Fashion Accelerator in Milan

Corporate Image Building
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Corporate Image Building

Agenda:
Part 1 - some theory…
• The concept
• The elements (nature and scope)
• The formation process
• The strategic management of corporate image

Part 2 - real life..
• Case studies from Denmark by Stupid Studios
  1. Your turn… time to work hands-on..
Every corporation has an image - whether it does anything about it or not.

It is formed on the stakeholder's perception of specific company actions, as well as associated industry and country issues:

**BP Oil Spill Update: Growing Concern on 27,000 Abandoned Wells in Gulf of Mexico**

July 4th, 2010
Camee Gabriel Sindagen.

Digital Building Mapping
Visual Building Mapping for Emergency Preparedness
www.dcbuildingsurvey.com

BP Oil Spill Update: There is a growing concern among environmental groups on the status of more than 27,000 supposedly abandoned oil and gas wells in the Gulf of Mexico - right where the BP oil spill disaster is taking place.

As oil spill containment efforts are taking place, the Associated Press came out with a report that more than 27,000 abandoned oil and gas wells litter the ocean floor in the Gulf of Mexico.

Right after the AP report came out, calls have been made for the government to look into what the AP calls "an environmental minefield that has been ignored for decades."

-versus-

www.bp.com
The Concept - Introduction

The image influences stakeholders’ reactions to specific corporate actions, products or stores. For example a consumer/shareholder (stakeholder) puts a personal and social meaning in addition to it’s functional utility.

Example: BP share price drop (source: www.marketoracle.co.uk)
The Concept - Introduction

As consequence it is a must to be concerned with the psychological overtones and impact on consumer attitudes of the company’s brands. Further it is important to be concerned how these factors effect the company itself. Studies have revealed that there exists a strong correlation between peoples’ perception and their attitude towards a company.

*Definition:*
Corporate images are selectively perceived mental pictures of an organization. The sum total of these perceived characteristics of the corporation is what we refer to as the “corporate image”.

*(Zinkhan, Ganesh, Jaju, Hayes)*
The Elements - Nature

Corporate images is an overall perception of the company held by different segments of the public (Villanova, Zinkhan and Hyman, 1990). At the same time a company will have more than one image depending on the nature of the interaction with the different groups. People tend to ‘humanize’ companies, and to give them attributes such as ‘caring’, ‘friendly’ and ‘ruthless’, for example. The most important groups are the stakeholders:

- **Stockholders:** who have invested in the company
- **Board of Directors:** who manage the company
- **Employees:** who is in middle management and below
- **Suppliers:** who supplies any kinds of materials and services (banks)
- **Channel members:** who are involved in the distribution network
- **Customers:** who purchase the company’s products and/or services
- **Community:** who asses the company’s role as corporate citizen
The Elements - Scope

Since a corporation’s image affects stakeholders’ behaviour, companies strive to develop and manage it for the various reasons:

- stimulating sales
- establishing company goodwill
- creating an identity for employees
- influencing investors and financial institutions
- promoting favourable relations with the community, government and opinion leaders
- achieving a competitive position

Good Examples:

Abercrombie & Fitch, Apple and Pandora have understood their stakeholders’ needs, perceptions and expectations. The result is a projected effective corporate image.
How is Corporate Image formed?

Step 1: Influence and manage corporate image

The internal controllable sphere can be used to influence the stakeholders’ image of the organization. The external factors, however can also be indirectly manipulated...

...let’s see how!
How is Corporate Image formed?

Steps to follow: Forming a corporate image on the *internal sphere* through the *six* major sources:

1. **Corporate Identity** this is the so-called “ideal” self-image. It is how a company chooses to identify itself to the public, how it projects itself to the public.
How is Corporate Image formed?

Steps to follow:

2. Corporate Advertising Communicating the organization’s identity in the way that the achievement of company’s goals is facilitated. This is a management responsibility. Institutional advertising generates awareness and goodwill of a company behind a product or service.
How is Corporate Image formed?

Steps to follow:

3. Brand Image Why is Brand A more successful than Brand B? Brand image plays an important role to the success of a product. It consists of functional, symbolic and experiential aspects. This is when there is a significant interaction between brand and corporate image.
How is Corporate Image formed?

Steps to follow:

4. Public Relations A means to build up a general reservoir of goodwill. These can be for example sponsoring local events and contributing to charities, which can project an image of “good corporate citizenship”.

5. Frontline Employees Behaviour Contact with frontline employees of a company serves to form an impression about that company, e.g. the courtesy and knowledge of the telephone receptionist. Vice versa the the behaviour of these employees is influenced by the corporate culture (“the pattern of shared values and beliefs…”) and climate within the organization.

6. Websites Internet is a potential means of communication to all their stakeholders. It is part of an integrated marketing communications concept. The help stakeholders gather information, form perceptions, and more than that gives them the possibility to directly respond back. Further websites enable organizations to recreate and reposition themselves to meet the demands of the market place.
How is Corporate Image formed?

Steps to follow: Information received second-hand through personal experience of friends and colleagues can influence a stakeholders’ image of a corporation. For forming a corporate image on the external sphere there are four major sources:

1. **Industry image** The general image of an industry can have an impact on the one of a company. Think of the insurance industry versus the real estate industry, for example. Thus, it is always a managerial issue whether the image of the industry is positive or negative.

2. **Country-of-Origin Image**

3. **Press Reports** Press releases are controlled by a company. Press reports are done by any and all others. People tend to sharpen their idea about a company through the broad variety of news items.

4. **Word-of-mouth** Tends to be highly persuasive and credible and can significantly influence the image a stakeholder forms towards a given company.
The strategic management

A company needs to develop a clear image that reflects its mission and goals. It should leave little room for stakeholders interpretation:
The strategic management

What should you do?

The desired image should be defined and planned as precisely and carefully as other marketing Variables.

Step 1: Make an in-depth analysis of the existing company image (questionnaires)
Step 2: Create an image campaign that is consistent, carrying the same theme, supporting the same message
Step 3: Ensure that the campaign is getting through to the stakeholders
Step 4: Since perception is not necessarily reality, get regular feedback

Keep in mind:

- You need to know your stakeholders: their needs, wants and the extent of their interaction, before you start a campaign. That ensures you’ll get it right.
- Developing an effective corporate image is recognizing that different stakeholders may consider different firm attributes important ("caring"-consumer-stockholder)
Approaches to image management

With the previous said, there are at least four strategies for developing a corporate image:

1. Single image focusing on one attribute important to all stakeholders
2. Single image focusing on most important stakeholders
3. Single image that combines two or more attributes
4. Multiple images directed at different stakeholder groups

Ad 1:

Ad 2:

Ad 3:
Questions?
Part 2. Real life.

Moving a corporate image.
Three case studies from Stupid Studios in Denmark…
Case 1 - francka.dk

Franck A

Stupid has been working with the restaurant Franck A, for more than 5 years. Starting off with a simple flyer for a music event, things have evolved, and today we produce everything from beer labels, websites, menus, motion graphics and posters for their different events. Today we function as their creative team and communication consultants on both print and online media.

The design is kept strict and classic to match the 75 year old restaurants history, and at the same time to stay timeless in its look, the red color from the roof, the square shape and the classic choice of type.

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Case 2 - filmfestival.dk

ODENSE INTERNATIONAL FILM FESTIVAL

Odense International Film Festival is a fantastic event, that we are very proud to have been a part of.

The festival turned 24 this year and wanted to revitalise themselves with a new fresh programme and an updated visual profile.

Stupid Studio created their new communication platform along with a completely redesigned visual identity. The project spanned from creating the Festival Programme to animation of the festival trailer and design of outdoor materials.

PROJECT FACTS

Check out their website.

The next festival will take place August 23rd - 28th 2010

It will be visited by Industry people from all over the world, and more than 10,000 people will watch a film during the festival.
Case 2 - filmfestival.dk/2010_2009
Case 2 - filmfestival.dk/2003
Case 3 - royalbeer.intention

Daniel Gjøde, Stupid Studios:

„They did all the traditional P.O.S and printed ads... And had been running a campaign on TV that conceptually never really became clear... Actually they approached us with that problem, that they thought their brand was misunderstood and they wanted to target a younger audience...

Carlsberg is known for their ads towards the fashionable, hip and urban guy, who is very fashionable yet very boyish and playful (slick, would be a negative word for this kind of guy)...
And Royal Beer really wanted to target the more casual and relaxed rock'n'roll dude in jeans, a workers shirt and a more settled approach to life (I think Hugo Boss and Diesel vs. Carrhart / American Apparal is a good comparison... ).

Their website had 120 monthly visits before we teamed up with them. Now after 8 months, it's had 110.000 unique visits, more than 660 bands have signed up, users have watched and listened to content more than 100.000 minutes and 12.000 people have joined competitions on the site... Furthermore the concept has been deployed at music festival, concerts, with sponsors and so on... So I believe it's a new way of engaging users, involving sponsors... just by making stuff relevant (Let's face it: Beer is almost a commodity :-))“
Case 3 - royalbeer.tv

ROYAL BEER TV

RoyalBeer is Denmark’s new portal for upcoming rock music. Made by Stupid Studio for Royal Beer, with a goal to create a combined campaign-oriented and long term brand channel solution. It was launched March 14th, 2010.

The first campaign is Talk Rock! (Thank you, rock!) - a rock contest with one of Denmark’s biggest rock bands, Kashmir.

After just 3 months it’s become the biggest rock contest in Denmark with more than 700 bands participating, 340+ band videos and 900+ songs uploaded. Over 60,000 visits the site every month and view over 35.000 minutes of video & music. And this is just the beginning.

Visit the site right here

CREDITS

Concept, Design, Photography and Edit: Stupid Studio
Sound Design: Ben Lukas Boyen/HECQ
Golden Hand: Klara Swantesson
Commissioned by: Royal Beer

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Questions?
Your turn...

....groupwork...