European Journal of Marketing, Special Edition: 'Corporate Identity and Corporate Marketing'

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BACKGROUND

This second special edition on 'corporate identity' in the *European Journal of Marketing* was edited by John M. T. Balmer of the Bradford School of Management. It aimed to be a worthy successor to the first that he co-edited with Cees B. M. van Riel in 1997 and to present the cutting-edge of current thinking in the areas of corporate identity, branding, reputation and corporate marketing. Twenty scholars were invited worldwide to form a special editorial board and the special edition itself consisted of 11 articles in total.

REVIEW OF THE ARTICLES

The opening article by John Balmer, 'Corporate identity, corporate branding and corporate marketing: seeing through the fog' (pp. 248–291), provides an extensive review of the conceptual development of identity. Similar to the earlier analogy of the 'Tower of Babel', used by Hatch and Schultz (2000), to describe the terminological confusion in the literature, Balmer uses the word 'fog' to describe the ambiguity that persists in the identity literature, and outlines 15 explanations for the fog. He explores extensively the key concepts of corporate brand, corporate communication, corporate identity, corporate reputation, and organizational identity as elements of a new 'corporate marketing mix.' He then introduces a mnemonic model, HEADS^2 (what the organization Has, Expresses, what Affinities are held by employees, what the organization Does and how the organization is Seen by Stakeholders), to follow his earlier models, the ACID test and the AC^{2}ID test. HEADS^2 is likened to the extended marketing mix, this time for corporate marketing.

The second article, 'Corporate identity and corporate image revisited: a semiotic perspective' is by Lars Thoger Christensen, of the Copenhagen Business School, and Soren Askegaard, of Odense University in Denmark. They apply semiotic thinking to the issue of internal and external perspectives of reputation, in order to understand the complex interplay between identity and image. In their semiotic framework, corporate identity refers to the total sum of sign that stands for an organization, and image refers to an impression created or stimulated by the sign or set of signs. They distinguish between an organization's official self-image, what the organization is really like and its formal profile, its representations. They point to commonalities between the way the two are perceived but refer to other work that sees them as distinct. They claim that any distinctions are becoming blurred. They liken the interplay between identity and image to an ongoing game or negotiation between signs and interpretants in which 'reality' is used as a

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yardstick for evaluation. They argue that it is difficult to judge whether identity determines image or vice versa. Interestingly although their perspective is very different from others in the special edition their conceptualization of linking identity with image is similar to that of other authors.

The third article, on the 'Relationship between personal and corporate reputation' by Denis Bromley of the University of Liverpool explores whether individual differences drawn from human psychology can apply to organizations. If this is true, there are implications concerning the way organizations are perceived by members of internal and external groups. Psychological attributes (e.g., aggressive, determined and imaginative) can describe both personal and corporate entities. Bromley identifies four reasons why organizations can be personified and seen as having psychological attributes: (1) personnel — the behaviour of members of the organization or their self image; (2) anthropomorphism — our natural tendency to attribute human characteristics to inanimate objects; (3) ordinary language — people use human traits as simple labels to describe organizations; and (4) visual identity — logos representing human characteristics or human forms. Bromley points out that the same 'J' distribution of attribute frequency is found in free response data for individual as well as organizational personality, reflecting in the case of an organization the existence of shared views about the organization being frequently mentioned, while individual experiences will naturally have a low response frequency. He likens the development of the study of corporate identity to that of human personality, claiming a historical trend and a shift of emphasis from the study of individual organizations to the study of similarities and differences between organizations.

The fourth article, 'Corporate marketing and service brands: moving beyond the fast moving consumer good model' is by Malcolm McDonald of Cranfield University, Leslie de Chernatony of Birmingham University Business School and Fiona Harris of the Open University. The article provides insightful guidelines as to brands that can be managed successfully in the service sector where corporate branding tends to predominate. The authors first claim that the service brand strength depends on the extent to which a set of perceptions are 'consistent,' 'positive,' and 'shared' by consumers. The roles that employees and consumers play in the delivery and strengthening of corporate service brands are discussed. The authors argue, using examples from the financial services sector, that approaches to marketing defined in the context of product marketing need to be changed if the context is corporate marketing. A key point is that the corporate branding process should be 'bottom up,' in other words it should begin by an analysis of what happens in the interaction between customer-facing staff and customers. The authors defined five factors which staff of a service organization can positively enhance the perception consumers have of service quality: reliability, responsiveness, assurance, empathy, and appearance. A failure to take heed of these factors can have a negative impact on the perceived quality of the service. Employee morale will also influence customer satisfaction with a service business; and staff and customer satisfaction are linked (a key tenet of the Service Profit Chain and associated literatures).

A familiar theme here is that links between the internal and external aspects of corporate brand need to be and are being empirically researched so that we can understand the way in which the two interact.

The fifth article, 'Understanding organizational culture and the implication for corporate marketing' is by Alan M. Wilson of the University of Strathclyde. It follows neatly from the preceding paper by exploring how the actions of service employees can be derived from their beliefs, norms and values which are in turn derived from the organization culture. Recognizing the significant role of culture in the formation of corporate identity, the paper aims to clarify the definition and format of organizational culture, the factors which influence it and finally to answer the argument as to whether culture can be managed and potentially changed.

Wilson points out that staff values and behavior are slow to change, difficult to manage and may differ from department to department. Thus, any attempt to manage the associated phenomena has to be seen as long term and requiring persistence. The links with human resource issues are emphasized, making the point that reputation management is not associated with a single business function. The implication for managers is that corporate marketers need to be more sensitive to the complexity of the values and behavior of staff in the design and execution of corporate communication strategies. Significant changes may be required not only in communication but in recruitment procedure, training, performance measurement and reward systems. In other words, corporate communication personnel need to work together with other departments and functions in generating coherent messages and signals to internal and external stakeholder groups.

The sixth article, 'Development and management of corporate image in South Africa' is by Russell Abratt and Thabisco Nsenki Mofokeng of Witwatersrand University, South Africa. The paper aims to test if the Abratt (1989) model, 'The Corporate Image Management Process' is applicable to practitioners in the area of image management. The model conceives of three processes of corporate image management: the development of a philosophy; the development of related communications objectives; and the way stakeholders' experiences are shaped by the outcome. Ten in-depth interviews with ten organizations in South Africa that had substantially changed their images recently were undertaken. The organizations were from various industry sectors including two electronics multinationals, a financial institution, a retailer, an airline company, a broadcaster, two previously state-owned companies, a trading and construction company, and a fast food franchise. Seventeen questions were developed in order to cover the three propositions derived from the corporate image process model.

Although organizations placed different emphases on the attributes that go into the image-making process, they share the opinion that certain attributes drive the image process: product quality, corporate philosophy, employees, company logo, dress code, advertising campaign, company name, and the attitude of front-line staff. Their list corresponds with the four factors which make companies appear to have a human personality in the earlier paper by Bromley.

If the previous (six) articles focused on the conceptual development of corporate identity, the next three articles involve empirical studies. The seventh article, 'Corporate reputation, trait covariation and the averaging principle: the case of the UK pensions mis-selling scandal' is by Roger Bennett and Helen Gabriel of the London Guildhall University. They present the results of an empirical investigation into whether the attribution by members of the public of an unfavorable reputational trait (e.g., dishonesty) to a company covaries with other traits ascribed to the same enterprise. Additionally, they examine whether people aggregate successive pieces of unfavorable information received about a business to form a continuously worsening impression of it; or whether they mentally average bad news, so that successive adverse items can actually improve the overall impression — provided the later messages are not as damaging as the earlier ones. The study is based on what happened within the UK pensions mis-selling scandal, which generated severe, long-term media criticism of the large UK insurance companies. Hence it analyzes a unique reputational management situation in that the firms involved are subject to continuous and intense scrutiny, protracted and hostile media coverage, periodic public censure by regulatory authorities, and interference in day-to-day management by government agencies.

The research outcomes support the idea that customers 'average' rather than 'aggregate' negative information, suggesting that advertising and other marketing communications designed to counteract bad publicity are usually worthwhile. The more a person knows about the background to an unfortunate ongoing corporate situation, the more probable it is that he or she will average negative information. The authors conclude their article pointing out that the impact of bad news decays over time, that past adverse publicity fades into the background as people become more familiar with the issue, and that customers on the whole balance out rather than aggregate their impressions of errant firms when making final assessments.

The eighth article, 'Cause, effect and benefits of a standardised corporate visual identity system of UK companies operating in Malaysia' is by T. C. Melewar of Warwick Business School, John Saunders of Aston Business School and John Balmer of Bradford School of Management. The article investigates the degree of global standardization of a Corporate Visual Identity System (CVIS) in multinational operations. Their study of UK companies operating in Malaysia seeks to reveal the reasons for developing a standardized CVIS, the behavioral issues associated with CVIS, and the reasons for selecting a graphic design agency. Nine hypotheses are proposed to compare the views of firms using a high degree of CVIS standardization with those who were not. A total of 40 UK companies operating in Malaysia were randomly selected. They included 19 industrial goods, nine consumer goods, and 12 service companies. A questionnaire was developed with mainly closed questions using an 11-point scale (from 0 per cent, 'completely different', to 100 per cent, 'exactly identical', with 10 per cent divisions) and with some open-ended questions.

The findings revealed that multinational corporations in an increasingly competitive environment adopted a standardized CVIS for several reasons, including: aiding the sale of products and services, creating an attractive environment for hiring employees, and increasing the company's status and presence. Other findings show that an interest in global identity was not clearly stimulated by global restructuring, merger or acquisition. The above trends help explain why an increased focus has been accorded to CVIS over the past five years by many UK companies operating in Malaysia. Finally, both UK design agencies and in-house design departments were used in the development of the firms' CVIS.

The ninth article, 'The added value of corporate logos: an empirical study' was by Cees van Riel and Anouschka van den Ban, of Erasmus University, Rotterdam. Their study claims to be one of the first attempts at collecting empirical evidence that seeks to prove that logos have added value in the creation and maintenance of a favorable corporate reputation. The authors assume that the degree to which the organization has a strong set of positive or negative associations and a high familiarity will have an impact on the nature of the perception people attach to the symbol. The evaluations by potential customers of a new logo for a Dutch bank were measured in two studies before (Study A) and after (Study B) the introduction, comparing perceptions of the new logo with the observations of the logos of two competitors. Values associated with the logos are assessed by four dimensions: graphical association; referential association; appropriateness of the logo for the company; and fit between external perceptions and organizational intentions.

The study indicates that the set of associations they have with the logo appeared to increase if respondents were confronted with the name of the company behind the new logo. After the launch of the new logo, embedded within a nationwide advertising campaign, the positive associations increased and the negative evaluations decreased. The majority of interviewees were able to make the associations that matched what the bank wanted to express with its new corporate symbol. The findings imply that the integrated (or orchestrated) marketing communication approach to employees' behavior and symbols (e.g., logos) is important, and the authors have provided the theoretical and empirical evidence that especially corporate logos can have added value for a company's reputation.

The previous article concerned the fit between the desired meaning of a logo intended by the organization and the perception of the external audiences. The next article, 'Corporate branding and corporate brand performance' by Fiona Harris of the Open University and Leslie de Chernatony of Birmingham Business School, explores the fit between brand identity and reputation, paying greater attention to the role of employees in the brand-building process. The authors start with a previous conceptual model (de Chernatony 1999), for managing a brand through narrowing the gaps between a brand's 'identity' and its 'reputation.' Here, brand identity is defined as having six components — vision and culture; positioning; personality relationships; actual and aspirational self-images — whereas brand reputation is defined as the collective representation of a brand's past actions and results that describe the brand's ability to deliver valued outcomes to multiple stakeholders. Building on the idea of narrowing the gaps between brand identity and reputation, the authors identify three key factors that affect brand perceptions and brand performance: the similarity of brand team members, shared values, and communications. In other words, team members with similar characteristics are more likely to have similar experiences and perspectives, shared values, and communicate easily. Finally, the authors suggest how to facilitate greater congruence of brand perceptions within the brand team and the communication of a brand's identity to employees.

Customers and employees can also be linked using corporate citizenship as a marketing tool. The tenth article, 'Corporate citizenship as a marketing instrument: concepts, evidence and research directions' is by Isabelle Maigan of the University of Groningen in the Netherlands and O. C. Ferrell of the Colorado State University, USA. They discuss the potential of corporate citizenship as a strategic tool for both consumer marketing and internal marketing. The paper first clarifies the definition of corporate citizenship. The proposed definition incorporates the traditional focus on social performance into stakeholder management frameworks. Second, the authors suggest corporate citizenship may be a way to market the organization to its consumers and introduce a conceptual framework for corporate citizenship as a consumer marketing device. Their model proposes three possible consumer consequences of corporate citizenship: positive product evaluations, loyalty levels, and word of mouth. Finally, the authors suggest corporate citizenship may be a way to market the organization to its employees and introduce a conceptual framework for corporate citizenship as internal marketing. The model proposes that the employees' positive evaluation of their firm's citizenship will impact positively on organizational commitment and *esprit de corp*. Their models imply that the accuracy and congruence of internal and external citizen communications are likely to influence employee's evaluation of their firms' commitment to citizenship.

Last, Wally Olins, the co-founder of Wolff Olins, writes an Executive viewpoint about 'Global companies: the inexorable rise of the corporate state?', an extract of the Second Lord Goold Memorial Lecture that he delivered at Templeton College, Oxford University in 1999. Previously international companies had clear national roots. Recent developments have seen the rise of organizations such as Daimler-Chrysler that have no such clear origins. Olins expects that this will complicate the emergence of a clear identity within such organizations. He accuses such companies of spending less time on internal matters than on promoting, external, international brands. He speculates on what would be the identity of companies with specific combinations of national heritages. He likens the modern multinational to a state and claims that such entities are now more public property than companies that belong to shareholders.

The conceptual development of identity and related areas have benefited from the relevant conferences where academics and practitioners from the relevant area have regularly discussed. The special edition concludes with two conference reports, from the 5th International Corporate Identity Symposium (June 1998) and the 3rd International Conference on Corporate Reputation, Image and Competitiveness (Puerto Rico, January 1999). Reports from more recent conferences would have been a useful addition.

TRENDS: WHERE ARE WE GOING?

In order to assess the theoretical and methodological trends in the study of corporate identity, the content of the 1997 special edition (vol. 31 no 5/6, Guest editors: John M. T. Balmer and Cees B. M. van Riel) and the 2001 special edition (vol. 35 no. 3/4, Guest editor: John M. T. Balmer) of the *European Journal of Marketing* are compared. The assessment involves two content analyses: the first compares the frequency of key words from each article in the two editions, and the second uses the 'article type' classification of the *Emerald* search engine.

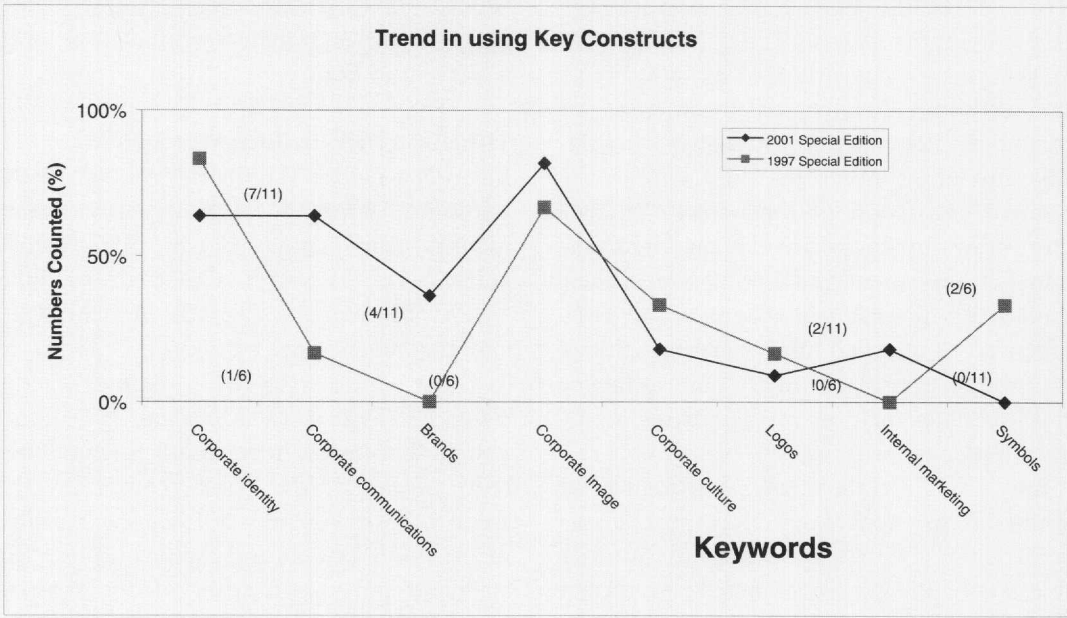
Theoretical Trends

First, the frequency of use of key words in each edition was counted. Any key words appearing only once in either special edition were excluded. These included key words from the 2001 edition that indicated the recent papers were drawn from a more international context (international marketing, South Africa, Malaysia) and/or had more focus on the financial services sector (pensions, banks).

Figure 1 compares the frequency of the main key words used to describe the papers in the two special editions, expressed as a percentage of the papers in each. The later edition had 11 papers, the former, six.

The most notable trend in the 2001 special edition is the emphasis on the role of employees, and the interplay between the internal and external perception of an organization. The interplay between image and identity is regarded as critical in the successful management of corporate brands or reputation in corporate marketing or semiotic frameworks. Hence, the importance of integrated internal and external

Figure 1: *Comparison of content analysis of the key words in two special issues*



communication has been given great emphasis in a majority of the papers. The trend is supported by the increasing use of the two key words, 'corporate communication' and 'brands' (see Figure 1).

The key words 'corporate communication' appeared in only one of the six articles in the 1997 edition but in seven of the 11 articles in 2001. The next but associated trend is the link between the employees' behavior or perception to the external perception, for example that employee satisfaction impacts on customer satisfaction, and desired values impact on external perceptions. 'Internal marketing' appears as a key word only in the 2001 edition whereas 'symbolic management' (or organizational symbols) appears only in the 1997 edition (see Figure 1). The key constructs of 'corporate identity', 'corporate image' and 'corporate culture' appear with similar frequency in both editions.

From reading the individual papers another theoretical trend, which can be overlooked from the content analysis, is the growing popularity of ideas of personifying organizations within research into identity and reputation.

Methodological Trends

'Emerald', one of the article search engines, was used to identify any methodological trends. Emerald classifies articles by their 'type', for example, literature review, survey, wholly theoretical. The 11 articles in the 2001 edition are mainly categorized as 'reviews of existing literature' (seven articles including one 'literature with case study') or wholly theoretical (one article), while three articles involved empirical study using 'closed or/and opened ended' survey methods. On the other hand, six articles in the 1997 edition involved comparative/evaluators, wholly theoretical or theoretical with application in practice (three articles), one case study and only one survey. The differences indicated an increasing number of empirical studies. One must admit that European journals (e.g., the *European Journal of Marketing*) tend to be more conceptual and interdisciplinary in nature compared to their American equivalents (e.g., *Journal of Marketing* or *Journal of Marketing Research*) which are dominated by empirical studies. Both special editions of corporate identity contain more theoretical papers than in typical issues of *EJM*. The apparent trend towards more empirical studies may be essential in the future to attract the practitioner audience.

CONCLUSION

Although there is still a lack of agreed definitions and terminology in the area, the papers, collectively, present a clear overview of the stage the relevant subject area had reached at the start of a new millennium. They identify a number of challenges. One such is the link from the internal stakeholders' view to the external stakeholders' view of a corporate identity/reputation. Many papers saw these as interlinked or assumed they were emphasizing the importance of a holistic approach to corporate communication. Some empirical evidence was presented, often single case study based. It is to be hoped that the next special edition will demonstrate that the subject area has moved on from conceptualizing to developing an understanding of the relationships between key variables that has been tested empirically.

In conclusion, I would like to recommend the special edition as beneficial for any researchers and managers who are new to the area, or who are experts but looking for new and insightful ideas. The papers reflect a wide cross-section of views and approaches. There is something here for everyone!

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Pieter Beljon MCC (1960) is Director of Communications and External Affairs of the Netherlands Police Knowledge and Education Centre. He was responsible for communications in the National Police Project Euro 2000 and head of communications of the bi-national police intelligence centre during Euro 2000. He started his career as a police-officer. After being communications adviser within the police he became head of communications for the Christian Democrats in the Dutch Parliament and was communications manager at DSM, a Dutch-based chemical company.

Dr Roger Bennett is a Reader in the Department of Business Studies at London Guildhall University. His current research interests concern the marketing communications of nonprofit organizations, image building, city marketing, and the impact of organizational values on corporate reputation. Roger's career has included ten years in management consultancy plus periods in the mining and metallurgical industries and with a leading UK commercial bank. He is the author of many books and a large number of journal articles on various aspects of marketing and business management. Roger is the managing editor of the *Marketing and Logistics Research Register* and serves on the editorial boards of the *Journal of Marketing Communications* and the *International Marketing Review*. In 2002 he will guest edit a special issue of the *International Journal of Nonprofit and Voluntary Sector Marketing* devoted to Arts and Cultural Marketing.

Marc Campman MCC started his career 20 years ago at IBM Netherlands as a salesman. In 1986 he joined Unisys as a marketing manager and started working internationally in 1989. He has lived in the UK and the USA (Silicon Valley), where he worked as business development manager for workstations and PCs. He moved back to the Netherlands in 1995 and became Director of Marketing at Logica plc organization. Last year he took his marketing experience into the Logica Mobile Networks organization, one of the fastest growing parts of the company, to develop Logica's global brand in the mobile internet and third generation telecoms networks.

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