

# An exploratory Q study of corporate brand identity elements governing corporate brand image formation

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## ABSTRACT

Because of the growing demands on businesses to distinguish themselves from competitors, corporate brand identity and image are considered to be fundamental in enhancing the visibility and credibility of a business.

This study identified the perceptions of South African businesses across various industries of corporate brand identity elements that govern corporate brand image formation. In doing so, a theoretical perspective was adopted that borrows from both marketing communication and corporate communication theories. Firstly, the corporate brand identity elements deemed significant in corporate brand image formation were identified from earlier literature and research. Secondly, Q methodology was used to categorise the variety and span of subjective opinion on those corporate identity elements deemed significant for corporate brand image formation. Finally, the dominant perceptions of the factors that govern corporate brand image formation were isolated through Q factor analysis. Seven richly diverse factors were derived, reflecting the most salient perceptions on the topic, namely trustworthiness of the brand, creative marketing, effective management and administration, stability through business innovation, customer satisfaction, effective integrated communication and strategic positioning of the brand.

**Key words:** corporate brand, corporate brand identity, corporate brand image, corporate brand image formation, Q methodology, Q study, Q factor analysis

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## Introduction

This study delineates salient perceptions about corporate brand identity elements governing corporate brand image formation framed within a Q study that investigated the leading perceptions of 106 South African businesses across various industries. A theoretical perspective is adopted that borrows from both marketing communication and corporate communication standpoints explicating the adoption of corporate brand identity and image thinking for this study.

A brand is a multidisciplinary concept and a combination of strategy, structure, communication and culture aimed at conveying the advantages of the business (brand identity) and how the customers perceive them (brand image). A brand is thus a representation of both tangible and intangible features that differentiate the products of the business as well as the values associated with the brand to attain a competitive advantage (De Chernatony 2001; Balmer & Gray 2003a; Grimaldi 2003; Hitlin & Piliavin 2004; Batey 2008; Hollis 2008; Buckingham 2009).

There is little consensus in literature about what a corporate brand is. For this study, the view of Hatch and Schultz (2001), who argue that the corporate brand “contributes not only to customer-based images of the organisation, but to the images formed and held by all its stakeholders”, is supported. This view also concurs with the perspective of Abratt and Klein (2012) about the role that stakeholders play in corporate brand image formation. Stakeholders are defined by McCown (2007) as those publics who have a ‘stake’ and are in certain relationships with the business or have a common interest or value in the business.

To compete effectively in a dynamic business environment, businesses should continuously discover new ways to maintain their competitive advantage. For this reason, innovation in product and service offerings enables businesses to retain and expand their customer base and increase their profit margins (Desai & Keller 2009). In view of the role of the performance of the business in brand equity, business managers have become increasingly aware of the importance of having a sound knowledge of the corporate brand identity of the business, since it will enable businesses to manage their identity to secure a more favourable corporate brand image (Balmer 1995; Kotler & Pfoertsch 2006). Over the past decade, the significant role of branding and brand equity in enhancing the credibility of a brand’s products and services has become almost axiomatic. It is no longer questioned whether a strong brand is important; instead, research on branding and brand equity is now aimed at determining how much these are worth and the elements involved in creating and maintaining a brand (see Spotts & Weinberger 2010; Anderson 2011).

The article commences with a literature review of corporate brand identity, corporate brand image and corporate brand image formation. The research problem, objectives, research questions and methodology are then discussed.

Based on an analysis of the research findings, the article concludes with a number of managerial implications that managers would need to consider to enhance corporate image formation in their businesses.

### Theoretical background

Corporate brand image, corporate brand identity and corporate brand image formation are examined in this section.

#### Corporate brand image

Corporate brand image refers to the total set of perceptions that stakeholders form about a corporate brand according to the unique functional and emotional attributes associated with it (Aaker 2011), which result from the interactions of all stakeholders' impressions, experiences, feelings and knowledge (Kuusela 2003), based on the products and services of the business, its management style, and how these are established in stakeholders' minds and understood through planned or unplanned communication activities (Nandan 2005; Janonis, Dovalienė & Virvilaitė 2007). The corporate brand image should conceptualise all stakeholders' beliefs about the brand based on their real experience, and must correspond with their understanding of the brand (Janonis et al. 2007).

Over the years, various scholars have attempted to clarify the components that constitute an effective and efficient brand management system. These components include topics such as brand awareness, brand knowledge, brand equity, brand extension, brand architecture and brand image (see Aaker 2011; De Chernatony & Cottam 2009; Keller 2009; De Chernatony 2006). These multiple perspectives focus primarily on three requirements that successful branding must aim to achieve. Firstly, the brand must be able to differentiate itself from the competition (Van Riel & Fombrun 2007). The brand must also set the benchmark for acceptable service delivery by offering customers an excellent and personalised service; secondly, the brand must be held in high esteem; and thirdly, the brand is required to possess characteristics to which target customers can relate (Aaker 2011; Keller 2009; Blombäck 2009). This implies that strong corporate brands serve as a decisive selling attribute for customers who distinguish their product from equivalents based on unique and distinct characteristics. To achieve strong and favoured reputations, corporate branding should be embedded in the strategic management of the entire business and should guide the activities of the business in order to provide consistency by means of the connection between positioning, communication and employees' working style or

behaviour. Therefore, the way in which stakeholders perceive the brand is based on their holistic experience of the brand qualities. Stakeholders evaluate the attributes that they associate with a brand from their subjective viewpoint, and form a set of accumulated impressions of the products, services, communication activities and business practices of the business (Le Roux 2013).

Corporate brand image, viewed from a corporate and marketing communication perspective, is a more all-inclusive concept than corporate image, since corporate brand image also relates to how all internal and external stakeholder groups perceive the entire brand proposition, which constitutes the business as well as its product and service offerings, communication activities and business practices over time, based on a set of associations created in stakeholders' minds. The various stakeholder groups evaluate the attributes that they associate with a brand, and ascribe a personality or image to the brand based on their subjective perceptions. It follows that corporate brand image is the perceptions about a brand held in memory by internal and external stakeholders, which are formed according to the unique attributes associated with the brand. Consequently, corporate brand image exists in the minds of all internal and external stakeholder groups who deal with the business in one way or another, and is the sum of the interactions of all the beliefs, experiences, impressions, feelings and knowledge that these individuals have about a brand. Corporate brand image, which constitutes stakeholders' accumulated impressions of a business based on how they experience products, services, communication activities and business practices over time, results in a specific corporate reputation (Schultz & Kitchen 2004).

### Corporate brand identity

Scholars' and theorists' comprehension of brand identity has changed over the years to display an appreciation for the importance of more detailed brand analysis. Based on the perspective in recent literature that brand identity is an effective strategic instrument that requires a multidisciplinary approach, this study adopts a corporate brand identity position. As opposed to corporate identity, which refers to the tangible elements, known as symbolism, that a business uses to reveal its character to stakeholders and the public, corporate brand identity refers to the unique value associated with a brand's product and service offerings (Balmer 2008; Aaker 2011; Blombäck & Ramirez-Pasillas 2012).

Corporate brand identity thus includes those tangible and intangible features that differentiate the business, its products and services from its competitors based on their functional and symbolic value, which is established in consumers' minds through planned strategic communication and behaviour aimed at positioning the

brand favourably to the target audience (Aaker 2011; Blombäck 2005). Corporate brand identity is often materialised but not limited by corporate brand identity elements such as the corporate name, market offer, logotypes, slogans, employee behaviour and various forms of planned communication, which are then translated by the target audience into a corporate brand image. Of importance is that corporate brand identity provides the essential connection between the business and its various stakeholders and also informs them what they can expect from the business (Aaker 2011; Blombäck & Ramirez-Pasillas 2012).

### Corporate brand image formation

Corporate brand image formation refers to stakeholders' perception of the corporate brand, which incorporates its products and services and the extent to which these meet the stakeholders' functional and symbolic needs, strategically created by means of corporate brand identity elements (Nandan 2005).

Corporate branding, which is perceived as a tool for corporate brand image formation, refers to the way in which a business communicates its corporate brand identity (Blombäck 2005; Kay 2006; Palazzo & Basu 2007; Kapferer 2008; Kotler & Pfoertsch 2010; Anisimova 2010). Nowadays, businesses aim to create specific associations for distinct brand elements, for example their logos or brand names. However, a distinct visual identity is not the only means involved in corporate branding (Antorini & Schultz 2005). Instead, corporate branding requires a holistic, integrated and cross-disciplinary perspective, as it involves a number of business functions. Therefore, building a coherent corporate brand identity depends on a comprehensive understanding of the factors that can affect the congruency of perceptions formed by various publics of the corporate brand image. The visual elements of design, which constitute corporate identity, are concerned with product branding aimed at marketing the functional product attributes (Antorini & Andersen 2005). The corporate brand, which focuses on values, relationships and culture, fulfils a more appropriate role and is concerned with brand consumption as a means to shape and express consumers' identities (Leitch & Davenport 2008).

Urde (2003, 2009) explains that corporate brand identity is developed as a continual and on-going interaction between the identities of the business and the customers. Corporate branding thus takes place according to a planned business strategy to convey the brand's values and identity in a cohesive manner by aligning, amongst others, advertising promotion, packaging and design with the various brand components. In this manner, consistency is established to create lasting value for the customer (Mukherjee & Balmer 2008). Communicating the brand essence or the

central idea of the business in a coherent manner requires the involvement of all internal stakeholders, as the corporate brand represents a direct promise between the business and its stakeholders (Schultz 2005). This promise, as revealed through the value proposition of the business, is communicated by means of various corporate brand identity elements, and customers experience this through the services, products and employee behaviour of the business (Balmer & Gray 2003b; Hawabhay, Abratt & Peters 2009; Jensen & Beckman 2009).

## Research problem

In the constantly changing business environment, it has thus become essential that businesses consider the role of their corporate brand identity in corporate brand image formation, since a favourable corporate brand image can provide a business with much-needed distinct competitive advantage (Alwi & Da Silva 2008). Furthermore, corporate brands serve as a way of differentiating businesses and creating stability and trust in increasingly competitive and turbulent markets (Kay 2006). The corporate branding process is aimed at establishing and maintaining a positive reputation and a favourable corporate brand image among the internal and external stakeholders of the business (Hawabhay et al. 2009). To achieve a favourable corporate brand image, businesses should therefore not only consider and acknowledge the elements of corporate brand identity that are perceived to contribute to corporate brand image formation, but also analyse the manner and extent to which each of these elements is perceived to contribute to corporate brand image formation. Information on which elements are considered necessary to establish a corporate brand identity will thus enable businesses to establish a positive corporate brand image, rather than focusing merely on the selling of products and services (Le Roux 2013).

The purpose of this exploratory Q study was to establish the salient perceptions of South African businesses across various industries of corporate brand identity elements deemed significant for corporate brand image formation.

## Objectives

Emanating from the research problem, the objectives of the exploratory Q study were to:

- Determine South African businesses' dominant perceptions of corporate brand identity elements governing corporate image formation
- Establish how these corporate brand identity elements are perceived to govern corporate brand image formation

- Make managerial recommendations regarding the role of corporate brand identity elements for corporate brand image formation.

## Research questions

The following research questions were answered in order to assist in meeting the research objectives:

- Research question 1: Which are the salient perceptions of South African businesses pertaining to corporate brand identity elements governing corporate brand image formation?
- Research question 2: In what way are these corporate identity elements perceived to govern corporate brand image formation?
- Research question 3: What do managers need to consider regarding corporate brand image formation?

## Methodology

The interpretivist worldview as research paradigm was adopted for this study. By embracing the interpretivist worldview, it is acknowledged that only a deeper understanding of a phenomenon is explained by people experiencing the phenomenon (Shar & Corley 2006: 1823). As such, the research methodology employed was inductive and qualitative in nature, with a quantitative data analysis component (see Angelopulo 2009).

Dominant perceptions pertaining to corporate identity elements and contributing towards corporate brand image formation were identified by means of Q methodology following an intensive literature review to construct a representative Q sample on the topic.

Q methodology is a research methodology that tests statements or items representative of the topic (Q set) to a sample of people (P set) by allowing them to express their subjectivity without confining them to a priori categories, generally referred to as a Q study. Participants are asked to rank-order the items from their individual point of view according to some preference, mostly using a quasi-normal distribution. Participants across various industries were asked to rank-order their perceptions about corporate brand identity elements governing corporate brand image formation (the qualitative component of this study). These individual rankings (or viewpoints) were then analysed using Q factor analysis (the quantitative component of this study). By correlating people, Q factor analysis provides information about similarities and differences in viewpoints on a particular topic. This enables the

exploration of highly complex and socially contested concepts and topics from the perspective of the individuals involved (Watts & Stenner 2005). The individual thus determines what is important, what his or her values are and what the themes should be, resulting in diversity in perspectives (Lister & Gardner 2006).

This Q study comprised the following five phases: collecting items from a concourse that was used to examine the topic of investigation (Chinnis, Summers, Doerr, Paulson & Davis 2001); developing representative items for the Q set; selecting participants to conduct the Q sort; data entry and Q factor analysis; and finally analysing the results of the Q factor analysis (Lehong, Dube & Angelopoulos 2013, Du Plessis 2005; Amin 2000).

Data for this study were gathered by means of a structured Q sample with a forced-choice condition of instruction and an online Q sorting process using FlashQ software. FlashQ is analogous to the manual Q sorting process and enabled participants to use a drag-and-drop method to simulate the traditional Q sorting process. Participants could complete the entire Q sort by dragging the items (Le Roux 2013).

### Selecting the statements for analysis

Inclusive categories were identified for the structured Q sample based on the literature to grasp the fundamental nature of the perceived role of corporate brand identity in corporate brand image formation. The three categories are (see Table 1 below):

- Category 1: transformational leadership and management
- Category 2: positioning and differentiation strategy
- Category 3: brand equity.

Each of these categories consists of a number of levels that are all inclusive of the elements of corporate brand identity also identified from the literature. The structured Q sample used a factorial design (3 x 3 x 2) based on Fisher's experimental design principle (see Brown 1970) in order to ensure representativeness in the Q sample, which resulted in 18 groupings (combinations) of the levels. A set of three statements covers the 18 groupings to make it more or less representative of the concourse, constructing a structured Q sample of 54 statements (3 x 18) in total. In this manner it was ensured that the best possible content validity was attained.

### Sample and sample size

After pre-testing the statements on various experts on branding, a total of 54 representative items were finally included in the Q sample and administered, via an



**Table 1:** The structured Q sample for this study

<b>Number</b>	<b>Category</b>	<b>Levels</b>	<b>Number of levels</b>
<b>1.</b>	Transformational leadership and management	(a) Brand philosophy (b) Business strategy for the micro- and macro-environments (c) Stakeholder relations management	3
<b>2.</b>	Positioning and differentiation strategy	(d) Internal and external branding (e) Visual corporate brand identity elements (f) Integrated planned and unplanned communication	3
<b>3.</b>	Brand equity	(g) Brand loyalty (h) Brand reputation	2

Note: Number of groupings (combinations) of the levels =  $3 \times 3 \times 2 = 18$

online Q sort with a forced-choice condition of instruction, to 118 participants from 106 businesses (see Annexure A for the items of the Q study). These participants were purposively selected from a database with prospective participants provided by iFeedback Consulting consisting of employees from different positions and functional areas in South African businesses across various business sectors. These included employees in a marketing or communication capacity in the respective businesses, some of whom serve in a managerial capacity in one of these portfolios. Since it was important to capture the range of opinions present on the topic, it was critical to select participants who had different perspectives and well-formed opinions (Webler, Danielson & Tuler 2009). It should be mentioned that 118 participants is a much larger sample size than for a typical Q study (Brown 1980). By using a larger sample size, the researchers ensured that businesses from different sectors and a range of sizes were included in the sample (Melewar, Karaosmanoglu & Paterson 2005). Using a larger sample size to conduct a Q study is not altogether unusual, and a number of past studies have done so, for example Hogan (2008).

## Q factor analysis

Each participant's response pattern was entered and their sorting of statements was compared by means of Q factor analysis using varimax rotation. The results of the Q factor analysis were analysed by considering the factor array of each dominant factor, which provided a visual representation of the rank-ordering of the statements for

each factor. These factor arrays were analysed in terms of consensual and divergent subjectivity in order to identify the similarities and distinguishing features (Gaebler-Uhing 2003; Stricklin & Almeida 2004).

<b>Most disagree</b>			<b>Neutral</b>				<b>Most agree</b>			
<b>-5</b>	<b>-4</b>	<b>-3</b>	<b>-2</b>	<b>-1</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
38	3	8	7	2	18	9	1	13	4	14
39	36	21	16	10	22	26	5	19	6	15
51	46	30	23	11	31	27	29	24	12	20
	50	34	33	25	49	28	32	45	17	
		41	35	42	52	44	37	47		
			40	48	54	53	43			

**Figure 1:** An example of a factor array in this study

## Findings

To calculate factor scores, the following criteria were applied for including Q sorts in the factors, as proposed by Brown (2000, 2001, 2002, 2003):

- Only pure loadings were taken into consideration for calculating factor scores. The concept of pure loadings refers to Q sorts that produced a significant loading on one factor only.
- To calculate the factor scores for the nine factors that emerged following the varimax rotation, factor loadings of 0.35 and higher, irrespective of sign, were considered as significant, as proposed by Brown (2000, 2001, 2002, 2003).

Table 2 depicts the eigenvalues and the percentage variance of the seven significant factors.

A total of seven rich diverse factors emerged from the analysis following varimax rotation, which accounted for 42% of the variance. The 58% variance that was unaccounted for represented perceptions that were insufficiently salient. To examine the factor array that was yielded for each factor, the procedures outlined by Stephenson

**Table 2:** Eigenvalues and the percentage variance of the seven significant factors

<b>FACTOR</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
Percentage variance	11	7	3	7	4	6	4
Eigenvalues	13.31	7.87	3.69	8.37	3.87	6.52	4.81

(1953), Brown (1980) and Du Plessis (2005) were followed. As specified by these procedures, the same factor analytic procedure was used as applied in factor analysis after collecting and correlating the Q sorts.

The seven factors identified as representing governing perceptions are explained in the following subsections.

### Trustworthiness of the brand (factor 1)

Factor 1 is labelled *trustworthiness of the brand*, because perceptions include awareness of the importance of establishing a proven brand track record of stability and reliability. Consumers have a preference for brands with a well-established reputation and need to interact with a reliable business partner with a brand that has an established reputation as a well-managed, financially stable entity. Establishing a reputation for transparency, honesty and trust could be achieved by using visual brand elements, for example the brand name and colours, to reflect these characteristics.

This perspective also reveals the necessity to reinforce the brand’s reputation by means of visual corporate brand identity elements as well as its management and interaction with stakeholders, instead of customising the brand’s product offering according to consumers’ preference. Furthermore, the need for implementing an integrated business strategy in order to establish a reputable brand is also reinforced, including visual brand elements, as the brand promise directs the way business is conducted with all relevant stakeholders.

### Creative marketing (factor 2)

This factor is labelled *creative marketing*, since it acknowledges strong recognition of the role of internal and external print media to enhance the corporate brand’s image. Factor 2 reveals the need for an internal communication medium to create an awareness of the brand’s core values. Such an internal communication medium serves as a useful instrument for instilling a sound knowledge of the values and beliefs of the core business among employees and is vital for creating business alignment. Factor 2 also suggests that strategies for internal communication most frequently

apply techniques for integrated marketing communications. When these strategies are executed in tandem with external marketing communications, business promises made in advertising material are more likely to be fulfilled to the required level of performance, since employees are more prepared to deliver on these promises.

### Effective management and administration (factor 3)

Factor 3 is labelled *effective management and administration*, since it reveals a greater awareness of rendering a reliable service when dealing with customers' administrative enquiries than perspectives in the remaining factors. This factor emphasises the importance of implementing measures to enhance administrative efficiency, and the role of brand-positioning activities; it also perceives involvement in corporate social initiatives as a meaningful instrument for establishing a favourable corporate brand image. Although factor 3 recognises prompt feedback when attending to administrative issues pertaining to customers' written and telephone enquiries, it shows a lower awareness of customer satisfaction when delivering the actual product or service.

### Stability through business innovation (factor 4)

Factor 4 is labelled *stability through business innovation*, since it displays a stronger tendency towards creating a reputation of stability and trust through innovative leadership than the perspectives displayed in the other factors.

Factor 4 reflects perspectives on how businesses establish the brand as a stable entity among internal and external stakeholders by integrating various innovative business initiatives. The perspectives reflected by this factor show strong similarities with the perspectives included in factor 1 in that both factors reveal a strong perception that consumers prefer doing business with a trustworthy brand that has an established reputation as a well-managed, financially stable entity. Upon investigation, however, it appears that the perspectives reflected by these two factors emphasise different components of the business strategy that are deemed significant for establishing the brand as a reputable, trustworthy business. These include the brand's product offering, customer satisfaction, technology and administration.

### Customer satisfaction (factor 5)

Factor 5 is labelled *customer satisfaction*, since it shows a stronger consideration for satisfying customers' needs at all points of contact with the brand. Factor 5 reflects

perspectives that customers not only need cost-effective products, but also want to have their enquiries and complaints dealt with promptly and satisfactorily in addition to the need for administrative efficiency to enhance customer satisfaction. This factor, however, puts less emphasis on the functional benefits of a product or service as elements that determine the continued viability of the brand.

### Effective integrated communication (factor 6)

This factor is labelled *effective integrated communication*, since it recognises the role of integrating various communication media to enhance the image of the corporate brand. This includes using various external communication media to grow the brand's customer base among all income-level groups. Factor 6 reveals that a premium brand that implements state-of-the-art technology is associated with a wealthy lifestyle and recognises the role of brand-positioning activities used in addition to external communication media. It also regards involvement in corporate social initiatives as a meaningful instrument for establishing a favourable corporate brand image.

### Strategic positioning of the brand (factor 7)

This factor is labelled *strategic positioning of the brand*, because it reveals a greater awareness of implementing a well-conceived business strategy to position the brand's products and/or services. In this regard, factor 7 provides a more integrated dynamic perception of the instruments that businesses use to create an understanding of what the brand represents, the media used to enhance brand awareness, a user-friendly website as well as involvement in corporate social initiatives to enhance the image of the corporate brand.. This factor supports the perspective that the way corporate activities, marketing mix activities and marketing communications promote the brand must be integrated into a holistic image of the brand's emotional and functional attributes in the consumer's mind.

## Discussion of the dominant perceptions of corporate brand image formation

Concerning the first research question, the Q factor analysis revealed that the salient perceptions of South African businesses on corporate brand identity elements governing corporate brand image formation are focused on the trustworthiness of the brand, creative marketing, effective management and administration,

stability through business innovation, customer satisfaction, effective integrated communication and strategic positioning of the brand.

These corporate brand identity elements are perceived to govern corporate brand image formation in various ways, as will be discussed (see research question 2). These perceptions reveal that a well-planned business strategy is perceived as essential in that it provides for the implementation of measures in the micro- and macro-environments to ensure sound financial management of the brand. To secure the viability of the brand, a management team that possesses the necessary skills and expertise to take care of the brand's business is also deemed significant. Furthermore, skilful management of businesses to ensure financial security requires the implementation of quality control measures for connecting strategy execution and strategy adjustment in order to remain viable in a dynamic business environment (Tosti & Jackson 2000; De Chernatony 2001; Jones 2010). Furthermore the brand's mission and vision determine the strategic management of the business (see Abratt 1989; Collins & Porras 1996; Tosti & Jackson 2000; De Chernatony 2001; Keller & Lehmann 2009), whereas an effective vision provides a system of principles that guide the way the business conducts its affairs, based on the most fundamental reason for its existence (Ind & Bjerke 2007: 195). The brand's mission therefore represents the basic point of departure from whence all activities of the business are initiated.

Businesses use internal corporate communication as a persuasive strategy to influence internal stakeholder relationships. Employees are more likely to show a supportive attitude towards the business if they identify strongly with the beliefs and values of the business. This requires an internal branding strategy aimed at the marketing of external communications among employees to recognise, understand and take pride in the corporate principles of the business. Reliable information published on the internal website is thus also perceived to contribute to corporate brand image formation. Using an internal branding strategy in establishing the values and goals of the business among employees is emphasised, focusing on the role of internal communication practices in corporate brand image formation. The findings also reveal the perceived need for personal communication in addition to print communication channels and emphasise a need for more frequent, structured and direct communication (Punjaisri & Wilson 2007; Roper & Davies 2007).

Businesses that align all business activities and communication are better able to create and enhance internal synergy. The more effective employees perceive the communication practices of the business to be, the more positively the corporate brand image will be perceived. In this regard, an internal branding strategy serves as a strategic measure to ensure that employees realise the brand messages through their actions and the behaviour they demonstrate to customers and other stakeholders

in order to establish the brand as a trustworthy entity. Internal communication initiatives are aimed at aligning employees' behaviour to ensure that their actions reinforce the brand messages of stability, honesty, transparency and trustworthiness (Chandon 2003; Ind & Bjerke 2007; Aaker 2011).

To ensure that employees' behaviour reflects a uniform brand message, internal marketing should constitute a fundamental aspect of the overall marketing strategy of any business. Internal marketing initiatives must be aligned with the brand philosophy to encourage employees to act as brand ambassadors by being passionate about the brand and living the brand values of integrity and customer focus. Employees should therefore be involved in strategy formulation to understand their role in delivering the brand promise and to excel in service delivery (De Chernatony 2006).

Corporate brand image formation is considered to rely on using the visual corporate brand identity elements in an integrated manner to create an awareness of the brand by identifying a set of values that reflects the competencies of the brand and also addresses the needs of customers. In this regard, a style guide could provide requirements on integrating the visual brand elements to create awareness of the unique qualities of the brand (Pilch 2005; Daw & Cone 2011). The corporate brand name or symbol serves as the most influential element with which consumers associate a brand (Aaker 2008; Buckingham 2009; Bresciani & Eppler 2010).

A consistent corporate brand image is not only achieved by means of the behaviour displayed by the employees, customers and other stakeholders of the business, but also the quality of relationships maintained among these groups of stakeholders. Businesses should create synergy between corporate brand identity elements to establish a corporate brand image that conceptualises consumers' beliefs about the brand based on their real experience, and corresponds to the brand understanding. These businesses combine the various corporate brand identity elements to establish an image of trustworthiness in order to enhance corporate brand image formation. An esteemed brand with a long-standing history as a stable business is perceived to contribute to corporate brand image formation. Since the brand of the business drives promises to customers, a proven track record of achievements in service delivery enhances corporate brand image formation. Moreover, consistency is applied in the way the business identifies and positions its brand, and presents its corporate values, as well as in the way in which products perform. Coherence between internal and external communication is an essential strategic aspect in the development of competitive advantage, since messages characterised by a consistent style and quality create unity between the various forms of communication, thus enhancing the effectiveness of the corporate brand (Forman & Argenti 2005; Bick, Abratt & Bergman 2008).

Concerning research question 3, managers need to consider various aspects with regard to corporate brand image formation, as discussed in the next section.

## Managerial implications

The research findings make it possible to identify a number of managerial implications for corporate brand image formation by means of corporate brand identity elements. Firstly the trustworthiness of the brand could be enhanced through better communication with stakeholders and by means of a consistent visual brand identity. This should be dealt with at a strategic level and should be part of the overall mission and vision of the business. This could further be accomplished by means of an integrated business strategy to reinforce the brand promise. Managers should create an awareness of the brand's core values among employees and external stakeholders through internal and external communication strategies, including the optimum integrated use of various communication media to consistently reinforce the brand message. It should also be a priority to provide prompt feedback to customer enquiries. It is important to address customers' needs at all points of contact with the brand. These service-delivery aspects could also be part of the internal communication strategy and the mission and vision of the business. Furthermore, a brand should be perceived as financially stable by its various stakeholders, complemented by strong innovative leadership, which could be evident, for example, in the kinds of technology used by the business, the way in which it is administered or its product offerings and involvement in corporate social responsibility initiatives.

## Conclusion

The seven significant factors identified in this study serve as abstract representations of the salient perceptions of the various South African businesses defining them. The findings therefore represent seven different viewpoints on corporate identity elements deemed significant for corporate image formation and contribute to a better understanding of their possible impact on the business. The study furthermore identifies a methodology that is suitable for generating knowledge and understanding of corporate brand image formation and the role that stakeholders' acceptance of the corporate brand identity of a business play in this regard.

The most salient perception indicates that a brand's reputation plays a fundamental role in how the business is perceived by its stakeholders, and that corporate branding plays an important role in this regard. An internal and external branding strategy develops brands at business level, which requires managing interactions with



multiple stakeholders. Although marketing programmes do establish favourable and unique associations in stakeholders' minds, these associations are also controlled through direct experience, brand information, word of mouth, assumptions of the brand itself and employee behaviour. Setting a business direction for the brand also involves creating a shared knowledge and understanding of brand values among employees. The brand's mission thus represents the basic point of departure from whence all activities of the business are initiated. Using an internal branding strategy in establishing the values and goals of the business among employees is emphasised, focusing on the role of internal communication practices in corporate brand image formation. The findings also reveal the need for more personal communication in addition to print communication channels, emphasising the need for more frequent structured and direct communication.

It is recommended that future Q studies on corporate image formation also include employees of the business, since understanding the role of internal communication practices in corporate brand image formation has become increasingly important.

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## Annexure A: The 54 items of the Q study

Item 1	The organisation's policy of personalised service increases members' attachment to the organisation
Item 2	Low-income earners select the organisation over the competition
Item 3	The organisation's ability to detect changes in customer preferences quickly is a major factor in getting new business
Item 4	The organisation is too expensive
Item 5	The organisation's financial affairs are well managed
Item 6	The organisation is in the forefront of technological development in the industry
Item 7	Top management is competent to look after the organisation's affairs
Item 8	The organisation is quick to detect shifts in product offerings in the industry
Item 9	Procedures for changing clients' personal details are effective
Item 10	Customer complaints receive the highest priority in this organisation
Item 11	Employees are rewarded for enhancing customer satisfaction
Item 12	Clients benefit from administrative savings effected by the organisation
Item 13	The dedicated online client account for viewing transactions is user-friendly
Item 14	Clients switch to other organisations due to ineffective administrative procedures
Item 15	Telephone calls are returned promptly
Item 16	The organisation's employer benefits help recruit skilled employees
Item 17	Financial rewards for using the organisation's services make clients feel the organisation values doing business with them
Item 18	Customers receive quick, quality feedback on all written queries
Item 19	Consumers associate this organisation with a wealthy lifestyle
Item 20	The organisation is well known for its involvement in community development
Item 21	The organisation's identity reflects a sense of innovation
Item 22	The organisation's print media reflect a consistent image of distinctness
Item 23	The information in the marketing brochures expands the organisation's clientele
Item 24	Employees are proud of the organisation's logo
Item 25	The brand colours symbolise dynamism
Item 26	The brand name symbolises stability
Item 27	The information in the organisation's magazine increases its turnover

Annexure A: The 54 items of the Q study

Item 28	The organisation's style guide on its brand identity reinforces the image of excellence
Item 29	The layout of the website enables clients to obtain the correct information easily
Item 30	The way the organisation integrates different communication media ensures that it is one of the most well-known brands in the industry
Item 31	Clients prefer this organisation over the competition based on the information provided in its company profile
Item 32	The organisation's brand values champions enhance employees' performance
Item 33	The internal newsletter promotes the core brand values
Item 34	The information on the website enables clients to choose the most appropriate service for their needs
Item 35	The information in the organisation's external newsletter facilitates its administration
Item 36	Employees trust the information published on the internal website
Item 37	If a major competitor were to launch an innovative product strategy the organisation would implement a response immediately
Item 38	This organisation's services improve clients' quality of life
Item 39	Clients remain loyal to the organisation since it offers value for money
Item 40	Consumers would likely switch to this organisation for its diversity in product offerings
Item 41	The organisation has an established reputation for its achievements in service delivery
Item 42	Clients trust this organisation based on the information in its communication material
Item 43	Clients prefer doing business with this organisation as a result of the call centre's availability after hours
Item 44	The brand name enhances consumer trust
Item 45	The organisation clearly explains the terms and conditions of its services
Item 46	Members trust this organisation based on its long-standing history as a stable organisation
Item 47	The way the organisation responds to negative, unplanned communication counteracts adverse perceptions among consumers
Item 48	Employees' willingness to solve clients' problems contributes to the organisation's ability to retain its clientele
Item 49	The organisation meets the promises on customer service made in its advertising material
Item 50	Clients who deal with this organisation experience world-class customer service
Item 51	Clients would recommend this organisation to others for its reliability
Item 52	This organisation's esteem among clients exceeds that of its competitors by far
Item 53	The organisation's brand drives promises to customers
Item 54	The organisation would consider the potential impact of all decisions on customers' experience of the organisation