

SAVONIA UNIVERSITY OF APPLIED SCIENCES  
UNIT OF BUSINESS AND ADMINISTRATION, KUOPIO

**THE ROLE OF BRAND IN CONSUMER BEHAVIOR**  
**CASE: HOW SNEAKERS HAVE TURNED INTO STATUS SYMBOLS**

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Business Administration Bachelor's thesis  
International Management

June 2010

SAVONIA UNIVERSITY OF APPLIED SCIENCES  
UNIT OF BUSINESS AND ADMINISTRATION, KUOPIO  
Degree Programme, option

International Business – International Management

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Title of study

Role of Brand in Consumer Behavior. Case: How Sneakers Have Turned into Status Symbols

Type of project

Date

Pages

Thesis

01/06/2010

48 + 1

Supervisors of study

Executive organisation

Minna Tarvainen,  
Jari-Pekka Jääskeläinen

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Abstract

The main purpose of the current paper was to study and analyze the role of brand in consumer behavior. In fact, although intangible, brand seemed what mostly can influence our decisions during a purchasing process. Moreover, the study has introduced the fresh concept of lovemark, the ultimate manifestation of loyalty.

The research method for this thesis was qualitative. Nevertheless, no questionnaire was prepared. The data gathering and the results were based on literature (either books or online material), preceding studies and companies' real cases. In addition, as there was no net division between theories and data, in order to have a more practical approach, the thesis concerned sneakers as product case.

Even though the research area was proven too wide, the thesis was able to identify the key factor that might determinate the influence of brand during the buying process. It was also possible to discover that loyalty to a brand can be either behavioral (unconscious) or attitudinal (conscious). Therefore, loyalty to a brand can be just a coincidence. On the other hand, for its own nature, there is no behavioral approach to lovemarks.

To sum up, brand awareness is a progressive process that influences the final decision when the customers are already brand, and not product, oriented. In sneakers case, as the product itself has already a strong core value, it is hard to determine the boundary between love to the shoes and loyalty to the maker. However, we can be quite positive to the fact that lovemarks' sneakers are the combination of both the product and brand.

Keywords

Brand, consumer behavior, brand management, brand loyalty, lovemarks, sneakers

Note

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## 1 INTRODUCTION

*“People get awareness through media about the brands and they have become brand oriented. (...) In conclusion one can say that because of some odd factors (people) have become brand oriented to show their status symbol”* (Pakistan Observer 2010).

The buying process is a combination of mental and physical activities that ends with an actual purchase almost daily. Thus it is interesting to study the connection within “what we buy” and “why we buy it”. In this scenario, brands play a leading role in customer decision making.

In present days, brands not only represent the name or the symbol of the company that produce products (or provide services). Nowadays consumers are so genuinely connected to brands that when they purchase any product (or utilize any service), brands so often influence their final choice.

As the connection within brand and consumer behavior seems very interesting and appealing, the purpose of this thesis is to create deeper consideration of “*what brand is*”, as a concept, and “*what brand does*”, as a factor, in buyers’ decision making process.

### 1.1 The thesis work process

#### *The research goal and product case*

The aim of this work is to study how brands affect customer behavior and its gradual involvement during the purchasing process.

In order to have, in my opinion, a more attractive, updated and practical study, the thesis will regard sneakers as product case. In fact, there is not going to be a net division between theories and data; basically, every chapter is a constant interaction between “theoretical knowledge and information” and “fact and figures”.

The inspiration for this particular product as study case for the thesis does not come only from my personal passion to this specific kind of shoes; sneakers represent the athletic shoes that in over one hundred year have turned from simple goods into genuine status symbols, and in casual wearing, they stand as pure brand icons. For these reasons, sneakers might provide one of the best examples of the role of brand on decision making and its influence over consumers.

Besides, according to the annual report of SGMA (Sporting Goods Manufacturers Association), in 2003 around the 70 per cent of total revenue of footwear industries come from sneakers (Tufts University 2006); therefore, sneakers are not just stylish shoes, but they also represent a profitable and relevant industry from economical point of view.

Furthermore, information regarding brand and its development (i.e. brand building, brand management, and so on) are rarely contained in ones and specific textbooks. And moreover, the thesis will introduce the concept of “*lovemark*”, a quite recent and fresh theory in brand related studies. For those reasons, an extra point of the present work is to hold together all these knowledge without having to research and connect to each other single concepts from several different sources, which are also mostly on-line.

### *The research method*

As it was stated previously, the current thesis is also not presenting a net division between theories and data. However, no questionnaire (or survey) was made for this thesis.

The decision to not prepare a questionnaire derives from two main factors: the first reason is that the thesis was not commissioned by any company, and therefore, there was no specific goal to obtain, nor target to reach. The second one was that the aim of this work was to describe the concept of brand and to analyze its involvement in the buying process. Therefore, for the nature of the thesis’ object itself, it was quite hard

both to formulate a considerable amount of significant questions and also to find a proper cluster to address the survey.

For the mentioned reasons, the data gathering was based both on literature and internet resources, whereas qualitative method approach for the findings was on companies facts and real cases.

### *The research questions*

The thesis focuses particularly over the role of brand management, touching theories as brand awareness and brand loyalty, primary and fundamental bases for the original success and the rebirth of sneakers' industry in the last few years. Hence, the primary intention of this study is to reply to the research question:

- *Why do we pay 80€ for buying Nike, when no-branded shoes cost 25€?*

That in other words simply means:

- *What is the relation within the brand and our behavior in purchasing process?*

In order to answer to the question, the thesis will process the role of brand step by step, starting from consumers' absence of brand knowledge to an attitudinal brand loyalty.

Moreover, as mentioned above, the thesis will also show and try to analyze the most recent concept of "lovemark" through the latest marketing ideas utilized by the major companies in the sector, i.e. Adidas and Nike, as the presence of their brands in videogames, or the possibility for every single consumer to buy custom shoes from websites. Therefore, in the discussion, the study will also attempt to answer to the derived question:

- *What is necessary for a brand to turn into a lovemark?*

## 1.2 Structure of the thesis

It was honestly quite hard to structure this thesis, as each notion regarding brand management is related to others, or requires previous notions, and therefore, it was quite a challenge to find a sort of logic order for the chapters.

After such struggle, the work was divided into six chapters, whereas the body of the study has been structured in inspiration of the “decision making set” (see table 1, page 21), the scheme that represents the different phases of the purchasing process in a context of “product versus brand progression”, where basilar product orientation choice is identifiable with the first column, the Total Set group, and where the last group, the Decision Set, shows only one brand.

The next section (chapter 2) introduces the concept of brand and explains the reason why sneakers were picked as a good product case for this work. Furthermore, through practical examples of real companies, such Nike and Adidas above all, the reader will understand the function and importance of brand identity and its features, the delicate process of brand building and the role and meaning of strategic branding in regards of different business scenarios.

Chapter 3 exploits the buying process through both products oriented and brand oriented purchase. The previous acknowledgment of brand is then extended with the notions of brand awareness, brand positioning and brand extension and stretching. The section ends with the description of brand confusion, a threat for leading brands, but a fundamental resource for *fakes*' manufactories.

In chapter 4 the study touches the concept of brands' value or, in other words, its equity. The brand equity is a set of different features including brand image, brand associations and brand loyalty, essential ingredients of the success, and worth, of the brand. Moreover, the notion of brand loyalty will be further analyzed with the description of the difference between behavioral and attitudinal loyalty at first, and then by the explanation of its opposite model: brand switching.



The following section (chapter 5) represents the Decision Set, and it introduces a fresh idea regarding the future of brands: lovemarks. A lovemark is the perception of “something” even stronger than brand, “something” beyond it. According to Roberts, the author of this new concept, in an always more competitive and fiercer business market, lovemarks might represent the future of companies’ success, or even their only chance to survive, as brands might not be enough. Consequently, the chapter will analyze the function of one-to-one marketing, the ultimate companies’ strategy to gather, and more important, to keep, customers.

The last section concludes with the discussion of the current thesis. At first, the chapter will furnish a short but significant summary of the whole research. Afterwards, the following part of the discussion is aimed to revise and answer the research questions formulated during the introduction (chapter 1.1). Finally, in addition to short personal opinions and comments concerning self assessment, few suggestions for further researches in the same business field, or in correlated ones, will be proposed to the reader.

In the appendix, the study will leave the reader with a significant gallery of sneakers, the ones that most might be identified as symbols of either extreme brand loyalty or product loyalty; in other words, a gallery of lovemarks.

## 2 THE BRAND BEHIND THE ITEM

*“A name, term, sign, symbol or design, or a combination of these, that is intended to identify the goods and services of one business or group of businesses and to differentiate them from those of competitors” (Bennett 1995).*

After being disappeared from the global market for about fifteen-twenty years, in 2003 historical footwear brand Converse was purchased by Nike and few years later their most popular and sold shoes, All Star (see image 1), were back in every store shelves of the world, and priced three times more expensive. However, the success of those sneakers cannot only derive by economical and/or mechanical operations.



*Image 1. Converse All Star (Sneaker Freaker Magazine 2010)*

It is very hard to identify how many people all over the world were aware of this acquisition, and it is then even harder to determinate if it is because Nike itself than people return to buy Converse. What we can try to understand is what has changed after Nike acquisition. Or in detail, how a “star”, or a “swoosh” (the shape of Nike’s logo), can determinate trend styles, and as mere final result, sales. What is hidden behind these companies’ success? How a brand can influence consumer behavior and guide buyers’ purchases? What is the inner power of a brand?

In the attempt to answer those questions, and try to understand the role of brand in consumer behavior, we will illustrate the process taking sneakers as study case product. But at first, there is the need to identify what these “sneakers” are.

It is not sure who was the first man to invent, or better, to make sneakers, but we do know that it was 1887 when the word “sneakers” was used for the first time, by appearing in an article in *The Boston Journal of Education* and then quoted in *The New York Times*: “*It is only the harassed schoolmaster who can fully appreciate the pertinency of the name boys give to tennis shoes — sneakers*” (Newman 2010).

Sneakers are not different shoes from the athletic shoes, basically, whereas they are not worn during sport activities, or to explain the concept better, they are not purchased for athletic purposes. They are in fact nowadays synonymous of casual footwear, when in the 70’s and 80’s were symbol of the Pop Culture. “Sneakers” is just the most common name for such type of shoes. Others are “Canvas” (from the material often used with, or instead, leather), “Kicks” (USA), “Trainers” (UK), or “Talkies” (Afro-American communities).

## 2.1 The concept of brand

The definition above is one of the numerous descriptions of the word brand. Essentially, brand is a way of differentiating a company’s goods, or services, from those of its competitors (Kotler 2009, 425).

A significant factor of companies’ strategies to increase their market share, and then profit, is to strength their brand image, creating then proper product identity and customer loyalty. De Pelsmacker (2001, 35) defines investments in brand awareness and brand image as powerful instruments of marketing strategy, as they are “*important vehicles on the road to long-term profitability*”.

In order to introduce better the concept, and consequently the role of branding, we take a look to the sneakers represented in image 2, and then we benchmark them.



*Image 2. Adidas Nizza Hi vs. Converse All Star (Sneaker Freaker Magazine 2010)*

The comparison shows clearly how the difference between the models stands purely and most entirely in the logo, “one star” for Converse and “three stripes” for Adidas. Therefore, our decision as buyers in front of these two shoes is determinate exclusively by choosing between two logos, or in a better extensive way, between two brands.

## 2.2 The brand identity

*“Brand identity is a unique set of brand associations that the brand strategist aspires to create or maintain. These associations represent what the brand stands for and imply a promise to customers from the organization members” (Aaker 1999, 68).*

To resume what was already mentioned before, we can assert that brands are meant fundamentally to differentiate goods (or services) produced by a firm from the ones of the competitors. For that reason, brands must be extremely distinguishable.

From the consumer point of view, a strong and reliable brand means tranquility. In fact, if a customer is fully satisfied with a certain product, he/she will easily choose the same brand for further purchases. The brand in his/her head transmits quality, trustworthiness, satisfaction to expectation. The consumer will once more trust the brand that has respected all his/her expectation (or even more) and he/she will not take the risk to purchase a different product.

The role of brand is crucial and the strength of the brand itself has become a powerful marketing tool. Critical point of the brand is creating its own identity. This starts with the name, logo, slogan, colors, features, packaging and all other characteristics that will work as trademark for the brand.

### *Brand name*

The very first important feature for a brand is the brand name. Kotler (2009, 434) detected that there are six main criteria to follow for choosing a brand name; a brand name has to be:

- Memorable: the name has to be short, easy to pronounce and spell. Think Lotto, for example, that is much more memorable and easy to pronounce than Booji, or Feiyue. The name of the brand has to be easy to recognize and recall in any situation and language.
- Meaningful: Nike in Greek means “victory”, a very strong and meaningful name for a leader company in sport industry (Parker Jones 2006).
- Likeable: it relates to the aesthetics of the name, how it looks and how it sounds.
- Transferable: it refers to the peculiarity of the name to well represent new products or to introduce them to new markets. Puma, for example, is a name so universal and catchy that can serve for multipurpose branding.
- Adaptable: whereas Nike has created a “brand-in-brand” by introducing the line AJ (Air Jordan), Adidas subdivided its brand in three product-lines, leaving the same brand name for all of them, but adding the product-line name as a suffix. The original logo was then used only for the product-line Adidas Originals, but for the other two, Adidas Performance and Adidas Style, they have created new logos exploiting the concept of the three stripes, Adidas characteristic feature. Moreover,

products from diverse product-lines are wrapped in different layout colors packaging.

- Protectable: it does not refer to the legal aspects of trademarks, but the actual possibility that a brand becomes synonymous of a product (or service). Try to think how often hankies are replaced by the word Kleenex, or the introduction in common jargon of the verb “to google” instead of “to browse”.



*Image 3. Brand adaptability: Adidas Performance, Originals and Style (Photobucket 2010)*

### *Brand logo*

It was 1971 when for \$35 Carolyn Davidson designed one of the most successful logos of all time for the once-so-called Blue Ribbon Sports Inc. (Logo Blog 2010). The logo was inspired by the wings of the statue of the Nike, the Greek Goddess of Victory (see image 4). Then in 1995 the logo was registered as trademark and it has contributed to worldwide success of the company.

As the brand name, the brand logo plays a crucial role in a company success as it is the visual representation of the corporate identity (De Pelsmacker et al. 2001, 35). A logo must be distinctive and unique. Williams (2005) tells us that there are several rules to follow during the design of a logo; five are the most important:

- Company reflection: a logo should reflect the company business, not be inspired or even similar to the one of its competitors.
- Simplicity: an efficient logo is simple; it is important to avoid logos with many details.

- Black and white: a company logo should work also in black and white and it has to be recognizable because the shape and not the colors. A logo that cannot be distinguished whereas painted with different tones is a failure.
- Resizing: a logo is efficient when it is understandable when resized or inverted. A company should be able to resize its logo, for example in order to print it on business cards, and still the logo must be clear. Also, a logo must be recognizable if its shape is mirrored.
- Balance: with balance is meant the process to design a logo where everything works in harmony and there is not a single aspect of the logo (i.e. border line, font size, colors, and so on) that suffocates the others.



Image 4. Nike logo history (Logo Blog 2010)

### *Brand slogan*

If the “swoosh” has become one of the most recognized symbols in the world and it can be described as “simple, fluid and fast”, through its “Just Do It!” slogan, Nike is complimented by its mission of “*bringing inspiration and innovation to every athlete in the world*” (Logo Blog 2010). A slogan also has the function of a brief explanation, or definition, of “*what the brand is and what makes it special*” (Kotler et. al 2009, 435). To do that, it has to be conceived as part of long-term strategy or, in other words, timeless. The slogan has to be easy to catch, to remember but also to distinguish among the others. Therefore, company must avoid slogans too common or familiar too already existing ones. Moreover, slogans should be important for the customer. Briefly, the slogan should summarize the company’s identity (De Pelsmacker et al. 2001, 13-14).

### *Brand layout and product packaging*

In addition to names, logos and slogans, there are other integrated components that arouse emotions and evoke the uniqueness of a brand. Particular layouts, shapes and colors, or the combinations of those, for example, call immediately to our mind a particular brand. Let's picture the particular and unique shape of the bottle of Coca Cola, for example, or basically any bottle containing famous liquors or perfumes. There is no need to read the brand name to recognize the product.

According to Blynthe (2006, 171), packaging can be considered as part of the product. Successful brands have understood that packaging is not only meant for contain and protect the product, but it can also market it, starting from the selection of the colors used.

Reprehending the example utilized above for brand adaptability (see image 3), Adidas has employed three different packages for its three lines. The packaging for Adidas Originals (see image 5) combines blue and white, Adidas Performance black and white, and Adidas Style green and white.



*Image 5. Adidas Originals packaging (Photobucket 2010)*

It has been proved that colors have strong effect on perception and therefore colors of packaging can be important. In Adidas case, the constant color is white, color that in Western world evokes purity and cleanliness. For Adidas Originals the main color is



blue, color of coolness (and cleanliness too). For Adidas Performance is black, color that, at almost the same level of gold, and is utilized as color of exclusiveness. The green of Adidas Style can be read as natural and environmental, but also it recalls richness (i.e. the product line for golf, including shoes, is labeled as Adidas Style and not Adidas Performance as for all the other sports).

### 2.3 Brand building

Nike (originally known as Blue Ribbon Sports) was found in 1950 by two friends who wanted to make good athletic shoes (Parker Jones 2006). What has made the dream of two shoemakers the most sold sport brand worldwide? The answer cannot be just “*because the swoosh is stylish*”. A brand is more than a catchy name and a stylish logo.

The process to build, and then to manage, a strong and successful brand, can be merely called branding. Thus, by definition, branding augments products adding emotions and hedonic values (De Pelsmacker et al. 2001, 35). Branding is the result of a series of actions and activities across the entire marketing mix leading to the brand image which conveys a whole set of messages to the final consumer about quality, price, expected performances and status (Blythe 2006, 160-165).

In consumers’ mind, strong brands guarantee expected level of satisfaction and facilitate the consumer during the purchase process. If we add that around 80 per cent of European companies brand oriented have operating profits twice as high as average we can conclude that branding is a critical factor in company achievements and therefore it requires adequate management and strategies (Kotler et al. 2009, 429).

According to De Pelsmacker (2001, 38), a brand strategy starts with the decision whether or not to put a brand name on a product. Briefly, the strategies applied are the use of individual brand names, family brand (or house brand) names, and the combination of those with single products and/or product lines.

The first scenario does not suit properly the sneakers world. However, it is very common and it is adopted especially by multinational and large enterprises. Let’s think

about Procter & Gamble, Unilever, or SAB Miller for example. Such companies have many different individual brand names for their product. The advantages of this type of strategy are essentially two: differentiation of a large and too wide product line (i.e. Procter & Gamble sells from blades and male grooming products Gillette to Duracell batteries, from Pampers diapers to toothbrush and oral care products Oral-B, from Pringles chips to Escada fragrance, and so on), and also protection; in fact, in case one product fails, the company image is not compromised and the failure of one product (i.e. Sunny Delight orange juice) will not damage the reputation of the others.

The second strategy is to use the company name as house brand name. Market leaders in sport industries as main manufactures of sneakers use this strategy. The reason is that in this way there is no need to spend time and money to study new names and market strategies for new product, as the brand name is already strong and well-known. Risk of this strategy is that if one product fails, it might drag down all others.

Combinations of above strategies are the utilization of separate family name for all products and the combination of corporate name with individual product names. In the first case the same company utilizes different name offering same kind of product but for different targets. For example, German airline company Lufthansa is the largest airline in Europe and fifth in the world, and to protect its company image and equity, does not use this name for all its airplanes and routes. For regional flights within Germany and Italy, Austria or Switzerland, it utilizes the name of Air Dolomiti, whereas the low-cost airline is called German Wings. For the second situation we can recall Adidas (and the subdivision in three lines Adidas Originals, Adidas Performance and Adidas Style), and Nike (Nike Air Max). In these cases, the company name is followed by the product line.

Sneakers are a very excellent example of this last strategy, as the name of main product, or to better say, the main sneakers model, becomes always a trademark. In other words, there is almost no need to specify Asics when we talk about Onitsuka Tiger (see image 24, Appendix 1).

### 3 THE PURCHASING FACTORS: PRODUCTS AND BRAND AWARENESS

*“When a brand is the combination of a name and an image, a successful brand is what the consumer believes the closest match to own needs (or desires) through uniqueness”* (De Chernatony & McDonald 1998).

The purchase of a product is both mental and physical activity (Sheth & Mittal 2004, 14). These activities are called behaviors, and their result is a combination of variety determinate by the relation within the type of customer and his/her role.

Concerning the type distinction, a customer is household or business one, and the difference stands in purely money-spending capacity. On the contrary, a customer's role can be buyer, payer and user. The buyer is who mentally decide which product to buy and physically purchase it. The payer is merely who support the purchase, or in other words, the source of the money. At last, the user is the final receiver and who benefits from the product (or the service). All the three roles might coincide, or even just two, and match in the same person. However, in purchasing circumstances, quite often buyer, payer and user are three different people. There are four combinations of roles:

- User is neither a payer nor buyer: A child (user) wears sneakers bought by his/her mother (buyer) who paid them with the husband's (payer) credit card.
- User is a payer, but not a buyer: A husband (user and payer) gives his credit card to the wife (buyer) so she can buy him a pair of sneakers.
- User is a buyer, but not a payer: A child (user and buyer) goes to a store and buy his/her favorite pair of sneakers with the father's (payer) credit card.
- User is both buyer and payer: A person (user, buyer and payer) buys himself a pair of sneakers with his/her own credit card.

Kotler (2007, 248) has also introduced in the process two other characters: the initiator and the influencer. The initiator is basically the one who first suggested the idea of a purchase. This could be a mother that sees that her child needs new shoes. The influencer, on the other hand, is who affects the buying decision, or just persuade the purchase; in this case, the influencer can be a friend who has recently bought a brand new pair of sneakers.

As we can notice, the purchasing process has different patterns depending on the situation; which is why brands can hardly play a determinant part for each role. For that reason, the brand strategy has to focus particularly on users and reach the users' mind, as users are the customers that determinate mostly the worth of a brand, its equity, and only brand users are the foundation of brand loyalty (see chapter 4.2).

### 3.1 Product vs. brand during the buying process

According to Watt (2008), “*brand is not just a logo on a product*” and “*branding is the process of making products and companies into a brand*”. Blynthe (2006, 160) also pointed out that branding is a process by adding value to a product. This last aspect determinates the existence of two main categories of goods: commodity products and branded products.

Commodity goods have the tendency to be undifferentiated in price, product characteristics and they also do not mirror any company image. On the other hand, branded goods gain those factors. Figure 1 shows the relationship between the two types.

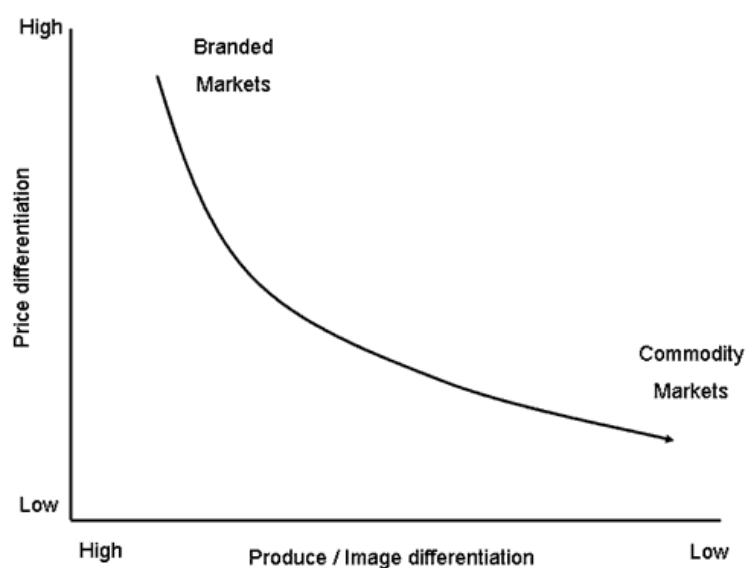


Figure 1. Branded markets vs. Commodity markets (Tutor2U 2010)

In a competitive and profitable market as footwear industry, the importance of having a strong brand is crucial to the success of a company. In the branding process it is important to understand from which point of view the brand is seen and perceived. When the analysis comes from the company, we have brand identity, meaning that both image and positioning are aimed, planned and desired by the firm itself. The brand image (see chapter 4.1), on the contrary, comes from outside awareness, intending the way that actual consumers perceive it. Consequently, the brand image is purely emotional.

There are five stages in the decision making process, as we can see in table 1 refereeing at sneakers' brands as examples. One stage, the first, represents the absence of any brand related information, and this group includes all brands producing the needed good; therefore, a weak strategy will leave out a brand from this stage on. The other four stages, on the other hand, are including brand as an essential acknowledgment factor for the final decision. Thus the fundamental requirement of increasing this acknowledgment, and to reach such target, any decision making process based on brand has to begin from the awareness of the brand itself.

*Table 1. Decision Making Set based on Kotler's model*

TOTAL SET	AWARNESS SET	CONSIDERATION SET	CHOICE SET	DECISION SET
Nike	Nike	Nike	Nike	Adidas
Adidas	Adidas	Adidas	Adidas	
Reebok	Reebok	Converse		
Converse	Converse	Asics		
Vans	Vans			
Puma	Puma			
Walsh	Asics			
Superga				
Umbro				
Lotto				
Asics				
...				

The loyalty to the product is typical of collectors. On the contrary, random product orientation answer to the concept of consumers that will favor products that offer the most in quality, performance and innovative features (Kotler 2007, 16).

In our specific case, the customer is focused on sneakers and not to the company that made them. However, the difference between being loyal to a product and being product oriented is that product oriented are basically in the situation of need to buy, and in this situation, the purchase is repeated. Product loyal people do not buy the very same product twice, unless they lose it, or break it.

To explain better the concept, let's take for example Coca Cola as a brand and sneakers as an item. If people are brand-oriented collectors, they do not only purchase Coca Cola beverage in different packaging (bottles, cans), flavors (vanilla, cherry), or labeled in different languages. They will keep collecting almost every object branded Coca Cola (official merchandising as teddy bears, toy trucks, but also glasses, ashtrays and so on). Item collectors do not pay attention to the brand. Sneakers collectors buy sneakers because they like them, purchasing them for the color, the shape, the occasion... However, sneakers collectors tend to combine the passion for the item and a certain loyalty to one (or few) brand (see image 6); because sneakers are a symbol for them, and so do brands.



*Image 6. Display of Converse All Star: private collection (Photobucket 2010)*

Sneakers are items with a strong core identity. Therefore, it is possible to associate this type of shoes with a brand, as both are worn as status symbol more than casual foot-wearing.

Aaker (1996, 72) theorized the product-attribute fixation trap, defining it as the failure to make a distinction between a product and a brand. The product serves four values (scope, attributes/features, quality and uses), a brand several more, but these values are strictly related in association with the branded product; in our case, sneakers have two more values: users and country of origin. In case of sneakers, users are the people who buy those shoes, and as we saw in figure 8, often are collector both product and brand oriented.

The “country of origin” reflects inner values to the brand. For example, Nike is from United States and Adidas from Germany. Nike is more individualistic, the slogan “Just do it!” is more aimed to stimulate each customer, one at the time. In addition, Nike selects its testimonial often from individual sports (i.e. golf, see figure 7) and when sponsors football events, Nike recur to football stars (ref: celebrity branding, section 4.1.1, page 29). On the contrary, Adidas reflect the German patriotism and therefore, a more collective way to see sport. They sponsor German national teams and it is renowned the TV commercial with the two young kids that were picking football players and making two teams in order to play together (see image 8).



*Images 7 & 8. Nike star (Hoffard 2009) vs. Adidas team (Photobucket 2010)*

### 3.2 Brand awareness

The brand awareness is not the simple acknowledgment of a brand. More the brand is well-known, than more consumers are inclined to buy its products. In this sense, the awareness is not just concerning the fact that a brand exists; it includes knowing and recognizing its image and product range. And as we saw in the previous subchapter, the brand awareness is the fundamental first step to achieve any brand loyalty.

The first stage of brand awareness is its recognition. The recognition does not involve necessarily the place and the reason a person remembers a brand; it also does not concern the brand merchandise or product range. The recognition of a brand happens especially thanks to the logo. Other efficient tools are layouts and packaging. The concept of brand recognition is strictly linked to brand associations (see chapter 4.1).

The opposite process of brand recognition is called brand recall (or top-of-mind awareness). This situation recurs spontaneously when people think about a certain product, or situation. For example, soft drink equals Coca Cola, or fast food chain equals McDonalds, and so on. However, brand recognition is more efficient as brand recall process does not assurance that people who can recall a brand can at the same time distinguish the very same brand during shopping (De Pelsmacker et al. 2001, 123).

### 3.3 Brand positioning

Sneakers are not anymore an exclusive business for sport and athletic companies. Many fashion and clothing companies sell them, like Prada (see image 9), Levi's, Zara or Gucci.

Successful brands, as Adidas or Nike, have a strong and clear, if not unique, position in the target market. Positioning is the act of designing the company's offering and image to occupy a distinctive place in the minds of the target market (Ries & Trout



2000). Put differently, it is a strategic marketing operation aimed to create the desired brand image in customers and increase in them the brand awareness.



*Image 9. American's Cup Men sneakers by Prada (Prada-Sale 2010)*

Professor Jobber (1995) pointed out that as well as positioning, a company has to consider eventual repositioning (Tutor2You 2010). Repositioning is basically the same concept and it occurs when a brand tries to change target group (i.e. Vans sneakers design is currently dedicated only to rockabilly vintage fans and skateboarders), or when a company switches its core product from the original one (i.e. Nokia).

### 3.4 Brand extension and brand stretching

When Adidas started to produce deodorants and after-shaves, marketers were well aware of the success of those products, as it is recognized that strong brand names work on other products in terms of sales (Kotler 2009, 439). In this case Adidas extended its production outside the strictly sport sphere.

To describe it theoretically, it is basically the utilization of the existing brand name (but more precisely, of the brand image) to launch new, or modified, product in the same market (brand extension) or new, or modified, product in a new market (brand

stretching). For a more specific and practical example of the “extension/stretching concept”, we take the case sneakers launched by Oakley, better known as a sunglasses company.

Oakley introduced their sneakers in the global market in the middle of the 90’s, and they have been a huge and profitable success. In 2000 Oakley’s net sales was \$363.5 million and increasing by 41 per cent (Tufts University 2006). What made everything possible was not the hybrid shape of the sneakers (a sort of mix between casual and hiking shoes), but was the well reputation of the brand, its image.

The success of Oakley’s brand extension by introducing sneakers as new product of their merchandise range is yet well linked with the concepts of awareness and positioning explained before. Positioning does not concern the market share, or a place intended as a physical location. Positioning concerns customers’ mind. Oakley was a famous, recognized and well-reputed brand already by selling sunglasses, and the fact that they started to sell other products than glasses did not matter for existing customers as they were before well-aware of Oakley and they trusted the company in the launch of new products as those were sunglasses.

### 3.5 Brand confusion

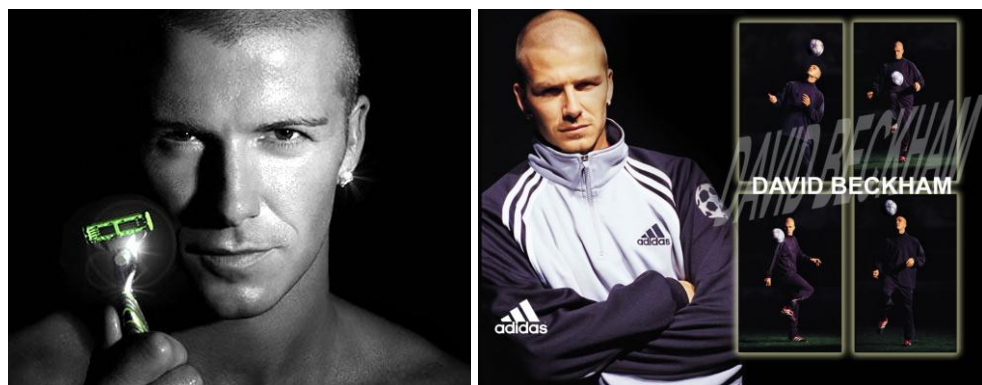
The opposite concept of brand awareness, and therefore, its biggest threat, is brand confusion.

As De Pelsmacker (2001, 82-84) studied, this can be caused by several factors that can be classified in four main categories:

- Product – Category: this is the most common related factor, and it is caused on purpose by low profile companies that utilize brand confusion as strategy. These manufactures industries use similar brand names, logos, packaging and all possible features in order to confuse and mislead the consumer that being mistaken can purchase their product instead branded ones. For example, one of the most popular

“fake brand” is *Adidos*, an imitation of Adidas, that utilizes a very similar name, it is written with the exact same font and it has a four stripes logo (instead three)

- Message: this situation happens when the advertising campaign, indistinctly a picture of a TV commercial, is focused more on the message than on the brand. In this case, people recognize the advertising, they absorb a message but they do not catch the brand. Or in the same contest, the advertising campaign is filled by too many elements that might mislead the customer. For example, an athlete that runs listening to music from a small mp3 player, than drinks a colorful beverage and finally gets in a car and drive away is a typical example of misleading campaign as too many elements are introduced.
- Campaign: the difference between campaign and message is that campaign-related factors are the way to utilize the budget campaign and to send the message through more channels.



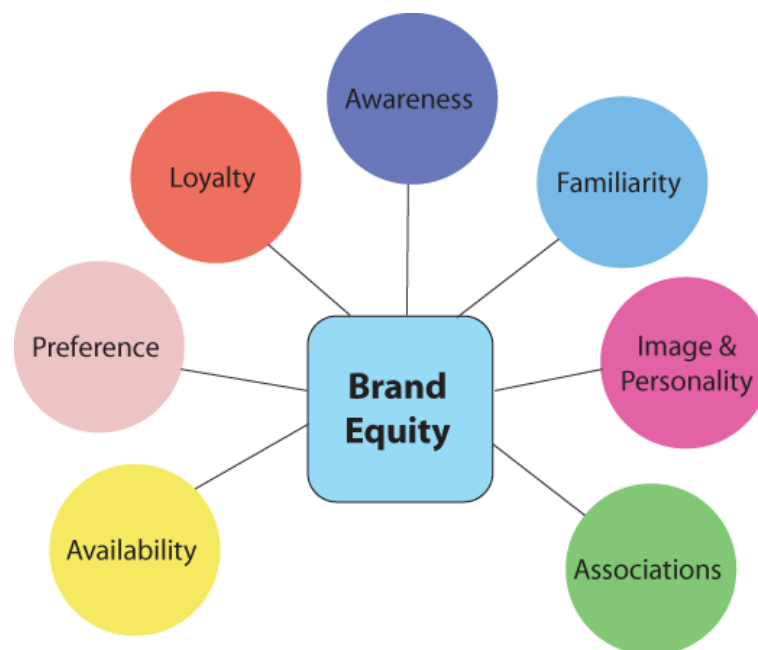
*Images10 & 11. Beckham for Gillette (China Daily 2006) and Adidas (Ace Milan 2007)*

- Consumer characteristics: this mistake happens especially during TV commercial breaks. For the duration of such breaks, because the kind of TV program, or the time of the day it is broadcasted, consumers watch several commercials that often show same type of products. During the half-time of a football match, for example, sport products, cars and drinks are the most common advertisings. Another famous example of brand confusion happened during the last World Cup in Germany in 2006; during the game of the English national team, four commercial with David Beckham testimonial were put on air (see images 10 and 11).

#### 4 BRAND EQUITY AND BRAND LOYALTY

*“Brand equity is a set of assets linked to a brand’s name and symbol the adds to the value provided by a product to a firm and/or that firm’s customer” (Aaker 1996, 7)*

Nike in 2009 occupied the 26th place in the global brand ranking chart and its brand value was worth \$13.179 million (Interbrand 2009). When we talk about brand value, we talk about its equity. But what is brand equity and how to determinate it? Whereas it is possible to quantify the total value of Nike as a corporation, as it is determinate by the sum of the market values of its assets (liabilities plus owner’s equity), it is quite impossible to determinate logically the assessment of Nike as a brand, as the brand equity is fundamentally related to intangible values.



*Figure 2. Brand Equity Model According to Brandt and Johnson (Nworah 2010)*

The brand equity is an added value based ultimately on consumer thoughts about the brand. Keller (2007) explains the customer-based approach – meaning the brand from the consumer point of view – as a measurement for the brand equity. In fact, the value of the brand, its brand equity, changes in terms of awareness, image, loyalty, associations, attraction and other determinant factors (see figure 2).

## 4.1 Brand image and associations

A logo, or the font in which a brand is written, does not represent the brand image. These are brand features. The brand image is the idea, the mental picture, of a brand in customers' mind. The set of customer perceptions and projected images of a brand produce inevitable associations with the brand itself (Sheth & Mittal 2004). Perceptions as Nike equal sport. Or Adidas equals challenge. Kotler (2009, 426) extends the definition as all feelings, memories, beliefs, and so on that become linked to the brand.

The process runs both ways, meaning that it is not just the brand that evokes some association, but anything can remind the brand. For example, as we are going to explain in this section, a celebrity as Michael Jordan immediately calls to our mind Nike. But it does not involve just testimonials; how many songs recall a commercial, and therefore, a brand? Does or does not or a clown remind the fast-food chain McDonald, a prancing horse (or the color red) Ferrari cars, and so on?

### 4.1.1 Celebrity branding

About 25 per cent of TV commercials feature celebrities (Shimp 2000) and every time is Christmas, or we see Santa Klaus, we think about Coca Cola. Another factor that contributes to memorable brand identity is the “use of personalities” or, as extension of the strategy, “celebrity branding”.

It will be extremely hard to picture Nike without thinking about Michael Jordan, which silhouette has become a logo for the Nike Air Max line (see image 12); Michael Jordan, the popular basketball player, nicknamed “the Alien” for his ability to play, is not the first example of celebrity branding in history, but truly one of the most significant.

Celebrity branding is more than the utilization of famous people as testimonials. Celebrities embody success, popularity and high recognition; moreover, the celebrity en-

dorses perfectly the image of the brand, as whom better of one of the most successful and appreciated athlete of the world can represent a sport corporate?



*Image 12. Air Max logo (Hybrid Snicks Magazine 2009)*

There are several advantages to recur to a celebrity (or more) as representation of a brand image. Nike for example has picked several of the most famous and talented sport people of the world: Roger Federer, Rafael Nadal and the Williams sisters for tennis, Tiger Woods in golf, Ronaldinho and Cristiano Rolando for football, and so on... These personalities enhance both company image and brand attitude (Just Do It!). Often by contract are obligated to wear, or use, only sponsoring products, therefore, they become “walking advertisements”.

On the other hand, there are few risks in recurring to celebrities: the first is “multiple brand celebrity endorsement”. David Beckham is testimonial for Adidas, but at the same time for Armani, Pepsi, Vodafone, Police sunglasses and many more. In this case, on one hand we have a true “branding machine”, but on the other, Beckham is not exclusive and often the testimonial, once learn how to manage his/her own image, as also in David (and Victoria) Beckham case, becomes a “brand him/herself”.

Celebrity image and his/her public reputation are also crucial for a brand, as its image mirrors in the chosen celebrity; Tiger Woods’ recent love affair, for example, has provoked tough times for Nike.

#### 4.1.2 Emotional branding

Kotler defines that the power of the brand is in what resides in the mind of the consumer. Nike transmits the image for passion for sport (“Just Do It!”), Adidas pushes you into challenges (“Impossible is Nothing”). As a result, people do not buy Nike, or Adidas, when they simply need a pair of shoes. This happens because those brands sell feelings, and emotions play powerful role in customers’ behavior. In addition, Kotler also reports that modern consumers do not just buy product, but they buy experiences (2009, 426).

Involvement					
					Brand religion
				Brand culture	
			Corporate concept		
		Concept brand			
	Product				
					Values

Figure 3. *Brand Religion Model according to Kunde*

Consumers engaged and touched by certain emotions become loyal to a certain brand. Kunde’s brand religion model (see figure 3) describes the process in five steps. A person buys shoes because he/she needs shoes. There is any particular feature during the buying process that helps, or guides, the decision making. The choice of the pair of sneakers might be price (i.e. the cheapest) or simply the first available model. This is the first level of consumer involvement; the product sells itself without any emotion or meaning beyond its functionality. More the product becomes emotional for the customer, at the same time the product value increase, and with it, the consciousness of the brand. The last stage of the process is called brand religion, because as in a religion, consumers view it as a total way of life (Kotler 2009, 427).

### 4.1.3 Social branding

In now-a-days business, issues such as social responsibilities, or environmentalism, are essential to take into consideration. Avoiding or underestimating them will cause critical damages of the brand image. On the other hand, a brand that shows great commitment will definitely get benefits.

Nike, for instance, faced an anti-sweatshop protest. As Nike does not hold any factory, at first they have denied any responsibility for the contractors, but later they established independent monitoring and even promoted labor rights.

Another excellent example of social branding comes from Puma. The German company, already well-known for its pioneering work in social and environmental issues, has aligned with UNEP (United Nations Environment Programme) to sustain international awareness of biodiversity through the *Play for Life* campaign (see image 13) that will lead up the next 2010 Football World Cup in South Africa (Somilleda 2010).



Image 13. Puma's campaign *Play for Life* (Somilleda 2010)



## 4.2 Brand loyalty

Brand loyalty is probably the most significant element in indicating the worth of brand equity. If we think about market leaders as Nike and Adidas, they spot out by having the highest and strongest loyalties. But also if we utilize as example a niche brand, as Walsh; in this case, brand loyalty is absolutely crucial for the survival of the brand itself. In terms of mere profit, brand loyalty can be translated as the willingness of customers to pay higher prices for the same type of product. Davis (1995, 65-82) has noted that loyal customers can even pay around 20 – 25 per cent higher prices compared to competing brands product, and that are more favorable to price increases. This aspect is called Price Premium. However, brand loyalty is a more sophisticated and emotional process than a simple payment; when a customer has been engaged purely emotionally, the connection within him/her and the brand become so intimate that transcends material satisfaction.

Brand loyalty is a measurement of how often a customer is disposed to purchase a product (or to utilize a service) from the same brand when buying from the same product (or service) class. This process can come from either a conscious or unconscious decision.

Brand loyalty can be seen as a behavior or as an attitude. We all agree that loyalty consists in the repeated purchase of a product of the same brand. A behavioral loyalty occurs when the purchase is unconscious and mechanical. The decision of buying continuously a determinate brand is pure causality, dictated by habits, availability, price, and so on.

The brand loyalty stops in case one element changes and the customer buys a different product. The attitudinal loyalty is when the customer keeps buying the same brand despite increasing price, for example, and especially, he/she refuses to purchase different brands where the favorite is not available. The attitudinal loyal customer renounces the purchase rather than “betray” his/her favorite brand.

As we saw, brand loyalty is the ultimate and most important factor in calculating brand equity and it is built on positive experiences. However, as loyal customers en-

trust and commit themselves to the brand, the biggest threat of extreme brand loyalty is that even a single accident can destroy the relationship with a customer forever. In this case, often we assist to brand switching, and therefore, the whole process has to start from the very beginning.

The store brands are the maximum attraction for loyal customers, as they display exclusively customers' favorite branded products. The store can offer as merchandise a strong range of products and customers can visualize it, something that general stores cannot as they are multi brand sellers. Moreover, more and more companies make available special, or unique, products only in store brands, real magnet for loyal customers.

Nevertheless, as the loyalty can be to the product (as we have underlined in chapter 3.1), and not to the brand, so can be to the store. The concept of store loyalty is not much different from brand loyalty. But in this case, the main point is not whatever brand is purchased, but where. And as for brands, the store loyalty can be behavioral or attitudinal. Behavioral loyalty derives from reasons as closeness, open-hour timetables, shop assistants (from physical aspect/charm of sales assistants to their product knowledge), etc... Attitudinal loyalty comes from quality (level of merchandise and service that shop offers), assortment and price. Foot Locker for example represents one of the most successful footwear shop chain in the world, thanks to the wide range of product availability.

#### 4.3 Brand switchers

A brand switcher is a person who moved from buying from a brand to another for a particular reason and the causes of this behavior are several. For example, in sneaker case, the switcher is justified by the product itself.

Sneakers market is not so different from clothing and casual wearing. Therefore, the loyalty to one brand might be only apparent, as it can be determinate by the fact that a certain company produces a particular kind of shoes, or augments them with detailed features. For this reason, a certain person owns several shoes from the same brand, but

because he/she is charmed by the product, he/she will easily switch to other brands when they will produce the right appealing sneakers.

Blythe (2006, 236-239) summarizes six main sales promotion techniques that on the whole they might also caused brand switching:

- Free taster: for the launch of new product, companies usually recurs to free samples either placed in stores or send home by post. This technique is expensive but very effective. Adidas cannot send you home a new pair of shoes, but they can send small sample of aftershaves for example.
- Money-off vouchers: company published in magazines (or send to customers' houses by post) money-off vouchers for having discount in the purchase of their preselected products. Usually this techniques lead to a short-term brand switching, as the switching ends when the campaign ends or the voucher is spent.
- Two-for-one price: this form of promotion is to sell two identical products by the price of one. But as it is aimed to price-sensitivity, this technique produces short-term brand switching.
- Piggy-backing: this method is similar of the two-for-one price, but it consists in adding an extra product, but this time different. For example, if a customer purchase shoes, he/she gets also enamel or polish. However, this technique hardly produces a brand switching, as the customer is already oriented to the product and not to the extra item.
- Lottery: in this case, the purchase of a certain product will give to the customer the possibility to participate to a lottery with different prizes. Most common are cash, holiday trips, cars and vouchers for purchasing branded products.
- Gift: companies include free gifts in the packaging. For example, extra laces. This techniques, however, works especially with children, when companies includes toys in their packaging (i.e. Happy Meal by McDonalds)

In addition, we can include once more the loyalty to the store. If customers are loyal to a store, for either behavioral or attitudinal reasons, the fact that a store stop the sells to a certain brand might cause also brand switching as clients prefer to change brand that shop.

Another strong reason for brand switching is caused by advertising and brand communication. A strong marketing campaign, or the adoption of the right testimonials (i.e. a customer favorite footballer plays with Adidas), will definitely increase the awareness of a particular brand, and as consequence, the company can attract new customers.

Kotler (2009, 441) pointed out also another reason for brand switching can derive as cause, or as consequence, of brand extension (see chapter 3.4):

- Cause: A customer buys Adidas deodorant and being completely satisfied with it, he also starts to purchase other Adidas products (like aftershaves, shower soap, and so on), replacing the old products, and therefore, the old brands, with Adidas.
- Consequence: A customer buys a Nike mp3 player and being extremely disappointed with the purchase, he/she will stop to buy also other Nike products (i.e. shoes, gym suit, and so on)

To conclude, in case of behavioral loyalty, the switching might be caused by the nature of the loyalty itself, as it was basically accidental, and the switch to another brand can be caused just because even one time a customer did not find a product from the usual brand on the shelf.

## 5 LOVEMARKS

*“Lovemarks: the future beyond brands. Loyalty beyond reason. Lovemarks are a relationship, not a mere transaction. Take a brand away and people will find a replacement. Take a lovemark away and people will protest its absence. You don’t just buy Lovemarks, you embrace them passionately. That’s why you never want to let go”.* (Roberts, 2006)

Lovemarks represent the concept beyond brand. Therefore, we can affirm that this aspect signifies the ultimate demonstration of brand loyalty. The idea of lovemarks comes from advertising agency Saatchi & Saatchi, where CEO Kevin Roberts started to study the reasons why *“brands are running out of juice”* and *“what makes some brands inspirational, while others struggle”* (Roberts 2006).



Figure 4. Lovemarks Power Grid (Roberts 2006)

The first step to embrace a brand culture was a social and/or emotional identification with the brand itself (ref: brand religion model, chapter 4.1.2, page 31). The customers moved from *“to use”* to *“to experience, to enjoy ... “some brands that they became emotionally involved and they start to see those brands as integrant part of themselves and their lives (Sheth & Mittal 2004, 394). As we can see in figure 4, lovemarks represent the extreme exploitation of this concept.*

Roberts also explained that a lovemark depends on three elements: Mystery, Sensuality and Intimacy. Without those people cannot feel they own a brand, and without that conviction a brand can never become a lovemark.

- Mystery because people are attracted to what they do not know, or fully understand.
- Sensuality keeps five senses on continuous aware, when they are stimulated at the same time, the results are unforgettable.
- Intimacy means empathy, commitment and passion.

As consequence of the new trend, brands have to move forward and yet become lo-  
vemarks. Keeping in mind that the connection within lovemarks and consumers be-  
comes physical, companies have to exploit as possible the places (screen, online and  
stores) as the newest channels and form of marketing techniques, and keep updating  
and creating new ways to reach their targets, and then build up, maintain, hold, sustain  
and preserve a strong and unique co-relationship with them.

Nowadays, people sharing the same brand culture usually establish their own virtual  
communities to share their passion. The same works for product lovers, as lovemarks  
are also products, not only brands, as in case of sneakers.

### 5.1 One-to-one marketing

It was 1993 when Peppers and Rogers had written “*The One-to-One Future: Building  
Relationship One Customer at a Time*”, introducing for the first time the concept of  
one-to-one marketing. During this period, this theory has moved from a strategic op-  
portunity to a necessity (De Pelsmacker et al. 2001, 337).

One-to-one marketing starts its fundamental as the ultimate form of product differen-  
tiation. But whereas the simpler strategy of a brand that follows the policy of product  
differentiation is to attempt to offer distinctive goods from the ones of competitors,  
competing ones, the most recent approaches are aimed to real products’ personaliza-  
tion, a unique product offering for each single customer.

The one-to-one marketing is based in four stage strategy. Those stages are:

- Identify: the first process is to know existing customers and attract potential ones. In addition, companies gather reliable data about customers' needs, tastes, preferences, and so on.
- Differentiate: the second step is to distinguish the customers and therefore to group them in more selected and restricted groups
- Interact: the third process requires the customers' engagement and the interaction within them and the company.
- Customization: the final part consists in tailoring the final product over individual customer needs. Nike-iD for example is a service that allows customers to design their own merchandise.

The exploitation of internet has favored the interaction within customers and brands. Another recent application is by utilizing iPhones. Companies have not only adopting one-to-one marketing as strategies, but they are pushing customers to use it and rely on it.

## 5.2 Digital marketing and internet communities

Digital marketing communication is fundamentally the digital interaction between the customers and brands. Internet is less expensive and more flexible than any other channel, and the possibility to market a product is virtually endless and the prospect to reach everyone is probable. This concept is based on the theory of the word-of-mouth (WOM), where it is supposed that every person knows in his/her life one hundred people, which one of those other one hundred and so on. In six steps, everybody can reach everyone. Now, with the explosion of internet, the WOM has become e-WOM, making this process faster. We do not have to think just about companies' web pages, or virtual markets (i.e. eBay, Amazon), but trying to implement those with hosting website (i.e. YouTube, Flickr), communities (i.e. Sneakerfreakers), social networks (i.e. Facebook, Twitter) and personal blogs.

### *Brand community*

In 2006, Nike spent \$100 million on a multilayered campaign in occasion of the Football World Cup in Germany. Starting from the slogan “*Joga Bonito*” (Portuguese/Brazilian for “play beautiful”), Nike built powerful video commercials and advertising showing famous football players (i.e. Ronaldinho for Brazil and Cristiano Ronaldo for Portugal) making tricks and juggling with a ball.

The next step was to create a website, *joga.com*, which in a small period became a social network with a million of bloggers that were downloading videos and especially exchanging comments and opinions about favorite players and teams. In practice, all these users joined Nike communities and also provided a larger amount of information and data for Nike marketing purposes.

The online revolution has given consumers an extraordinary new way to connect with the products they care about. Online they can prove that they own the brand. Brand communities share the same brand culture or in other words, the same set of beliefs and values about a brand.

### *Gaming and virtual branding*

*“Advergaming, the practice of incorporating an advertising message in an online Casual Game is becoming an effective way to reach target audiences” (24-7 Press Release 2008).*

The growth of internet has changed not only the way to reach the customers, or the way to communicate with them. Internet has amplified the territory, as now the virtual life has a market as well as the real life. Videogames like *There*, or real life simulators as *Second Life* or *The Sims*, for example, are played by millions of people, virtual world requires branding strategies, and successful brands have recognized these great opportunities. Nike, for example, has incorporated its brand into the game *There* and avatars wear Nike outfits for training. Moreover, as image 14 shows, Adidas was one of the first firms to understand the potential market of *Second Life* and not only ava-



tars were able to dress Adidas products, but also via the virtual shops, actual purchases of real goods are possible.

The connection within branding and gaming is successful and profitable. The adver-gaming (the result of incorporated advertising into an online videogame) is an industry that, regarding the research by Yankee Group, grew from \$83.6 million in 2004 to \$312.2 million in 2009 (24-7 Press Release 2008).



*Image 14. Adidas web-store on Second Life (Insoo 2007)*

In occasion of the World Cup, Adidas and Microsoft announced a long-term strategic alliance and an Xbox kiosk with Xbox consoles were placed in official Adidas stores worldwide. Richard Prenderville, head of Global Media at Adidas, declared that *“We are really excited by our alliance with Xbox 360. The innovation it is driving is something we believe in at Adidas, and our collaboration will excite an entire audience who loves to game indoors and out.”* (Microsoft News Center 2005)

### 5.3 Customization and personalization

How often has happened that walking in a store we did not find exactly what we were looking for? How many times scanning the shelves for a pair of sneakers we were thinking about different color combination? Is it ever happened to you not to buy a

pair of sneakers you liked because “they were made by the wrong brand”? This last aspect is most likely the final stage of customer loyalty. Customization and personalization are definitely the ultimate frontier of an intense co-relationship between final consumers and brands.

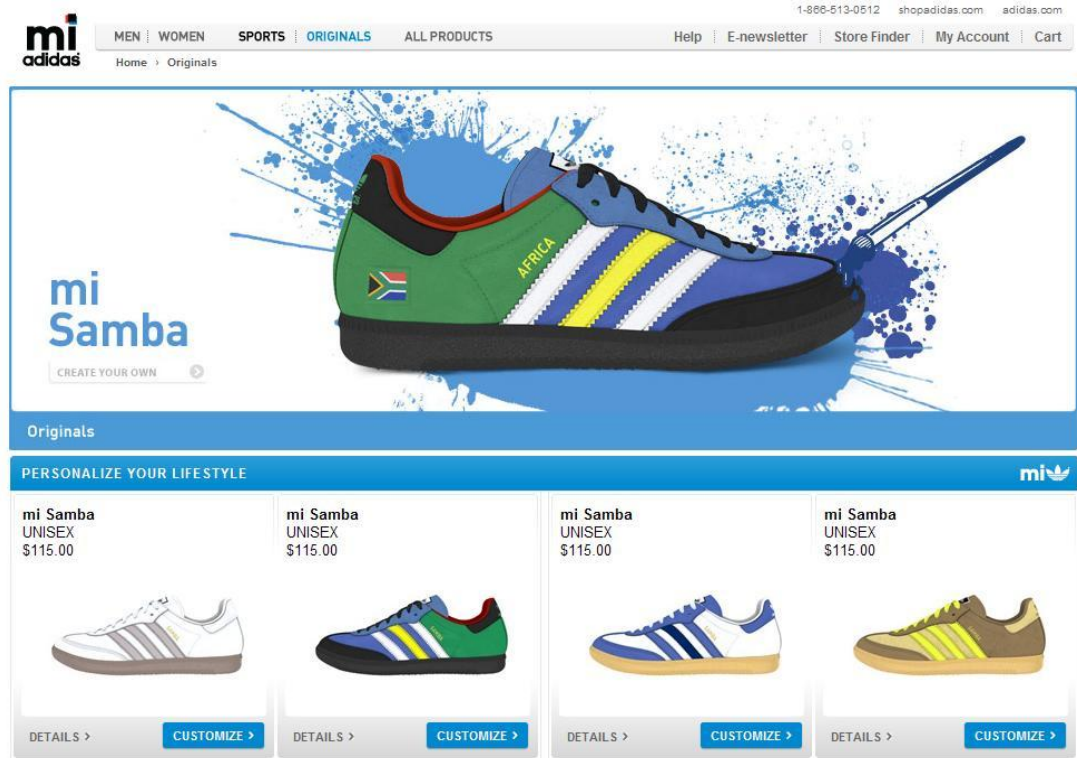


Image 15. Screenshot of miAdidas webpage (Adidas Official Website 2010)

Let's try to visualize a pair of sneakers, imagining that we are shoemakers and we are able to make them exactly how we are picturing them. Now do the same process, but knowing for certain that our favorite brand can do this for us. Adidas (see image 15) was a pioneer in the sector, and they actually encourage people to personalize their shoes.

When even customization cannot satisfy customers, it is the turn of personalization. Customized shoes, in fact, have to follow existing patterns and a wide, but limited, range of combinations. Personalized shoes do not. There are several ways to personalize their own sneakers. Using Nike-iD website or iPhones application, for examples, people can save personal images and Nike designers will create them and the customer can pick up his/her sneakers to a Nike store or receive at home by paying online.

Other ways to have personalized sneakers are to design own paper sticks on dedicated websites, or to entrust the work to specialized artists in shoes painting, as we can admire in image 16.



*Image 16. Personalized Adidas Stan Smith (Style Frizz 2010)*

## 6 DISCUSSION

Recalling the research goal (page 5), during the last four sections the thesis has aimed to simulate the process of purchasing as it happens in real life. In order to achieve its intent, it was set a tangible product case as a permanent example, and chapter by chapter, it was augmented with progressive notions about brand, starting from its definition and concluding with its last development, the lovemark.

Although intangible, brand has appeared the factor that most determinate and influence the purchase of one product over another. For this reason, brand has seemed an extremely interesting subject and also it has offered a fascinating, as challenging, topic for this thesis.

Sneakers were picked as product case for their inner nature of “shoes bought for different reasons from their original function”. When customers buy athletic shoes (and it does not matter if they are running shoes or basketball shoes for example) to wear regularly, it means that they buy a product they do not exactly need. They buy a product that solves the function of “footwearing”, but the primary scope of this particular product is not entirely satisfied. In fact, the scope is an intrinsic characteristic of the product. Sneakers are not simple athletic shoes anymore, but they represent the casual footwear. And as for clothes, brand counts.

### *Settings and attainment*

As a matter of fact, once the topic was determinate, the first real challenge of the current paper was to look beyond the common and most concrete factors during purchasing process, as product quality, product features, price and so. Literature and text books are filled with material regarding management and marketing mix. The whole point of the thesis was to avoid falling into the same spots.

The other main challenge was to find a proper structure for the thesis, as the concept of brand requires pre existing theoretical acknowledgment and it also includes constant recalls to other notions. In this sense, it was difficult to figure out an order of

chapters that did not require too many jumps from section to section for the reader, as the concepts were gradually introduced

The thesis was supposed to study, analyze and then understand the role of brand during the purchasing process, and how it influences the consumer behavior. Looking back to the whole process, and the results, it seems too generic and even a little too ambitious. A better choice would be to narrow the research question to a specific target group. In this context, in fact, it could be possible to aim the research for instance to Finnish teenagers (i.e. what kind of sneakers Finnish teenagers buy, and why). Therefore, through the Savonia e-mail system, it could be possible to send a survey to all the students and provide a conventional research. A second option was to find a footwear industry, for example Ecco (even if it is Danish, it has a strong presence in Finnish market), and conduct a market research concerning one specific brand (i.e. how to improve the image of Ecco into the Finnish market).

Nevertheless, taking also into account the limited time available, the research has fulfilled almost entirely its original purpose, as we can see in the following section.

### *Findings*

As it was already pointed out, the purpose of the research was probably too wide and also quite aspiring for a single student. In fact, it has resulted that to study and understand the role of brand in customer behavior requires too many previous knowledge, both economical and psychological, and because customers' own nature, it is quite impossible to determinate precisely the role of brand in consumer behavior. However, the original aims have been partially answered.

If we refer to the first research question (page 7) the difference of price between branded and no-branded sneakers derives from the worth of the brand, its equity. People are capable to buy Nike's sneakers for 80€ because at that moment they are not purchasing shoes. Or better, not only shoes. They are purchasing experiences, emotions, trend and style. Something that even the most similar sneakers (same shape, colors... but without the swoosh) cannot give them. In fact, as it was explained in section 4 (page 28), the brand equity derives from the addition of several factors, which

are both resulted and caused by the consumers. In other words, Nike's sneakers cost 80€ because the customer, since the moment he/she gave such importance to Nike as brand before as a manufacturer, priced them so. As a matter of fact, the mere cost of the compared final products (material, labor cost, shipping...) are quite alike (Kotler et al. 2009, 79). However, Nike's final price rise because the large amount of investments concerning the marketing: testimonials, sponsorship, websites, advertising, campaigns... Investments that bring back to Nike a unique positioning in customers' minds (see chapter 3.3). This unique position then effect the company reputation, reputation that assumed quality of the products, and so on, making the pricing strategies an endless circle of causes and consequences all chained together.

The last research question was concerning the fresh concept of lovemark. According to the author, Mr. Roberts, lovemarks represent the concept beyond the brand, its future. The market is becoming more and more competitive, and because of internet, there are no more boundaries. Companies are developing their strategies into a one-to-one marketing direction, meaning that each customer has to feel unique. The future of enterprises is not only the fact that they have to become competitive and successful globally, but they have also, and especially, to conquer the virtual world (i.e. Second Life). Lovemarks represent the ultimate stadium of a need. As Roberts (2006) said, "*take a lovemark away and people will protest its absence*". Therefore, companies have to evolve their brand into something whose absence would represent something even impossible even to image.

### *Conclusions*

The purchasing process is effected by so many factors that it has resulted impossible to determinate the role of brand in a generic purchase process. As mentioned before, in fact, the aim of the thesis was unfortunately not enough specific.

However, it was possible to study the progressive involvement of brand in the process, and therefore, by simulating the buying process, the current paper, has furnished the main features and was able to underline its core characteristics. The same applies to the product case.

To conclude the study, we can affirm that brand represents the present, whereas love-  
marks represents the future. However, there are products that, like sneakers, are al-  
ready status symbols regardless to brand.



*Images 17 & 18. Brand (Big Moon Tattoo 2008) vs. Product (The Shoe Game 2009)*

As images 17 and 18 try to extremes, it might be impossible to determinate if the lo-  
vemark is the brand, the item, or their combination. In sneaker case, in fact, it resulted  
almost impossible to determinate the line that separates the loyalty to the product from  
the loyalty to the brand. The outcome was that sneakers' collectors privilege the prod-  
uct but, at the same time, they manifest a certain loyalty to the same brand. As conse-  
quence, for example, the lovemark is the Adidas Stan Smith (image 20, Appendix 1),  
not all types of Adidas, nor other sneakers.

#### *Recommendations for further studies*

Branding is a continuously evolving research field. Therefore, it will be strongly rec-  
ommended to start where this thesis ends. The last chapter of this work was concern-  
ing the new concept of lovemark; lovemarks can really represent the future of brands  
as they are supposed to be their evolution, the concept beyond what brands are and  
what brands stand for.

Furthermore, a large amount of online material was utilized as references during the process. This aspect can be reconnected with what was pointed out in section 5.2: Digital marketing and internet communities. For this reason, the development of e-branding, for example, might also result an interesting as challenging topic case.

Moreover, as it was briefly mentioned on page 6, there are so a small number of specific books entirely regarding branding that even the search for simple concepts might require the use of several different sources. Because of this deficiency, and for what has been mentioned above, the current thesis can provide a solid starting point for several further researches, as this paper might provide few new inspirations besides the mentioned topics.

A last suggestion that can be made is to consider the possibility to brand Savonia University of Applied Sciences. If we think of schools as Cambridge, Oxford, Yale or Harvard, for example, we can relate to them as brands. Therefore, this last suggestion might represent a challenging topic for the student and result, at the same time, incredibly useful for our school and its future development.



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## APPENDIX 1

Gallery of the most significant and trendy sneakers of all time



*Images 19 & 20. Nike Cortez and Adidas Stan Smith (Kicks on Fire 2010)*



*Images 21 & 22. Converse All Star and Puma Clyde (Kicks on Fire 2010)*



*Images 23 & 24. Fred Perry Liberty and Asics Onitsuka Tiger (Kicks on Fire 2010)*