HOW TO STRATEGICALLY BUILD A BRAND FOR

A SMALL – MEDIUM SIZED ENTERPRISE:

A CASE STUDY OF ADVERTISING

AGENCIES

by

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ABSTRACT

This thesis examined the importance of branding, specifically for small – medium sized enterprises (SMEs). For the purposes of this thesis, five local advertising agencies were interviewed in order to gain a better understanding of how SMEs can successfully brand their corporation. These interviews focused on the agencies and how they have developed their personal brand, as well as, how they would develop the brand of their clients. From every question asked throughout the interviews, there were one or two key takeaways that can help an SME when it comes to branding their company. Each key takeaway – the why and the where, consistency, integration of the vision, knowing when to make a change, finding the gap, and important things to remember – is derived from a common theme in the answers given by the executives interviewed. Even though it may be harder for SMEs to survive in the marketplace (Rode and Vallaster, 2005) if they utilize these key takeaways they will be able to build a stronger brand and will be more likely to survive.

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<u>INTRODUCTION</u>

Building a strong brand is essential to being a successful company in today's marketplace. Brands give corporations that ability to differentiate from the competition, build awareness, create reputation, and develop prominence (Keller, 2007). Companies can be prosperous in these four areas if they are able to connect to customers emotionally or elicit specific responses from their customers (De Chernantony, 2001). In order to do this, corporations must bring their brand to life through constructing its reputation and giving it personality (Cohen, Fiegenbaum, and Goldberg, 2003). Brand marketing is not an easy thing for corporations to do; however, through the use of literature, brand managers, and advertising agencies companies have found a way to strategically build their brands.

Even though companies have found a way to develop their brand, there is a difference in how this process takes place for a small to medium sized enterprise (SME) compared to a larger corporations. An SME can be defined as a corporation that employs 250 or fewer employees (Ayyagari, Beck, and Demirguc-Kunt, 2007). SMEs are at a clear disadvantage in the marketplace because it is proven that size directly affects survival, and therefore smaller companies are less likely to survive than larger firms (Laney, 2010). This means that it is even more important for SMEs to build a strong, recognizable brand to the public. However, with fewer resources than larger corporations branding proves to be challenging for smaller companies (Inskip, 2004).

This thesis examines how an SME with limited resources and capabilities can build a strong brand. In order to do this, the concept of branding must be defined and understood. Once this base knowledge has been built the thesis examines the significance

of branding and other already existing models. After examining the idea of branding, the thesis develops a clear understanding of an SME, and what branding for an SME will look like. Through the use of interviews and case studies, the thesis will culminate in a blueprint that SMEs can follow to build their brand.

<div align="center">REVIEW OF LITERATURE</div>

This section will examine the definition of an SME in order to gain a better understanding of the companies that fit into this category. From there the term branding will be defined. This will explore the ways in which the definition of branding has evolved, as well as, ways to brand a corporation. Finally, the importance of branding for SMEs will be examined.

<div align="center">**Small – Medium Sized Enterprises: A Definition**</div>

An SME is most commonly defined as a company employing 250 or less employees. However, this definition may differ depending on the country, the government organization, or the corporation that is defining what an SME is. It may be based on several different criteria including: size of corporation, sales volume, profit, number of employees, or total net assets (Ayyagari et al., 2007). SMEs account for more than two thirds of all corporations in the world, proving they are a crucial portion of the economy and cannot be ignored (Buculescu, 2013).

The reason SMEs are not uniformly defined is because of the "diversity and richness of the characteristics of SMEs, political strategies, and economic conditions" (Buculescu, 2013, p.105). However, SMEs can be defined using either quantitative or qualitative data, or both. There are three commonly used quantitative measures: number of employees, turnover, and total balance sheet. Frequently used qualitative definitions

include defining an SME based on independent ownership, relative size of the organization, and non-dominant market share (Buculescu, 2013). However, because qualitative data is more subjective than quantitative data, most organizations use quantitative data to define SMEs.

Number of employees is most commonly used because it is typically disclosed by all companies, it is comparable, and it is not susceptible to inflation (Beck, Demirguc-Kunt, and Levine, 2005). However, number of employees may not be a strong measure because it does not reflect the "real picture" of an organization and it falsely implies that a corporation only needs to have a large number of employees to be considered bigger (Buculescu, 2013).

Turnover can be defined as how fast a corporation turns inventory into revenue. This is used to compare SMEs because it is typically easy to find and to extrapolate. The main issue with turnover is that it is hard to compare turnover rates of companies in different industries. Therefore, the type of economic activity a company participates in must be taken into consideration when using turnover as a measurement criteria (Buculescu, 2013).

The last measurement, total balance sheet, is the most widely criticized of the three measurements. This is largely due to the fact that every company will present different information in their balance sheet and this information is harder to find (Buculescu, 2013). Because of this it is hard to compare corporations based on their total balance sheet.

For this thesis the focus will be on defining SMEs based in terms of total employment as opposed to other definitions because it is more commonly used in

academic literature. By using the definition of an SME as an organization employing 250 or fewer employees, it will provide a consistent measure of firm size across organizations (Beck et al., 2005).

Branding: A Definition

The American Marketing Association defines a brand as a "name, term, sign, symbol, or design, or a combination of them, intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competition" (Keller, 2007, p.2). However, a brand can not be defined as just a name, symbol or sign (Bonevac and Jones, 2013). The textbook Strategic Brand Management by Keller describes branding as "more than that – as something that has actually created a certain amount of awareness, reputation, prominence, and so in the marketplace" (Keller, 2007, p.2). Keller would describe the definition given by the AMA as the small "b" in brand but he says that a true brand will create a big "B" in brand. It will create something more and something that individuals can connect with (Keller, 2007).

A brand can also be described as a definition itself. Bonevac and Jones (2013) state that "a brand is a definition of a particular company or product" (p. 117). They explain their definition by describing how the definition of words and terms give meaning to those words and terms. In the same sense, brand give meaning to logos, names, etc. The authors even go a step further to say that well defined brands have the ability to "convey promises, images, personalities, status, emotional characteristics and subjective qualities" (Bonevac and Jones, 2013, p.117). With a market full of differing brand definitions, this description of branding treats brands as definitions themselves in order to find a way to encompass the wide variety of branding definitions.

Bergstrom, Blumenthal, and Crothers (2002) take the definition of branding even further in their article. They define branding as "the sum total of all perceived functional and emotional aspects of a product or service" (Bergstrom, Blumenthal, and Crothers, 2002, p. 133). The difference in definition is due to the emotional aspect that a brand creates. If a brand is well established it will build a connection with customers that cannot be built simply by the product, service, logo, or name (Keller, 2007).

As mentioned above, brands become significant to companies once consumers begin to build emotional attachments to the brands, once they begin to identify with the brands, and when the brands begin to take on a special meaning to the consumer (Keller, 2007). In todays society consumers are beginning to create emotional bonds with brands. In order to capitalize on the importance a brand can have you need to connect to customers emotionally or elicit a specific response from customers (De Chernantony, 2001). For brands to elicit these types of responses they must build a reputation in the minds of the consumers (Cohen et al., 2003). A corporation builds a brand based on the reputation that it wants the public to perceive.

Branding a corporation can even be described as building a personality. The reputation the brand builds with the public turns into the company's personality. This personality takes time and attention and "above all it is concerned with giving an organization a clear and publicly stated sense of what it stands for" (Inskip, 2004). This personality is what consumers connect with emotionally, this is what they buy, and this gives the corporation added value (Inskip, 2004). Brand personality helps to induce emotions within consumers; it boosts consumer preference and usage, and has a positive relationship with levels of loyalty and trust (Ananthi, Binith, Geetha, and Venkateswaran,

2011). There are five commonly used dimensions of brand personality: sincerity, excitement, competence, sophistication, and ruggedness. All five dimensions capture different perceptions from consumers: with sincerity consumers perceive the brand to be honest, with excitement brands can be perceived as adventurous, with competence brands are perceived a reliable, with sophistication brands are viewed as charming, and with ruggedness brands are perceived as sharp (Ananthi et al., 2011). These five dimensions are used to help define a corporations brand and help to elicit consumer preference & positive relationships.

There are two key factors that help consumers understand the relevance of brands. One of these factors is *categorization*. Having a strong brand allows a company, product, or service to be a category leader or exemplar. The reason this is so important is because "people often lack the motivation and sometimes the ability to conduct a detailed analysis of an object's suitability to be classified as a member of a category or subcategory" (Aaker, 2011, p.15). So, to be the exemplar immediately gives the product or service an advantage. Another factor is *screening*: which is when a consumer is determining what to buy they are also deciding whether or not a particular brand should be considered. Having a strong brand can help aid corporations to win in both of these categories. This proves to corporations that building a well-recognized brand is important for revenue, perception, and decision-making (Aaker, 2011).

The significance of the brand becomes important depending on how the brand is strategically built. Branding is not an easy thing for marketers to do. There is a strategic process to brand marketing, and this process will give a vision to the brand (De Chernatony, 2001). The beginning of a brand starts with a strong vision that must then be

integrated through all marketing efforts. The vision will look to the future and will have a

purpose. From there the brand needs to be implemented throughout the company, for the

product or the service. This process can take a long time and has to be specific to the

company, product, or service (De Chernatony, 2001).

Table 1: Branding Models	
Author(s)	**Primary Variables**
Leslie De Chernatony	Brand vision & organizational culture
Tudor Edu & Negricea	The key characteristics of a brand: unique, important, communicable, understandable, remembered, and sustainable
Alan Bergstrom, Dannielle Blumenthal, & Scott Crothers	The 5 C's: clarity, commitment, communication, culture, and compensation

In order to help companies through the process of developing their brand, models

have been created by several different authors; however many of these models are catered

towards large corporations. The three models explored in this thesis (see table 1) stress

the importance of starting with the brand vision, however, the models differ in the next

steps corporations should take when branding their company. The first model examined

by Leslie De Chernatony (2001) starts with the brand vision but then moves to the

organization culture. De Chernatony (2001) believes that the brand must start internally

in order to project correctly externally. All employees, from management to low-level

employees, must support and project the envisioned brand. From there the company must

set brand objectives, the key things that the brand should promote to all consumers. Then

they must audit any external force that may interfere with the brand vision. All of these

steps will then help to define the brand essence, or the one sentence that can sum up the

entirety of the brand to the public. Finally they must internally implement the brand so it

is championed by all internal stakeholders. De Chernatony (2001) built her model on the

idea that internal stakeholders are the most important part of successfully

building a brand.

The model created by Edu and Negricea (2012) believes that all brands must have distinct characteristics and these characteristics will enable the company to build a strong brand. The characteristics being unique, important to the consumer, communicable, easily understood and remembered, and sustained by the company. These five characteristics will enable a corporation to enrich its brand and create a unique position in the consumers mind (Edu and Negricea, 2012).

Bergstrom, Blumenthal, and Crothers (2002) created a model based off of their case study of Saab. Their model focuses on the "5 C's:" clarity, commitment, communication, culture, and compensation. Clarity is focused on building a strong message that the company wants to send to its consumers. Then the corporation must focus on building a consensus around the brand which is all about commitment from the internal and external stakeholders. The brand is then dependent on clear communication to consumers. After building clear communication, a culture will form around the brand enabling the brand to grow. Then to keep the brand growing the authors believe that the corporation must continue to adequately compensate its workers so they are brand leaders.

The writings on different branding models is quiet extensive. Every author adds different steps in the process or adds a different view point. However, this literature is geared towards large corporations. This leaves a gap in the literature for models dealing with small to medium sized enterprises (SMEs). These models can be applied to SMEs in certain instances but may not be applicable in other scenarios.

Branding for Small to Medium Sized Enterprises:

It is imperative to understand small to medium sized enterprises in order to comprehend how SMEs can brand themselves. SMEs are defined as having 250 or fewer employees. Having 250 or fewer employees can be a disadvantage because firm size affects survival, and it is proven that smaller firms are less likely to survive than larger firms (Laney, 2010). The question then can be posed that if a firm is struggling to survive, how is it going to brand itself? And will branding the SME enable its ability to survive?

The biggest difficulty for SMEs is that they lack the essential resources in order to better brand themselves to the public. They are at a clear disadvantage compared to larger corporations. A major barrier for SMEs is their lack of essential finances. Without the proper finances this hinders the ability of the SME to aggressively compete in the competitive market place (Khawaja and Rao Gundala, 2014). Cohen, Fiegenbaum, and Goldberg (2003) explore the idea that "A newly founded small business suffers from the 'liability of newness.' [Which is] being unable to provide clear evidence of its ability to compete against more established firms" (p. 169).

With a lack of resources SMEs have a number of challenges in trying to differentiate themselves from the competition. This differentiation must happen fast, "The opportunity to enter a market and to position the venture in the competitive environment exists only within a relatively short 'window of opportunity'" (Rode and Vallaster, 2005, p. 124). If this "window of opportunity" is not taken the corporation will have an unstructured image to the public. This will cause both the corporation and the public to struggle with how to define the company (Rode and Vallaster, 2005). It is

important to remember that SMEs have only a few weeks, to create a brand and portray this brand to the public (Inskip, 2004). If SMEs do not capitalize on these first few weeks they will disappear in the market and will put their future success at risk (Rode and Vallaster, 2005). This narrows the window of opportunity significantly and makes it difficult for SMEs to create a brand with the few resources they have.

SMEs also struggle because they don't know *how* to brand themselves. Many of the models designed to help corporations brand themselves are aimed at large corporations. Rode and Vallaster (2005) prove this by exploring the idea that "entrepreneurs [have] indicated having a vague idea about where to go with their company" (p. 125). A large part of this is that SMEs lack the resources to find key consumer insights. They are unable to find who their target is and how to reach their target.

The article written by Inskip (2004) stresses that there is a common misconception that SMEs know what they want to say about their company but they just don't know how to say it. However, SMEs have difficulty figuring out what they want to say about their company, and do not know how to frame what they want to say. This misconception leaves SMEs without the proper support in order to try to figure out their corporate brand. Inskip (2004) states "it becomes clear that small to medium-sized enterprises are often unable to access branding help" (p. 363). Help is exactly what SMEs need in order to properly define their brand.

<u>METHODOLOGY</u>

For the research five different case interviews with local advertising agencies were conducted. In order to get a better understanding of what a brand is and why brands

are essential for SMEs, advertising agencies were interviewed because they develop and work with brands on a daily basis. The interview questions were based on how the agency personally developed its own brand and how agencies develop the brand of its clients. The following agencies participated in the study: Schaefer Advertising Co., Performance Media Group (PMG), J.O., ICUC Moderation Services (ICUC), and Balcom Agency.

Sample

Table 2: Interview Sample		
Agencies	**Person Interviewed**	**Position**
ICUC	Ray White	Chief Performance Officer - Global
Schaefer Advertising Co.	Bailey Lang	Account Manager
Balcom Agency	Eric Shulman	Account Coordinator & Media Specialist
J.O.	Liz Heck	Director of Strategic Development
	Melissa Warner	Public Relations Account Executive
	Darcy Koch	Public Relations Account Executive
PMG	Pam Buyers	Director of Operations
	Price Glomski	Executive Vice President of Innovation
	Natalee Cecil	Brand Manager

Schaefer Advertising Co.

Schaefer Advertising Co. is classified as a small agency with about 20 employees located in Fort Worth, TX. Schaefer Advertising prides itself in hiring individuals that are diverse thinkers and doers. They feel their employees help to achieve their main objective as an agency, which is providing powerful strategy to their clients. At Schaefer Advertising Bailey Lang was interviewed, she is an account manager over five to six accounts primarily in the heath services industry.

Performance Media Group (PMG)

PMG is an advertising agency that has been in existence about four years and has around 50-75 current employees. PMG employs a diverse group of employees that have helped to make PMG an award-winning agency in digital marketing campaigns. PMG continues to strive to empower its clients to be innovative and creative with their digital marketing tactics. At PMG Pam Buyers the Director of Operations, Price Glomski the Executive Vice President of Innovation, and Natalee Cecil the Brand Manager were all interviewed.

ICUC Moderation Services (ICUC)

ICUC is a new agency that is connected to a local digital advertising agency in Fort Worth, iProspect. ICUC was recently became a member of the Dentsu Aegis Network. ICUC prides itself in being a global leader in "online content and community moderation services." As an agency ICUC works to make its clients life easier by managing social media and online communities. At ICUC Ray White the Chief Performance Officer Global was interviewed.

J.O.

J.O. is a full-service agency that was founded in 1998. The agency works with clients on advertising, design, marketing and public relations. With 12-15 employees the agency works to tell the story of their clients and often takes on non-profit organizations as their clients. The employees interviewed as J.O. include: Liz Heck the Director of Strategic Development, Darcy Koch a Public Relations Account Executive, and Melissa Warner a Public Relations Account Executive.

Balcom Agency

Balcom is the largest advertising agency in Fort Worth, TX. This agency prides itself in representing a wide variety of clients across the United States. They provide several services to their clients including interactive, branding, media, social media, and public relations. Through these avenues Balcom is able to "Make good things happen" for their clients across the country. At Balcom Eric Shulman was interviewed. Shulman is an account coordinator and a media specialist.

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Process

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Over the period of several weeks I conducted five different interview with the agencies listed above. The interviews conducted with PMG, Schaefer, and J.O. were all conducted face-to-face. All three interviews were at each respective agency. This was done to help further understand the identity of each respective brand. The interview conducted with ICUC was over-the-phone. All five interviews were structured around seven of the same questions. The questions asked included: 1) Please explain your role at your advertising agency, 2) How does your agency think through developing its brand, 3) Do you feel your agency has a brand image and if so please explain your agencies image, 4) What do you think your brand stands for, 5) How did your brand become what it is today, 6) How does your agency differentiate from other agencies, and 7) If a small – medium sized enterprise came to your agency and wanted to develop its brand how would you help them through that process? The seven questions helped to guide every interview; however, every interview flowed conversationally and different questions came up in every interview.

<u>FINDINGS</u>

Every interview started with a very basic introductory question. This question allowed the respondents to explain their role with their respective agency. All of the executives interviewed held very different positions, giving them distinct and different views of their organizations brand.

How does your agency think through developing their brand?

Agencies work with the brands of their clients every day and they have to be able to sell their own brand to new clients every day. Therefore, agencies have a deeper understanding of exactly what goes into the development of brands. For this question every agency had different responses; however, a common thread began to emerge even though individual answers differed.

All four of the agencies discussed that in order to develop their brand they needed to understand who they were as an agency and what value they were bringing to their clients. Ray White with ICUC stated in his interview:

> The first thing any company needs to do is figure out what the brand means to the company. You have to understand why the company does what it does. Once you know why the company does it you can grasp what those brand characteristics are, then you can share that with other people: with your clients, your vendors, and with other agencies.

The response White gave was similar to responses from the other agencies. Every company agreed that they had to understand who they were before any stakeholder would be able to comprehend what their brand was. During my interview with Lang (Schaefer Advertising Co.) this idea came out through her story of Schaefer's recent rebranding.

She explained that 2-3 years ago the agency went through a big move that involved a physical move from Arlington to Fort Worth and a rebranding of the entire agency. Lang states in her interview:

> We really just try to be authentic with what we are doing as an agency and that helped us decide on our new name. Our biggest strength is developing strategy and advertising programs. So that is why we landed on Schaefer Advertising Co., keeping [the name] very simple and authentic to whom we are. From there we went into the identity, development, logo, and further brand development.

Lang stressed that the most important thing during their rebranding was staying true to their identity, going back to understating "the why" of what they do.

Another part of knowing the agency's brand is being able to understand not only the why of the company but the direction the company is headed. Every agency discusses the importance of their employees in having a successful brand. Employees interact with key stakeholders' everyday and if the way they act is not consistent with the brand image clients may not return and stakeholders may have a hard time believing in your company's image. PMG feels they have been successful communicating openly with employees and this has helped further develop their brand internally and externally.

> His vision [George Popstefanov PMG Chief Idea Officer] is transcending on to the rest of our team. Our image is expertise, tenure, service and also innovation. The end game for PMG is to be an agency that helps people with ideas start their own companies. So, a TCU grad from the Neeley School can come and if they have an idea we will help incubate and be that angel funding. That is the long-term vision. (Glomski)

Glomski said the ability of every employee to understand the long-term vision has led to a 90% retention rate of clients and the same retention rate for employees. The team at PMG believes that the open communication of their leadership has truly helped to enable their brand to transcend to every stakeholder in the correct way.

Do you feel your agency has a brand image? If so please explain what your brand image is.

When it comes to brand image the majority of the agency's talked about their colors, their logo, their website, and their overall messaging. Every agency stressed the importance of having and maintaining a consistent image. Without the consistency the image starts to fade to the external stakeholders, as well as, the internal stakeholders. Two of the agencies, Schaefer Advertising Co. and J.O., had very interesting stories because they had both recently gone through a rebranding. Both agencies talked about a major change that occurred in the company that led to the rebranding and therefore, a change in the brand image.

At Schaeffer, the rebranding was brought on by their move from Arlington to Fort Worth. This led them to changing their name, updating their website, changing their messaging, and even changing their business cards. Lang stressed in her interview that everything produced by the agency has to be a reflection of their new brand image. At their core Schaefer focuses on being resourceful for their clients and Lang believes this guided several of the decision they made as an agency when they rebranded. The location they chose, the way they refurbished the building, and the way they product their business cards all were a reflection of their resourcefulness. Lang states:

The other key thing we try to get across in our branding is our resourcefulness. None of our clients are the biggest spenders of media or marketing in their category. We have bigger clients but they are not the biggest leader in advertising and marketing in their category. So, we have to be very resourceful with the dollars that we spend on our clients. This also goes back to how we act as an agency.

Schaefer's rebranding is a great example of the importance of consistency across the agency's brand image.

Rebranding was also very important for brand consistency at J.O. There was no question that J.O. needed to rebrand when they became a full-service advertising agency. J.O. previously was J.O. Design. When the agency was founded J.O. was only one person, Jennifer Oliver. Oliver was a designer by trade but as demand for her work grew, she made the decision to grow the company. With that growth J.O. was no longer just a design shop, and therefore they needed to make a change to their brand. They started with the name, then they moved to the logo and colors, then they made changes to their website. The team at J.O. feels the rebranding was critical for their success:

Well it's important when you are an agency to make sure that the brand that you are portraying to the public is clean and fresh. So that they know when they come to you to have their brand designed they know that you will do it well. (Warner)

The agency knew that in order to be clear to the public who they were, they could no longer have design in their name. From there, J.O. had to make sure everything about their brand image was consistent and that led to the entire rebranding of the organization.

What do you think your brand stands for?

As far as the agencies, they all discussed the things that make them who they are. The things that they feel internally make up their image and the things they try to sell externally to clients. At J.O. they believe "We try to portray to the public that we are a small agency and we really focus on our clients but also we portray that we are a tight nit group. We want people to perceive us as this thing that you want to be a part of" (Koch). At PMG they feel their brand stands for:

> I think that it is the forum to think freely. Now a days in many agencies you become so siphoned and regulated against the deliverables you are expected to execute and get out the door any given day or week. Whereas here, we still have those but at the same time I have the opportunity to continue to think and learn in order to fulfill so much more and not be so regulated and confined to ABC. (Cecil)

At Schaefer, Lang believes their agency stands for three things: 1) the people, 2) their resourcefulness and 3) their emphasis on business strategy. While at Balcom, Shulman believes their brand stands for two things:

> Two words that I use to describe Balcom are personal and innovative. I think these words truly speak to who Balcom is as an agency. These words really go back to the idea of always looking forward to what's next and the fact that Balcom as an agency is a big family.

Shulman describes that Balcom is truly focused on the future. He says that as an agency they continually study consumers: they look at where people are spending their time and

how people are spending their time. This allows Balcom to be both

"personal and innovative."

White at ICUC stated again that he feels their brand stands for bettering the lives

of their clients. However, White continued to stress that what the brand stands for

changes depending on what you do with the company. He felt that because of his position

he had a very good idea of what their brand truly stands for even if employees might give

a slightly different answer.

This theme White spoke of was addressed in several of the conversations with the

agencies. White expressed through his interview that in order to get every employee to

understand the brand in the same way the company has to do a lot of work.

> The first step to educating your employees is communicating that vision or
>
> purpose to them; so let them know what your "why" is. Then as you communicate
>
> that you want to make sure they are actually living it; so you want to train
>
> employees and you want to work with management.

By doing all of these things you can ensure that the question "what does your brand stand

for?" is answered in a consistent manner by all employees. The same theme was

addressed during the interview at PMG:

> Your people have to be on board. People are on board when they believe in a
>
> vision. If you have a vision it is easier to get people, no matter what position they
>
> are in, to understand where we are headed. (Glomski)

The team at PMG agreed with the vision of the company and therefore agrees in a

statement of what their brand stands for. The definition of what the brand stands for is

typically given from the top and it is the job of leadership to descend that message to the

rest of the employees. PMG and ICUC agree that if this is done properly the definition will be relatively the same across the board.

How did your brand become what it is today? Who developed the brand and how has it been maintained or how has it evolved?

Four of the agencies started with one person: J.O. started with Jennifer Oliver, PMG started with George Popstefanov, Schaefer started with Ken Schaefer, and Balcom started with Stuart Balcom. All three of these agencies started with the vision of one person and from there that vision has transcended to every employee and has grown with time.

At ICUC the brand started with a group of executives. White explains how the brand started:

> The creation of our company involved top executives, 20 top executives, and we focused on two questions: 1) How do they define success, and 2) Why do they work at ICUC? Between those two questions we received a lot of really good responses, and we used a process to narrow down those thoughts and those conversations into a brand statement that we could all agree on.

Although the process was different at ICUC the executives still defined and created the vision for the agency. They then had to get employees to believe in the vision and want to follow the vision they created.

When it comes to maintaining the brand, this has proven to be a much more difficult task for every agency interviewed. At ICUC White states:

> We maintain our brand by continuing to live it and by continuing to check on it.
> We check on is by making sure we retain a certain number of employees, we have

make sure we meet a certain level of client satisfaction, we also have to meet

certain financial goals, we have to reduce the work load of our employees and we

have to increase the productivity of our employees. (White)

White believes that by implementing certain measurements ICUC is able to uphold their

brand. He stresses that if they are not adequately reaching their goals then they know they

are not maintaining their brand properly, and it may be time to make changes.

J.O., Schaefer, and PMG agree that it is extremely important to not only maintain

the brand but also know when the brand needs to evolve. At PMG they pride themselves

in employing individuals that have been in advertising for several years. A majority of

the employees working for PMG have come from agencies where they were not able to

make changes to their brand or culture quickly. Buyers feels that because of the past

experiences of their employees they are able to create a culture that fosters change:

I think that we are small enough that we can continue to make changes and we

can make them quickly. We have all been in a situation where the sludge was very

thick, changes were made very slowly, our voices were not heard, and our

projects were not prioritized. So, we [PMG] are running lean and fast and we can

make those changes." (Buyers)

With their ability to make changes, PMG has decided to go through a rebranding. For the

next few years PMG will be making changes to their brand and they feel that their culture

has enabled them to be ready and willing to make these changes.

PMG and Schaefer have both proved the importance of maintaining and making

changes to their brand. As discussed earlier, both agencies have recently gone

through a rebranding.

How does your agency differentiate from other agencies?

Every agency has something that makes them different. These points of differentiation are especially important when it comes to gaining new clients in an industry full of strong competitors. Every agency was quick to answer this particular question because they are able to clearly recognize their strengths as compared to other agencies.

At ICUC White states several things that make them truly different. ICUC is owned by a very large parent company, the Dentsu Aegis Network. This parent company helps ICUC when it comes to resources and development. From there, ICUC has to differentiate from other agencies similar to them in the Fort Worth area. White states their points of differentiation as:

> We differentiate on cost and service. So, we deliver to our clients 365 day a year,
> 24 hours a day, 7 days a week. We can work with any technology. We are also a
> global agency, so we can help people anywhere in the country and anywhere in
> the world. The big way we differentiate is we make it clear to our clients that we
> are helping to make their life better.

Every point of differentiation White states he believes is a "proof point" that helps ICUC win potential clients.

At PMG they identify two clear categories that they identify as their differentiators. All three employees said these two points are brought up at every pitch to clients and help to make them successful:

> The first is that in everything we do we ask how can technology make us faster,
> smarter, or better. The second thing is customer service. As Price said we have

been in the industry a long time; so our focus is how we can win the business and how we can build your brand. At PMG it's by being the best in customer service because if you are treated well you will come back. (Buyers)

The culture PMG has built has enabled them to better service customers across every avenue of their agency. PMG also expanded on the question and explained why they feel differentiation is vital for any company to be successful. The brand manager, Cecil states "Companies must understand their strengths and what differentiates them from the market. Because if you have a silver lining we as an agency can amplify that and get it out in the market and then you have something to grow on." Not only has PMG recognized the importance of having a clear point of differentiation but so has Schaefer Advertising Co. Lang identifies their differentiators as:

I go back to a) the strategy and b) the culture. The number one thing we always ask our clients is what are your business objectives and second what's your budget? We will always work within their objectives and budget while at the same time we always try to add value to our clients. We'll craft and make a marketing plan very tailored to our client. Keeping that business strategy top of mind is one of our biggest differentiators.

The business strategy Schaefer Advertising Co. builds for its clients helps them to show the reasoning behind why they are developing their brand in a certain way. Lang believes the focus they put on strategy gives them a huge differentiation because it allows them to have clear communication with the clients at all times.

Balcom differentiates by providing its clients with services that are all encompassing. Shulman believes that:

> We [Balcom] take a big 360 approach when working with our clients. We take a
>
> look at how everything can work together and we focus in on how we can apply
>
> our strategy to the core our client. We try to match our strategy to exactly what
>
> the client is looking for.

He believes that their "360 approach" is different from the way that other agencies work

with their clients.

J.O. also proves their differentiation to their clients by capitalizing on the size and

talent of their agency.

> As an agency we are small enough that we are a team and we all work on pretty
>
> much every client, but at the same time we are large enough to handle large
>
> amounts of work. When a client hires J.O. it is like they are getting an extension
>
> of their own marketing department. Their success is our success.

Every point of differentiation listed above helps agencies win clients and gain internal

support for the brand. Without having a clear differentiation all of the companies would

get lost in the crowd of advertising agencies. But by finding something that makes them

different they are able to be successful.

If a small – medium sized enterprise came to your agency and wanted to develop

their brand how would you help them through that process? What are the most

important things they should focus on?

Every agency looked at developing the brands for SMEs very differently.

However, all of the agencies agreed that every company must know who they are and

what makes them different. White at ICUC states:

The first thing the company must do is to establish their why. They can't tell people who they are if they don't believe it. So they have to know what their why is, why are they doing this, what is their purpose as a company. (White)

Lang at Schaefer explains it differently but agrees that the SME must know who it is and what their long-term business objectives are:

Our motto is "Don't create the wheel if you don't have to." We'll look at what they are first and foremost doing and work with them to access what is working and what it not working. What are your pain points in your branding and marketing and then we evaluated and see how we can solve that. (Lang)

The team at J.O. adds to the point that companies need to know who they are but explains that most of the time the agency has to help the company uncover who they are by asking the right questions.

First, we always spend some time getting to know them and their company to figure out and what is important to them. A lot of times people come in asking us to develop a brand, logo, or messaging and they claim that they don't know what their brand is. In reality they do know what it is and it is our job to know what questions to ask them to figure out who they are. (Warner)

The weakness for most SMEs is that they do not ask themselves the right questions and therefore have a hard time uncovering their brand identity. All of the agencies agree that in order to really find out the identity of any company you have to talk with employees and clients. The clients and employees perspectives are just as important as the perspective of the leadership within the organization.

The agencies also identified several important things that SMEs need to do in order to maintain a successful brand. PMG stresses that the company must employee the right people:

> If you are going to spend money anywhere, spend it on hiring. We don't have people leave so we are not paying to re-train anybody. If you can keep people for five years plus you can run a very profitable business. (Glomski)

They also stress the strength SMEs have to make changes quickly. Many larger corporations do not have the ability to change quickly because they have a very established brand or way of doing business. However, smaller companies are able to make changes quickly by listening to customers.

DISCUSSION

With every question asked throughout the interviews there were one or two key takeaways that can help an SME when it comes to branding their company. Each key takeaway is derived from a common theme in the answers given by the executives interviewed.

The Why and the Where

One of the most important parts of creating and building a brand is being able to identify why the company chose its business model. White from ICUC says it best, "You can no longer do things because you are making money and you can no longer do things because it is going to make you rich, it has to be about how you are helping people." Once a corporation has identified the why they can then begin to define key characteristics of their corporation, and this will ultimately lead to a brand that can be conveyed to the public.

Defining the why sounds easy in theory; however, it can be extremely difficult. Companies come into agencies and ask them to develop their brand but what corporations do not realize is that they already have a brand. The advertising agency's job is to ask their clients the right questions to figure out what the company's brand is or their "why." For an SME finding the resources to hire an agency may be difficult; so, the SME has to be able to ask themselves the right questions. First and foremost, ask why? If the SME can't get to the why then the best piece of advice is to interview stakeholders. Ask internal employees or external clients who you are. This may help to add key insight into the organization that would not have happened otherwise, and from there the SME may be able to figure out their why.

Just as important as the "why" is the "where?" Every company needs to know what direction they are moving in, this is ultimately their vision. The vision is critical to the success of the company because it allows all stakeholders to know the future direction of the company. A company that has a strong vision is able to get employees and clients on board with the future of the company. As Glomski from PMG stated "your people have to be on board [with your company]. People are on board when they believe in a vision. If you have a vision it is easier to get people, no matter what position they are in, to understand where we are headed." For an SME the vision is vital to the future success of the company because the employees and the clients will know where the organization is headed.

Consistency

Consistency is key. A brand can encompass the name of the company, the logo, the colors, the website, social media, etc.; all of which become a reflection of the

company's brand. Because of this, everything needs to be consistent. From the colors to the language used on the website, the company must be clear and concise with who they are and what they do. If the message being sent to consumers or internal stakeholders is not consistent people will get lost as to who the company really is. Before making any decisions always ask "does this portray the companies brand correctly?" This ensures the brand is always being portrayed in the desired manner.

Integrate the Vision

Possibly one of the most important things a company can do is make sure every employee knows the vision of the company. In order to create a successful business the company needs to have the right employees. The employees are a huge part of a company's brand, and in order to make sure they are living the brand they need to know the vision of the company. If an employee knows and more importantly believes in the future direction of the company they are going to live the brand. At Schaefer Advertising Co. Lang describes the importance of having the right people in the company: "the people that Ken has hired to work for Schaefer have really organically come together and built our brand. He is very mindful of hiring people that fit into our culture." Lang then goes onto describe the culture that Ken Schaefer has built, and emphasizes the way he maintains open communication about who the company is, why they do the things they do, and where they are headed in the future. By doing this Schaefer has created a positive culture that allows the brand to grow and develop with the employees.

Know When to Make a Change

Change is not easy for anyone. However, as a company it is important to be able to realize when a change needs to be made. Both J.O. and Schaefer knew they had to

make changes to their brand and their culture. J.O. had become more than a design shop, they had become a full-service advertising agency. With this growth they had to make a change with their brand. At Schaefer Advertising Co. the agency had become very stagnant at their Arlington location. When Ken Schaefer made the decision to move the agency to Forth Worth, he knew they needed to make changes to the brand. These changes did not come easy for either agency but they recognized the need to make a change.

As an SME changes are necessary to keep the company growing. When business has become stagnant or is growing at a rapid pace it may be time to make changes within the organization. These changes need to be made fast to keep the organization running fast and lean. The important things to keep in mind it to make sure the changes are positive to the organization and reflect the future direction of the organization.

Finding the Gap

In a world full of choices, products, and services it is hard to find a gap. The gap is a need that has not been previously met by some product or service. Every SME has to find a gap in their industry in order to be successful. A good way to find a gap is to analyze the other competitors within the industry. The next step is to find where your company fits into the competitive set. What are the things that make your company different? Once the corporation has answered these questions they will be able to market their differentiator. Cecil at PMG states that SMEs must "understand their strengths and what differentiates them from the market. Because if [they] have a silver lining [they] can amplify that and get it out in the market and then you have something to grow on."

Important Things to Remember

All of the agencies had three things they felt SMEs need to remember when developing and maintaining their brand. At ICUC White stresses that every SME knows their why but they may not know how to communicate it correctly. He believes they must figure out the why then create their brand around it.

At PMG they stress the importance of having the right people. They know that SMEs are limited in resources but Glomski says "if you are going to spend money anywhere, spend it on hiring." For an SME a lot of their marketing is word-of-mouth and one of the best ways to ensure your word-of-mouth marketing is positive is to have the right employees that believe in your company.

At Schaefer Advertising Co. Lang stresses the importance of being resourceful. She believes that every SME should analyze their company, see what is work and what isn't work, but "don't create the wheel." After this analysis is done Lang believes SMEs should only fix their weaknesses and hone in on their strengths. She also communicates the need for the brand of every company to reflect the personality of the organization. If this is done well every stakeholder will understand your SME and in turn your brand.

CONCLUSION

The word brand has hundreds of different definitions. The reality is that in a market full of products and services the brand of a company is one of the only ways to differentiate. A brand can be developed by the company's in-house marketing department, by an advertising agency, or by the founder and CEO. For an SME it may be hard to pay marketers or advertising agency money to develop their brand. The SMEs lack of resources limits them in their abilities but that does not mean they cannot have a

strong brand. Through interviewing five different small advertising agencies in the local area, I have uncovered several important things every SME needs to focus on when developing their own brand. Every SME must define their why and where, maintain consistency, integrate their vision throughout the organization, know when to make a change, find the gap, invest in employees, be resourceful, and reflect their personality. By doing these things SMEs will be able to better develop, strengthen, and maintain their brand.

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