Why are black iPhones sold with white earbuds?
October 23, 2001

- iPod was first unveiled to the world.
Branding as a signal of product quality

Tingting Liu
- March, 2019-
Why is branding important?
Who will be the audience of brands’ signals?
Who will be the audience of brands’ signals?

What will be the salient information for every party?
Content

• Defining Branding
• Evolutionary Origin of Branding
• Co-Branding & Debranding
• Branding Identity
• Storytelling & Experience
Brand:

• The public face, usually carefully constructed, of a marketable product, service or even person.

• The image of a commodity is often supported by a brand identity.
Defining Branding

• Brands today represent more than a product, service or brand identity.
  • A brand is synonymous with the business and the style behind the product or service; it encompasses the people working for the company and a philosophy and spirit that sustains it.

• Brands offer a set of values, a vision and an attitude.
Once a brand has established itself

Selling a product or service

- Build awareness,
- Improve reputations,
- Affirm/change perceptions
• **Nike** Swoosh, a check mark shape that is fluid and indicates movement and speed.

• The image also resembles a wing and hinted at the brand name, **Nike**, named after the Greek goddess of victory.
Evolutionary Branding

The evolutionary origins and the functions of branding
Why are there brands?

• Why do persons need or want symbolic markers (i.e., brands) for these types of identity?

• Why do humans feel it necessary to create social, political, cultural, ethnic, and personal identities?
A necessary but not sufficient condition for branding:

- Unlike other primates, humans have evolved the capacity to think in symbolic and metaphorical terms (Mithen, 1996)

- The ability to view themselves and others as having personal and social identities
The history of having social groups:

- Humans continue evolving in ways that predispose them to form communal groups (Boyd & Richerson, 2005)

- Use symbolic markers to distinguish themselves from one another (Richerson & Boyd, 2005)

- This perspective argues that deployment of such symbolic markers within a culture is the result of genetic adaptations accumulated over hundreds of millennia.
Co-Branding & Debranding
Co-branding

• A marketing strategy that involves strategic alliance of **multiple** brand names jointly used on **single** product or service.

  • ↑ opportunity
  • Share resource/ costs
  • ↑ awareness
  • Conflicts & Negative images
  • Poor performance of co-brand
Some typical examples:

- Rakuten.com
- American Airlines
- MasterCard

[Images of Dell, Intel, Windows, and MasterCard.]
Spotify...

With Uber

With Starbucks

The Verge

Android Headlines
Bonvoy?

It’s Official: ‘Bonvoy’ Is New Name for Combined Marriott Rewards, SPG and Ritz-Carlton Rewards

"The first hurdle for Marriott is getting people to understand and embrace the name, which will require far more spending and time than most people think," Adamson said. "Because what is Bonvoy? They’re creating a brand out of what we call an empty vessel. It has no inherent meaning, so this is really going to take some old-fashioned brand-building in an era when most companies don't have the budgets or the time to do that."
PlayStation Advertising

Davis, & Baldwin (2006)
Debranding is a process of de-corporatizing where a company removes its brand name or logo from its marketing collateral.
Branding Identity
Context, Color, Style
Imagine that you are dining in this restaurant

After having your meal, you are presented with a check in a bill folder. I will give you the bill folder now. You open the bill folder and find the receipt with your meal cost. Please indicate your tip (in %) for the server and sign the receipt just like you would in an actual restaurant situation.
4: BLISS BODY CARE PRODUCTS

The packaging, labelling and tone of the Bliss products, along with the entire Bliss experience, have been carefully crafted to appeal to an upmarket audience with a sense of humour – they call it ‘tongue-in-chic’. The company started in New York as a spa and has since opened in London with a supporting range of beauty products. The spas are bright, funky and ultra hip, created by Marcia Kilgore, who shows a keen understanding of branding.
Visual identity

• Comprise the graphic components that together provide a system for identifying and representing a brand.

• The “basic elements”:
  • Logotypes
  • Symbols
  • Colors
  • Typefaces
Color

• The only element of a brand’s projection endowed with inherent meaning.

• Influences:
  • name (Keller et al., 1998; Klink, 2000)
  • non-alphabetic logos (Henderson ad Cote, 1998)
  • typeface (Childers & Jass, 2002).
What Do the Major Retailers Use?
Color

• People prefer **blue** rather than **red** retail environments:
  • Relaxing
  • Longer browsing time
  • Greater purchase intention  (Bellizzi, & Hite, 1992)

• The ‘wallpaper’ on a car website featuring **green with dollar signs** successfully primed price, whilst **red and orange flames** primed safety  (Mandel, & Johnson, 2002)
Higher wavelength colors increase trust

(Fogg, Lee, & Marshall, 2002)

https://www.rs-online.com/
Emotion links to colors

- Universal & cultural specific
- Universal:
  - **Blue**: relaxing, pleasant, calm, and reassuring.
  - **Yellow**: exciting, unpleasant, active, and causes wariness (Adams and Osgood 1973)
  - **Saturation** --- excitement
    - higher saturation leading to higher excitement
  - **Brightness** --- tension or anxiety
    - the darker something is, the more tense or anxious the viewer gets (Walters et al. 1982)
Jacobs et al. (1991) found that US students associated:

- black with expensive and powerful
- blue with dependable, trustworthy and high quality
- red with love
- purple with progressive and inexpensive
- gray with dependable and high quality
- yellow with happy
Gold-colored

Apple

AMEX

Hotel Management
Results of our tip experiment!
<table>
<thead>
<tr>
<th>Black</th>
<th>Gold</th>
<th>Orange</th>
</tr>
</thead>
</table>

**Fig. 1**
Bill folders used across studies

Lee et al., 2018
Fig. 2
Tabletops in Study 2
“Human memory is story-based”

(Schank, 1999, p. 12)
Brand experience & communication

• The experience of a brand is a series of interactions that, over time, can encourage brand loyalty or marginalize a product or service.

• Buying something > the product or service:
  • philosophy & spirit !!
Disneyland

https://www.youtube.com/watch?v=Td8bMNuCnAQ

gifer.com
Nike: Ambition, Challenge, Commitment

https://www.youtube.com/watch?v=whpJ19RJ4JY
Airbnb: Create a community

Who are the people I will be staying with, and what will the experience be like? Stories provide the answers.

https://www.youtube.com/watch?v=nnL8I1kEtSc
Good life fitness: Change

We asked Darcy to inspire a new GoodLife member with his fitness journey.

https://www.youtube.com/watch?v=CE39SIuHZb4
One story of personal experience

He uses the island to establish himself as an adventurer, explorer & competent observer:

This island becomes part of his social role & self-representation

Little Red Book

Ecommerce

China's $1bn shopping app turns everyone into trendspotters
Any brands from your opinion are good storytelling brands?

Promoting a lifestyle, telling a good brand story, selling their philosophy and spirit...
Generate a list of all of the products or services that you use on a regular basis.

- These products and services could include:
  - the type of car you drive
  - the music you listen to
  - the brands of food you eat
  - the places where you socialize
  - how you decorate your living spaces
  - where you buy your clothes
  - what you do on summer vacations and spring breaks
  - what activities you participate in to enhance your job prospects…

Adapted from Miller.(2010). Spent: Sex, Evolution, and Consumer Behavior
• Now, articulate what the patterns of consumption say about your identity.

• In other words, what is the personal “brand” that you have created for yourself, and how is that personal “brand” communicated to others?

Adapted from Miller.(2010). Spent: Sex, Evolution, and Consumer Behavior
The Laptop-Personality Correction

• Write down the laptop brand you own and use most often.
• Analyze its brand personality by its design and advertising.
• Compare your laptop’s personality profile to yours, and note any discrepancies.
• Design 2 stickers for your laptop that might correct those discrepancies by signaling your personality traits more accurately.
• Rate your 2 stickers on its attractiveness from 1-5 (not attractive at all—extremely attractive)

Adapted from Miller (2010). Spent: Sex, Evolution, and Consumer Behavior
Now, let’s do something more

1. Decide price(s) for the 2 stickers you design if you would like to sell it, don’t let others’ know for now. It’s totally up to you.

2. OK, write down your price on the paper I give to you now. Still don’t let us know your price. Leave your **unique sign secretly** on the back of your sticker.

3. Now, I will randomly pick someone and get their stickers back to me.
Endowment effect

• People ascribe more value to things merely because they own them.

• This is typically illustrated in two ways.
  • people will tend to pay more to retain something they own than to obtain something they do not own
  • people given a good are reluctant to trade it for another good of similar value.

https://www.interaction-design.org/literature/topics/endowment-effect
In the experiment:

- Participants were given a mug and then offered the chance to sell it or trade it for an equally valued alternative (pens).
ENDOWMENT EFFECT – THE MUG EXPERIMENT

SELLERS (HAVE A MUG) - FOR HOW MUCH WOULD YOU SELL?

$7.12

BUYERS (DON'T HAVE A MUG) - FOR HOW MUCH WOULD YOU BUY?

$2.87
ENDOWMENT EFFECT – THE TICKETS EXPERIMENT

LOTTERY WINNERS (HAVE A TICKET) - FOR HOW MUCH WOULD YOU SELL?

LOTTERY LOSERS (DON’T HAVE A TICKET) - FOR HOW MUCH WOULD YOU BUY?

$2,400

$175

humanhow.com
More examples?
Test drive
“X days money back guarantee”
Status quo bias

• Status quo bias is evident when people prefer things to stay the same by doing nothing or by sticking with a decision made previously (Samuelson, & Zeckhauser, 1988).

• This may happen even when only small transition costs are involved and the importance of the decision is great.
“Start a free trial”

Cable-free live TV is here
Live TV from 60+ networks. Local sports and news. No cable box required.
Ikea effect?

• IKEA effect is evident when invested labor leads to inflated product valuation (Norton, Mochon, & Ariely, 2012).