on the international operating areas of the interviewed companies. The interviewees have been co-operating with UPM Raflatac from four months to six years. It is coincidence that all the interviewees are males.

3.3 Telephone Theme Interviews and Free Association

The empirical information in this research is gathered by means of telephone theme interviews and free association meaning no prompt. An interview is a verbal communica-

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[114] Koskinen et al. 2005, 273; 276.
[115] Malhotra & Birks 2007, 412.

tion process in which one person, the interviewer, attempts to elicit information, opinions or beliefs from another person or persons. The selected participants are asked questions in order to find out their thoughts and feelings. In in-depth semi-structured interview it is hoped that certain constructions behind the cognitive maps can be understood[116]. According to Metsämuuronen[117] interviews in qualitative research are more or less open questions put to the interviewees. The method is pre-planned, managed, motivating, confidential and interaction between the interviewer and the interviewee. Interviews are very suitable method in acquiring the empirical research material when the topic in focus includes emotional aspects and it cannot be tested in objective manner. Interviews can also provide very describing examples of the topic.

The interview can be done as face-to-face individual interview, face-to-face group interview, mail interview, on-the-spot form interview or interview by phone. In this research the interviews were done by phone because of the global aspect and through that also the impartiality of the interview situation. Theme interview is also called semi-structured interview: the themes are pre-planned but the order of the questions presented or the specific form of the questions is not strictly defined like in structured interview. Usually, the number of the interviewees is small, it takes quite a lot of time to analyze the answers, the information gathered is deep and the researcher knows the topic well. The interviewee can answer the questions in his or her own words and sometimes even suggest new questions. Furthermore, theme interview is a very simple form of interaction[118].

The theme interview outline (appendix 3) based on theory is the tool to guide the telephone interviews. The outline helps the interviewer to ask the right questions and makes the interview easier. Moreover, there is no uncertainty about how the interview is going to proceed[119]. In order to achieve a full understanding of brand image associations in-depth personal interviews are used. This method has a superior ability to delve into the individual interviewee`s mental structures[120]. Because of the nature and purpose of this

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[116] Ahmad & Ali 2003, 3.
[117] Metsämuuronen 2006, 88; 111–115.
[118] Koskinen et al. 2005, 104; 108–109.
[119] Koskinen et al. 2005, 104; 108–109.
[120] Grace & O`Cass 2002, 100.

study, the method in this research is telephone theme interviews by the way of free association.

Free association as information gathering method in theme interviews is chosen in this research because leading questions would not be purposeful as the target is to find out true brand image associations. The free association method is also generally used in brand association research and therefore fits very well in this research. The most effective and purposeful way to research brand image associations is top of mind associations by means of open ended questions. Open ended questions leave space for the thoughts of the interviewees in their own words. This method can provide the researcher with true information about subjective interpretations. Free association helps to dig deeper the thoughts that can be hard to express and that is just what brand associations are: subjective and personal nodes in the minds of the beholders[121].

The theme interview outline (appendix 3) including the 19 questions was formed based on the theoretical framework of this study and interaction with the key persons at UPM Raflatac. The key persons are Vice President Marketing, UPM Raflatac, RFID Samuli Strömberg; Vice President Sales, RFID Marcus Vaenerberg; Business Development Director, Apparel & Brand Protection, RFID Mikko Immonen; and Business Development Director, Supply Chain Management, RFID Mikko Nikkanen. The theme interview outline and the list of the telephone interviewees (appendix 2) were also checked with the key persons before the pilot interview in December 2008. No changes in the theme interview outline were needed according to the key persons but the list of the telephone interviewees was revised in order to achieve a purely global view of the corporate brand image. The target number of the interviews was 16 but 13 interviews were gotten.

The theme interview outline consists of background information of the image formation and three actual themes including 19 questions. The first theme is the sources and formation of strategic brand image. The second theme "Structure of strategic brand image, content of strategic brand image and strategic brand image associations" is collective theme about brand image in order for it to be clearer to the interviewees. The third theme is the possible strategic functions of the strategic brand image. It is worth of no-

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[121] Keller 2003, 433–439.

ticing that the theme interview outline and its questions are of suggestive nature and the theme interviews were more like flexible conversations including additional question. The connection between the interview questions and the chapters of the thesis are shown in the figure 7.

The interviews were done during 07.01.2009–18.02.2009. The first telephone interview proved that there was no need to change the theme interview outline or questions because it proved to be very informative and well-designed. In the beginning of each telephone interview the interviewer told about the nature of the theme interview and encouraged the interviewee to answer all the questions openly based on what ever comes to the interviewee`s mind at the first place. Each interviewee`s permission to record the interview was also asked before starting the interview. The language of the interviews was English apart from the three Finnish interviews, in which the language was Finnish due to avoiding of an unnatural situation between Finnish speaking persons. Input of the interviewees was recorded without any prejudice in order to be able to transcribe, check and confirm the interview material later. The interviews were basically based on the theme interview outline (appendix 3), but depending on the flow of each interview additional questions were asked. The duration of the interviews was from 17 minutes to one hour and 10 minutes depending on how much the interviewee wanted to talk about the themes and how long answers he had. All the interviews were very open in their nature and they flowed well.

3.4 Analyzing Research Material and Formulating Brand Concept Maps

The qualitative data has to be analyzed in order for it to be clearer and more understandable. There is no clear separation of data collection and analysis in qualitative research because the data analysis starts in the field. Qualitative analysis does not seek to reduce or condense the data but simply adds summaries and examples from the data to the volume. Before analysis, the research material was transcribed so that the analysis was better possible. Transcription of the interviews is a creative activity and represents the start of data analysis[122]. The material produced in the interviews is the core of the research, but transcription of the information from the telephone theme interview recordings is a

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[122] Gibbs 2007, 1–4; 11.

very critical preceding factor of the analysis. Through transcription of the interviews the data was put into much easier format and it helped in going trough the material many times and finally analyzing it. Transcribing of the interviews has to be very accurate because the researcher works much more with the information written down than with the recordings and that is why the transcription was done very properly. The interview transcription is a hard and slow phase in the research and absolute accuracy can never be reached even though it would be the ideal target. Everything could not be transcribed but the most important issues were included in the written format of the interviews[123].

Usually, acquiring of the empirical data and analyzing it takes place in unison in qualitative research. The analysis of the interviews` information was done as word-for-word as possible because all the aspects of the answers are important regarding to associations. The conclusions present the topic in focus but also move into more general conceptual and theoretical level[124]. The analysis after the transcription of the data started with reading the research material and making notes based on it. It was possible to find repetition, interrelationships and that way the key to the research topic[125]. In this study the analysis was done with the help of an excel table and researcher`s notes. The target of the analysis was to form a general view of the research phenomenon.

A qualitative report is a set of individual case studies, followed by a discussion of differences and similarities between cases. It is an account structured around the main themes identified, drawing illustrative examples from each transcript. Moreover, the qualitative report is a thematic presentation of the findings using a different individual case study to illustrate each of the main themes[126].

In this research the brand concept map technique is used in analyzing the empirical research material. Brand concept maps are cognitive maps that are used to simplify and map the representation of a person`s thinking about some issue. Cognitive maps are networks of nodes, and arrows are links of which direction can imply believed causality. The maps are usually derived through interviews and they intend to represent the subjective world of the interviewee. The mapping technique has its own rules and it is a

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[123] Koskinen et al. 2005, 317–319.
[124] Metsämuuronen 2006, 122.
[125] Koskinen et al. 2005, 231.
[126] Gibbs 2007, 33.

formal modelling technique for problem structuring and uncovering solution options. Group maps can be developed by merging several cognitive maps derived from each member of the problem solving[127]. A cognitive map is a graphical presentation of individual`s understanding of a particular issue, domain or problem. The cognitive map can potentially allow deeper and more integrative understanding and insights for the researcher[128].

These kinds of mental models are well suited for studying networks of perceived associations. The research on associative networks is a very new approach in marketing and has been developed primarily in psychology. It is of value for this research to use this kind of innovative and new analyzing technique. It is very crucial for marketing managers to understand the nature and structure of associations for their brands because they are linked to brand image, brand equity, preference and choice[129].

The advantages of cognitive mapping are that structures are thought through symbolic representation, the layout is graphical rather than linear, insight into the structure of information is quick and information is clearly communicable. Moreover, large amount of information can be managed, individual information can be captured and the interviewing capability can be improved[130].

Brand concept maps identify brand association networks: which associations are directly or indirectly linked to the brand and which associations are grouped together. This method offers a visual format to show the important brand associations and how they are constructed in the stakeholders` minds. Brand concept maps are a new method to produce brand maps that show the network of salient brand associations underlying stakeholder perceptions of brands. BCM;s are also more accessible and standardized than their predecessors. BCM is easy to administer, it does not require specifically trained interviewers or large time commitments from the interviewees. Brand concept maps are a flexible approach and it can be used in many different settings, for example, covering different sums of interviewees, different segments or geographic areas[131].

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[127] Eden 2004, 673–674.
[128] Ahmad & Ali 2003, 3.
[129] Henderson, Iacobucci & Calder 1998, 307.
[130] Ahmad & Ali 2003, 5.
[131] John et al. 2006, 549–553; 562.

BCM methods range from unstructured methods, in which interviewees generate their own brand maps with few instructions, to structured methods, in which concept mapping proceeds with the aid of explicit instructions and examples. In this brand image study, the researcher formulated the BCM based on the interviews. Drawbacks of the BCM method are that only accessible brand associations and connections can be revealed. Associations that require more in-depth probing are unlikely to surface with this technique. Moreover, most of the representations are only verbal[132].

However, the first stage in BCM approach is the elicitation stage in which important and salient associations for the brand are elicited from stakeholders. The data that is used to identify salient associations is based on responses to open-ended questions because they allow stakeholders to voice whatever brand associations are the most accessible and important to them in their own words. The interviewees were encouraged to express their own opinions honestly, whether positive or negative. It was also very important to retain the wording that the interviewees used in phrasing the salient brand associations. After that these elicited associations were connected to each other and to the brand by the researcher[133].

In the third stage, the researcher aggregated individual brand associations and associated the data to produce a consensus brand map. The aggregation was done according to a set of rules that do not require any special knowledge of qualitative or quantitative research methods. The way to construct the consensus map was frequencies showing the most salient brand associations and their connections. Most frequently mentioned associations of the brand were selected to form the final set of the consensus brand concept map. The associations that at least 31 % (four interviewees) and in maximum of 69 % (11 interviewees) of the interviewees mentioned were included in the map. The connections and their strength are presented with broken, single, double or even triple lines: the more the lines, the stronger the association. Most frequently mentioned associations are the strongest ones and they are chosen to present the core associations in the consensus

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[132] John et al. 2006, 549–553; 562.
[133] John et al. 2006, 549–553; 562.

brand concept map. The strongest associations are the most important set of brand associations that drive the brands` image[134].

3.5 Assessing the Credibility of the Research

Concepts validity and reliability fit quite poorly to qualitative research but more to quantitative research. Validity means the extent that a certain result (for example answer) represents the target that it should. There is both internal and external validity. The internal validity means internal logicalness and external validity if the interpretation can be generalized also to other cases. Usually, generalizing from the viewpoint of classic statistics is debatable in qualitative research because of the small number of cases. The reason for small number of cases is the purpose of the research that is getting a lot of deep information[135].

Judgemental sampling does not allow direct generalizations to specific population. Judgemental sampling is subjective and its value depends entirely on the researcher`s judgement, expertise and creativity. Judgemental sampling can be useful if broad population inferences are not required[136].

The validity in in-depth interviews is dependent on the questioning and interpretative skills of the interviewer. More richness can be added to the research if there is also those interviewees that are less familiar with the brand or favourably disposed to competitors included: this brand image study included also that kinds of interviewees. From these points of view very important information can be gotten against some specific context or more honestly[137].

Reliability means the level of consistency: some cases are placed into the same class by different researcher at different time. The research material can be reliable despite being invalid. But the material cannot be valid without being reliable. Reliability includes four factors: congruence, exactness of the instrument, objectivity of the instrument and continuity of the phenomenon. Congruence means how different indicators measure the

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[134] John et al. 2006, 549–553; 562.
[135] Koskinen et al. 2005, 254–255; 265.
[136] Malhotra & Birks 2007, 412.
[137] Dowling 2002, 217–218.

same thing. Exactness of the instrument means that same result can be reached by means of, for example, asking the same question in many forms. Objectivity of the instrument means how other people can understand the purpose of the researcher. Continuity of the phenomenon expresses the continuing similarity of the perception[138].

Case study cannot usually be generalized, but one case can be a step in generalizing, which is not the actual purpose though. Case study aims at detailed information about the case[139]. Individual brand concept maps may also be valid but consensus maps pose additional challenges especially with regard to aggregation bias that can adversely affect reliability and validity. All in all, the brand concept map method really measures what it is intended to measure[140].

Pages 50–94 are confidential until 15.5.2012.

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[138] Koskinen et al. 2005, 255.
[139] Metsämuuronen 2006, 92.
[140] John et al. 2006, 552; 562.

5 SUMMARY

Nowadays, in the environment of high technology and fierce rivalry the image that the brand and its manufacturer have can make the key difference in competition. It is really essential for a company to know what kind of brand image it has among its stakeholders. By knowing how the brand is seen in the value chain, a company can try to affect the brand image. Brand image is a sum of many different signals from the brand identity sender company and other sources interpreted by the brand image receiver. In the business-to-business context every interaction between a firm and its stakeholders is an input to brand image. It is absolutely essential to note that the receiver side of the image communication process can modify the sent message and it is really hard to change these interpretations.

The purpose of this research is to describe and analyze what kind of strategic brand image UPM Raflatac RFID has among its RFID chip provider, converters, system integrators, software providers, reader device provider and end users in the two most important end use segments that are Supply Chain Management and Apparel & Brand Protection. This research focuses on external brand image in corporate level. A very essential issue in this brand image study is the global aspect as the business is truly global.

There is a structural reform facing the Finnish forest industry and in the environment of change one of the future focus businesses for UPM is UPM Raflatac RFID. RFID (radio frequency identification) is quite a new technology to replace bar codes in form of microchips in which to save information. The benefits of RFID lay in making different kinds of identification and inventory handling processes more effective. UPM Raflatac is the industry leader in developing and manufacturing RFID products and it has the first-mover advantage. However, the company`s brand image has not been researched before.

The extended model of strategic brand image describes the theoretical framework of this research, linking it also to the empirical part and to the theme interview questions. The basic assumption behind the model is that brand image can be seen as mental impres-

sions that individuals form based on experience, marketing communications and associations from brand partners. Brand image sources and formation effect on brand image structure and brand image content, whereas brand image content influence its sources and structure. Also brand image structure can influence its content and both the content and the structure can affect the brand associations (also their types and dimensions). The preceding factors influence on market entry, added product value, corporate store of value and channel power, which are the strategic functions of brand image. Finally, brand association networks and the brand concept map are formed.

Sources and formation of brand image are direct or vicarious experience of the brand, response to marketing communications and alliance partners. Brand image structure can be divided in two: representation of the image and higher order description. Belief hierarchies, schemas, categories and non-verbal images form the representation of the image. Higher order description includes consistency, complexity, distinctiveness and stability. Brand image content consists of brand name associations, product associations, source associations, buyer associations and feelings toward the brand. Product associations can be further divided in attributes, benefits and quality, whereas source associations include the personality of the brand. Strategic functions of brand image include market entry, source of added product value, corporate store of value and channel power. Market entry functions are comprised of pioneering advantage, brand extension and brand alliances.

There is unfortunately no single consensus definition of brand image as the concept is very broad and has many conceptualizations, categorizations and evaluations. It is assumed that brand image is the total impression that the case organization has among its different audiences and there is not completely same kind of image in the minds of different stakeholders. So the brand image is a set of associations and condensed mental construct in each receiver`s mind. The brand image is also multidimensional in nature because it can be observed from many different perspectives like customers, employees or shareholders. In business-to-business settings, user imagery might also relate to the size or type of the organization behind the brand.

Associations are informational nodes linked in memory to the brand node and contain the meaning of the brand for the stakeholder. The brand image associations can be de-

scribed further based on their different types and dimensions (strength, favourability and uniqueness).

It is worth of noticing that profiling the brand image should be a continuous process because the brand image is such a complex system. There can be changes in the image and the company should be aware of them in order to be able to react. By means of being aware of the brand image that the organization has, even some crisis can be overcome. Moreover, the brand image study can prevent the company from storms. Even if the company would not face any difficulties, it is significant to know if the company`s most valuable asset, brand image, is in beneficial use, has it been wasted or forgot to benefit from it totally. Brand image can also have an important function in the psychological processes of the stakeholders.

The network of brand associations constitutes a brand`s image, identifies the uniqueness of the brand and its value to stakeholders. Moreover, the network also suggests ways to leverage the brand`s equity in the market place. Ideally a brand association network can be measured to obtain a brand map. The map identifies important brand associations but also conveys how these associations are connected to the brand and to one another.

Qualitative case study is the method used in acquiring empirical information in this research. The method helps in getting to know the associations and conceptualizations of particular groups in natural settings of certain case during certain period. This case study is descriptive and it includes making choices guided by analysis and interpretation. Case study enables a holistic and deep understanding and description of particular research phenomenon.

This empirical study consists of small number of interviewees based on judgemental sampling. The judgemental sample in qualitative research is often chosen so that it is as informative about the topic as possible and the number of the interviewees in the judgemental sample of this study is 13. The judgemental sample of this study is chosen carefully with key persons inside UPM Raflatac and the judgemental sample includes the most important opinion leaders around the world in different parts of the value chain in the segments under the spotlight. Seven of the interviewees are from the USA, five of them are from Europe and one of them is from Asia. The empirical information in this

research is gathered by means of recorded telephone theme interviews and free association meaning no prompt, and this is because of the global aspect and through that also the impartiality of the interview situation. The theme interview outline based on theory is the tool to guide the telephone interviews that are conveyed during 07.01.2009-18.02.2009.

Free association as information gathering method in theme interviews is chosen in this research because leading questions are not purposeful as the target is to find out true brand image associations. Before analysis, the research material is transcribed so that the analysis is possible. The analysis is done with the help of an excel table and the researcher`s notes. In this study brand concept map made by the researcher is used in analyzing the empirical research material. Brand concept maps identify brand association networks: which associations are directly or indirectly linked to the brand and which associations are grouped together.

The main sources of the brand image of UPM Raflatac are people and personal contacts with them, products, quality, performance, marketing communications, advertising, exhibitions, market leadership of the firm, its reputation, partners and references from the stakeholders` trusted partners. The UPM Raflatac specific sources in more general level consist of: direct experience, vicarious experience, response to marketing communications and alliance partners. In The image-reputation pyramid of UPM Raflatac brand image the brand seems to be at the image and reputation levels. Nobody is unaware or confused about the brand. All the interviewees are at some stage between the familiarity and referral stages.

The brand image structure of UPM Raflatac is composed of, for example, product attributes, consequences of co-operation, valuing quality and co-operation. The structure includes belief hierarchies and categories as representation of image in the form of comparisons with other brands. There are also non-verbal images like pictures and logo in the marketing communication. The higher order description in the structure can be seen in, for example, the consistency and the complexity of the brand mentioned referring to the past rebranding of the company and the confusement with the parent brand UPM. A distinctive piece of the brand image structure seems to be the people working at UPM

Raflatac and the company`s stability was mentioned in the answers handling the history of the company.

The brand image content includes name associations mainly with the UPM name. It also includes product associations like the names of the products, their quality and a wish to hear more about the benefits that the products can offer. Personality is a part of source associations and the personality of UPM Raflatac is often described with words like co-operative, helpful and problem solving. Buyer associations do not occur in the answers, but feelings toward the brand are mainly positive. The stakeholders also seem to have attachments to the brand like people and personal contacts, special solutions, problem solving and meeting the customers` needs.

The brand image and brand associations include associations with product quality, being number one globally, strong in Europe, positive, good products, big volumes, economies of scale, stability of the brand and associations that UPM Raflatac is the RFID part of UPM affecting also a bit of a confusement. The types of the brand associations are attributes, benefits and attitudes. UPM Raflatac specific attributes are high quality, competence, know-how and the way of doing business. The benefits that are associated with the brand are UPM Raflatac`s ability to act globally and their high quality. The attitudes to the brand are (very) positive referring often to the good co-operation, relationship and partnership with the company and trust in UPM Raflatac. Moreover, the dimensions of UPM Raflatac brand image associations consist of strength, favourability and uniqueness. The strongest associations with the brand seem to be best/good quality, world leading technology and the ability to design products. The favourability dimension includes the quality of UPM Raflatac`s products and services, reliability and visual world of the brand. The uniqueness of UPM Raflatac compared to Avery Dennison and Alien lies in the Finnish effectiveness and people, UPM`s effects on the brand, being seriously in the business, finding solutions and the problem solving ability of the firm.

The possible strategic functions of the UPM Raflatac`s brand image can be the win-win relationship/partnership with the stakeholders, the fact that end users are still a bit unaware of the brand, helping partners, channel power and recognition in the customer base. More focus could be added on highlighting the values and benefits of UPM Ra-

flatac, UPM Raflatac could have more direct relationships with end users and more co-marketing, co-branding, strategic partnerships, whole solutions and leveraging value from big partners` brands could be needed. The stakeholders usually seem to choose some competitor brand, when their customer demands it or no UPM Raflatac`s solutions are available. The parent company brand UPM seems to affect on UPM Raflatac brand image mainly in a positive way providing it with reliability and support for the brand. However, also negative influence of the UPM brand can be found.

Based on all the information gathered in this brand image study brand association networks are built and they are illustrated with The UPM Raflatac`s brand concept map. The UPM Raflatac`s brand concept map is formed based on frequencies of brand image associations of the stakeholder interviewees. According to the map when UPM Raflatac brand is activated in the minds of the stakeholders`, they will first make associations to RFID department of UPM, people and personal contacts, quality, products and performance. Next, they will have associations to marketing communication materials, positive and choosing some competitor, when customer demands it. The associations have links between them like performance is related both directly to the brand and also to products. Quality is linked directly to the brand, but also to products, people and personal contacts. The third strongest associations to the stakeholder interviewees are win-win relationship or partnership, "could be more focused on value and benefits that it offers" and "nothing to really dislike". The fourth strongest associations are world leading, good co-operation and nice to work with, ability to act globally, technology, services and "could have more direct relationships with end users". Ability to act globally and world leading are linked directly to the UPM Raflatac brand, but also to each other. Good co-operation and nice to work with are linked to both the brand directly and to the win-win relationship or partnership. Furthermore, quality is linked with service.

It should be ensured that the positive core associations and any positive associations connected to them continue to resonate with stakeholders. Negative associations should be somehow overcome. Moreover, changes in the brand image should be monitored over time with respect to the core brand associations uncovered by the brand concept map. Finally, the brand image study could be extended by researching uncovered levels of The image-reputation pyramid, other segments, labelstock business area or changing the judgemental sample to cover, for example, more stakeholders from Asia.

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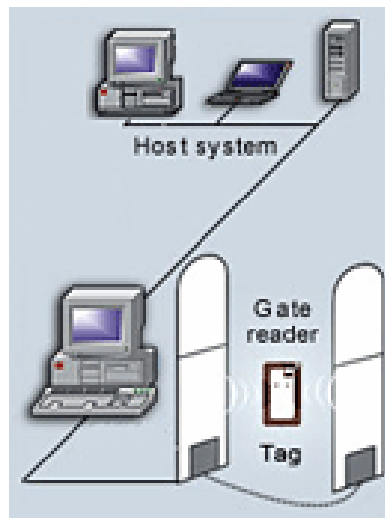nology/ 20.11.2008.

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APPENDICES

APPENDIX 1: RFID Technology

APPENDIX 2: List of the Telephone Interviewees

	Segment	Value chain position	Stakeholder	Contact, position or responsibility area	Date
1	Apparel & Brand Protection	Software provider	RDN	Markus Rosendahl, CEO	07.01.2009
2	Supply Chain Management	System integrator	Vilant	Antti Virkkunen, CEO	09.01.2009
3	Apparel & Brand Protection	Converter	SML	Gihan Atapattu, COO	22.01.2009
4	Supply Chain Management	System integrator	Siemens AG	Peter Kohnen, Strategic partnerships	23.01.2009
5	Supply Chain Management	Converter	Nashua	Bob Pernice, VP Coated Paper & Technology	26.01.2009
6	Apparel & Brand Protection	System integrator	ADT	Randy Dunn, Sales & Marketing Director	27.01.2009
7	Supply Chain Management	End user	MGI Metro Group	Philipp Blome, RFID solutions development	28.01.2009
8	Supply Chain Management	Reader device provider	Motorola	Gary Beach, RFID Specialist	29.01.2009
9	Apparel & Brand Protection	System Integrator	5Stat	Larry Chandler, VP Business Development	04.02.2009
10	Apparel & Brand Protection	RFID chip provider	Impinj	Bill Colleran, CEO	05.02.2009
11	Supply Chain Management	End user	Nokia	Jarkko Järvilehto, Manager, Auto ID Solutions	06.02.2009
12	Supply Chain Management	Converter	WS-Packaging	Dave Uland, Senior Business Dev. Manager	16.02.2009
13	Both segments: A&BP, SCM	System Integrator/Software provider	OAT Systems	Dan Ahearn, Director of Business Developm.	18.02.2009

APPENDIX 3: Theme Interview Outline

Image formation background:
Name and position of the interviewee in the company?
How long have You been cooperating with UPM Raflatac?
What is Your relationship with UPM Raflatac?

Sources and formation of strategic brand image:
1. How the brand image has formed?
2. What do You think have been the most important reasons or sources for the brand image formation?

Structure of strategic brand image, content of strategic brand image and strategic brand image associations:
3. When You think of UPM Raflatac RFID brand, what comes to Your mind?
4. How do You see UPM Raflatac? As UPM or RFID part of it?
5. What kinds of associations do You have with the UPM Raflatac brand in general?
6. What would be the strongest associations of UPM Raflatac of all the mentioned?
7. What do You like about the brand?
8. What do You dislike about the brand?
9. What kinds of brand attributes do You associate with the brand?
10. Which similar attributes UPM Raflatac has compared to its competitors?
11. What about different attributes?
12. What kinds of brand benefits do You associate with the brand?
13. How would You describe Your attitude to UPM Raflatac brand?
14. What kinds of brand attachments do You have to the brand?

Strategic functions of strategic brand image:
15. What strategic functions the current brand image of UPM Raflatac can have in Your opinion?
16. What strengths and weaknesses does UPM Raflatac have?
17. How should UPM Raflatac`s brand be ideally?
18. What would be the reasons for choosing some competitor in some situation?
19. Does it affect somehow that UPM Raflatac is a big company (part of the large consolidated corporation UPM) compared to, for example, the competitor Alien that is smaller?

APPENDIX 4: The Logo of UPM Raflatac