

# Branding in the Digital Era. How to do it Right

Master Thesis

Polina Postolnyk Student ID 17496321 polina.postolnyk@ue-germany.de

M.A. Innovation Design Management Semester 2

> Prof. Johannes Kiessler Prof. Katharina Koberdamm

Berlin 2021

## Declaration of Authenticity

I herewith declare that I wrote this thesis on my own and did not use any unnamed sources or aid. Thus, to the best of my knowledge and belief, this thesis contains no material previously published or written by another person except where due reference is made by correct citation. This includes any thoughts taken over directly or indirectly from printed books and articles as well as all kinds of online material. It also includes my own translations from sources in a different language.

The work contained in this thesis has not been previously submitted for examination.

I also agree that the thesis may be tested for plagiarized content with the help of plagiarism software. I am aware that failure to comply with the rules of good scientific practice has grave consequences and may result in expulsion from the programme.

(Date, Place)

02.08.2021, Berlin Polina Postolnyk

(Name)

#### Abstract

The spread of COVID-19 is transforming economic and social life in many countries. One of the most striking consequences of the current pandemic is the accelerated adoption of digital technologies in a wide variety of areas.

Today, brand without a digital presence is like a car without wheels. Unfortunately, it's not going to get anywhere. Though old-fashioned, "analog" branding hasn't quite gone the way of horse and buggy, businesses today need a diversified array of digital branding tools to cement their real-world presence.

Thus, in my Master Thesis I'm going to research what the essentials of a successful brand strategy are, why is it so important and how to ensure privacy and protection of personal data in the conditions of active digitalization of life. In order to do this, I'm going to use case study method to analyze 15 successful brands and identify its brand strategies' essentials.

On this ground, in the last part of my work I'm eager to create a workable concept of brand strategy on the example of Ukrainian educative brand "Olly-Polly" that is required some additional care due to its specification. It will be presented as business model canva that include all brand strategy elements and business model patterns that make this concept workable.

Key words: brand, branding, digital transformation, digital branding, customer relationships

### Table of content

	Abstract	3
1.	Introduction	
2.	BRANDING APPROACH OWERVIEW	7
	2.1. What is branding	7
	2.2. Impact of digital transformation on branding	14
	2.3. Brand strategy	
	2.3.1. General overview	19
	2.3.2. Key components	20
	2.3.3. Brand strategy roadmap	23
3.	ESSENTIALS OF A SUCCESSFUL BRAND ANALYSIS.	24
	3.1. Case studies	24
	3.2. Successful branding essentials checklist	41
4.	CONCEPT CREATING	43
	4.1. Brand Analysis	43
	4.2. Concept Idea generation (Business Model Canva)	45
5.	Conclusion 5	
6.	References 52	
7.	Appendix	55
	Appendix A. Definition of brand and branding	55
	Appendix B. Olly Polly's analysis	60
	Appendix C. Interviewing	63

#### Introduction

In spite of popular belief, brand is far more than just a logo. Thus, today's branding is rather about building the relationships with customers, than being a way to sell products to consumers. Consumers today have the ability to share their brand experiences with millions of other consumers. Today, consumers are active participants in defining brand narratives rather than passive listeners. As a result, a brand manager's role is not so much focused on creating and managing brands as it is about leading, managing, and co-creating brands with customers.

With the development of digitalization, however, a number of new components have emerged that need special attention. Digital transformation impacts different sectors of the economy and society. As a result, organizations are faced with significant challenges and opportunities. The correct understanding of trends and their implications for a business model will help it to remain sustainable for short periods of time and generate short-term financial gains. Thus, businesses today need a variety of tools for digital branding in order to solidify their real-world presence.

#### The purpose of this thesis is:

- to study the influence of millennials on the functioning and development of the brand and how this affects the restructuring of the market,
- o study the impact of brand digitalization,
- to define the foundations of successful branding based on the analysis of the practices of well-known brands that have succeeded in solving problems and using the opportunities of the digital economy,
- build a brand strategy based on a practical example to build a successful business model.

#### Methodology. For my research, I chose the following methods:

• *Literature review.* This method, like no other, allows to get acquainted with the theoretical component of my topic. Acquaintance with the works of various authors will

help me to more holistically understand the topic and collect the opinions of specialists from different industries and nationalities.

- *Case studies*. One of the most important methods in this work. As such an analysis allows to study how the theory behaves in practice. For this block, I selected 10 companies that used design thinking to create and successfully implement their business models. These cases cover different industries and countries, which makes this analysis as complete as possible.
- Interview. This method makes any research more accurate. Helps to deal with all
   "inconsistencies" and spaces. However, due to the fact that I involved in my research
   specialists from Ukraine (as required by the practical chapter), who mostly do not speak
   English, I had to apply this method in writing form with further translation. Thus, this
   block is more likely to be called *Questionnaires*.
- *Survey*. This method helps to collect the maximum amount of data and obtain statistical data using additional services in a matter of minutes.

#### Structure:

- *First chapter* going to be an overview of branding approach, its elements, what is the value of customer relationships and what impact on brand it has. Moreover, this chapter will discover digital transformation meaning, its impact on branding and its key components for brand strategy creating.
- In *Second chapter* different world-wide brands will be analyzed and successful branding essentials checklist.
- In the last *third chapter* I will share the final business model concept of real Ukrainian company.

#### 2. BRANDING APPROACH OWERVIEW

#### 2.1. What is branding

Branding, customer-brand relationships, and branding strategy have become so complex today that attracting consumer attention to brands is now a widespread problem in various directions and markets. With the growth of emerging markets, companies are exploring new facets of brands, including materialism and brand awareness, all while focusing on fashion, quality, and pricing (Rajagopal, 2019). Compared to the past, consumers in emerging markets have increased their purchasing power. As a result, they perceive the market for brands to be complex today. The choice of products and communication channels has expanded rapidly, and brands are penetrating in two directions with global-local and local-global dynamics. As emerging markets become more digitally connected, the potential for consumer empowerment is increasing. Branding has become a requirement for companies in today's global market to remain competitive. So, what does branding mean?

Branding is a creative and strategic way of telling customers why they should work with and what they can expect from your business: who you are, what you care about, why they should work with you and what you provide (Robertson, 2019).

A brand is an essence that sums up everything that is unique about your organization and makes it memorable so that people remember and remain loyal to it (Robertson, 2019). If we think about the golden arches at McDonald's, or the multicolored rings on the Olympics logo, we will understand that an image or symbol that is not complicated can still convey strong associations throughout the world.

Otherwise, branding is the type of tool used to develop or maintain competitive advantages (Poulis et al., 2017). It is even more difficult to stay competitive in the somewhat noisy world of digital media. The difference between a brand and brand name is significant. A brand name is tangible and can be seen by consumers. The actual brand only exists in the minds of consumers based on what they will think when hearing this name.

*Appendix A* shows how brand and branding are defined in other studies. As an example, Jay Baer, founder of convincenandconvent.com, one of the most popular online marketing resources for business people, identifies branding as a the art of aligning what you want people to think about your company with what people actually do think about your company. Analyzing this statement, it becomes clear how strongly the concept of branding relates to customer perception and what is necessary of branding for the brand. A number of studies have shown that positive emotions lead to a positive attitude towards ads, brands, and websites, so negative emotions produce a negative attitude (Otamendi & Martin, 2020).

What does this mean for brands? Getting to market success requires brands to feel connected to customers on a deeper level. It is no longer enough to emphasize the technological or status-related advantages of a product or service to satisfy the emancipated consumer. Digital products and services must have high aesthetic and functional quality to succeed on the market. These characteristics cannot be regarded as distinguishing characteristics any longer. To be relevant and differentiating, and thus ultimately successful, digital products and services must additionally connect on an emotional level with their potential customers. Companies that do not manage to create meaningful connections with their customers will lose their market position: The "Enabling The Good Life" study describes the fact that about a third of American consumers do not purchase goods or services they do not believe are aligned with their values (Friston et al., 2019). In contrast, brands that do support the values of their customers are rewarded with strong customer loyalty: The majority of respondents of the survey stated that they would be loyal to brands that support the Good Life, and a significant share of participants would actively promote the brands they are choosing to support.

In June 2021, SuperOffice digital journal published on its webpage Customer Experience Statistic based on its own survey. In this survey, 1,920 business professionals had been asked to share their number one priority for the next 5 years. The fact that customer experience is the number one priority did not surprise anyone.



Figure 1: Business top priority in the next 5 years (Kulbytė, 2021)

Customer satisfaction has been found to be closely related to a customer's willingness to purchase again from a business. According to Elcom's blog, (2019) their survey has shown that customer experience is also directly related to customer word-of-mouth marketing. Businesses with high levels of customer satisfaction will reap the rewards in terms of revenue and reputation. What makes a good customer experience? In short, it consists of communications, website design and user experience, and staff learning and training.

On the other hand, consumers can recommend the business to their friends and numerous other connections, improving the brand's identity (Poulis et al., 2017).

Thus, brand needs to be truly customer focused. It means not just the statements made by the company's management, but the appropriate actions taken by an ordinary employee when faced with the difficult decision between the interests of the client, his own interests and those of the company. The majority of organizations believe that customer focus is one of the hallmarks of digital organizations. But what are the common traits of all successful digital companies? All of them focus primarily on the client's interests while developing their products and processes. The next chapter will cover more details regarding this question.

The elements are the fundamental components of all matter. Consequently, every brand has the same visual elements such as the logo, color palette, user interface, and more (Kramer,

2021). As a result, a brand identity combines these branding elements to form unique and compelling label designs. Such visual elements are:

- Logo. A logo is essential for every brand. Today, it's hard to find a brand without a logo, which is arguably the most important element of branding.
   Logo encompasses an entire brand identity and combines it into an instantly recognizable image. As consumers, our first interaction with brands creates unforgettable images in our minds, evoking memories (good, bad, or indifferent) whenever we see them again. The brand logo will appear on virtually all assets it owns, including business cards, websites, products, social media pages, templates used for advertising, and all marketing materials. That is why the logo must accurately represent the essence of the brand and embody the essence of the corporate identity.
- *Color Palette*. Color is another key part of branding, and some companies have even trademarked their signature colors. Among the trademark colors are UPS brown, Tiffany blue, and Fiskars orange.

But why is color so important? Because in the marketing world, each color represents a specific brand value.

 Shape. Another component of branding is form. Not just the shape of the logo, but also the shape of the web page background, the layout design, packaging, and even the business cards and other stationery.

Brand development involves determining which forms are best suited to a particular brand. It's important to remember that a brand is not limited to one particular shape or type of shape - if the brand's appearance requires two or more shapes, use them.

*Tagline.* "Eat fresh", "Just do it" - these are two of the most famous taglines in the world. Taglines, also known as slogans, are the epitome of brand messaging. Your brand messaging communicates your unique value proposition.

Sometimes the offer is obvious, such as Subway's "Eat Fresh" slogan. With "Eat Fresh", Subway differentiates itself from other fast-food brands by positioning itself as a healthy option. With green in their branding and telling customers' stories of weight loss due to eating Subway, Subway hammered home their point. Some brands present this unique offer in a more abstract manner, like Nike's encouragement to "Just Do It." However, despite its somewhat abstract nature, Nike's message is clear: don't wait, take action. No excuses, just get up, exercise, and do what you know is good for your body and mind.

The tagline provides additional information and context to the logo. It doesn't just tell people what you do; it tells them what they can expect.

*Tone of voice and vocabulary.* Small coffees aren't available at Starbucks. They offer the smallest of their three standard sizes... but it's called "tall." This is due to Starbucks developing their own brand vocabulary that differentiates them from the competition. While they did not coin the terms for the different sizes of drinks, it was the first time they used them in this way.

Starbucks is known for its unconventional naming conventions as well. Additionally, they are known for misspelling customers' names on their beverage cups-sometimes hilariously inaccurately. Despite not acknowledging any deliberate mistakes, Starbucks has recognized that writing customers' names on cups is a fun part of their branding. Individual baristas take different approaches to misspellings, however.

Such a specific vocabulary is the part of a brand's tone of voice. The tone of voice of a brand is the voice you identify in all the copy they produce, including the emails they send, the words on their website, and their social media posts. An effective tone of voice can reshape the perception of a brand worldwide.

- Fonts. Another important element of branding is the font that a company uses. Anywhere a brand uses text, such as in their logo, website, and email templates, the font used for that text is carefully selected to reflect the brand's personality and values. Font components correlate with different emotions and traits in the same way as specific colors do.
- *Imagery*. The term imagery refers to all images used by a company for branding, marketing, and advertising. It's not about a logo or the specific pieces of content the company publishes; it's about the type of images and stock photos it uses, the graphics on its website and other brand assets, and the overall brand aesthetic. Whether you're designing backgrounds, packaging or banners, you don't need concrete imagery to

communicate your brand clearly; those could easily be formed through already understood shapes and colors.

Brand imagery works closely with other elements of branding, such as color and shape. It doesn't end with illustrations and graphics, either. Brand imagery also refers to how a brand, and a personal brand, represents themselves visually.

*Positioning*. Positioning is the niche a brand occupies in the market. By determining a brand's persona, you determine not only what it offers buyers, but how it fits among other brands in its space as well. Do you price higher, about the same or lower than your competitors? What makes your offer more attractive than those of your competitors?

Brand positioning directly impacts its branding. In the case of low-priced brands which want to communicate that they are the most economical choice, they might use bright, value-communicating colors like yellow and orange and craft a brand voice that's simple, friendly, and optimistic.

In contrast, a higher-priced brand might employ darker colors and a mysterious brand voice to position itself as more exclusive.

Though, brand positioning is more than just carving a niche for yourself. Additionally, it involves interaction with other brands, both from the same industry as well as from other industries. This is where positioning and brand imagery overlap: the brands you partner with (and this includes influencers) impact how the world perceives you.

In addition to the common elements discussed above, branding strategy can take you far beyond them. Numerous brands extend these elements to sensory input and specific experiences. Such branding is often associated with particular industries—whereas in the food industry a fast-food restaurant would have a branded taste, in the music industry it wouldn't. Such less common branding elements are:

*Taste*. The reason people eat at Taco Bell is not because they want authentic Mexican food. Taco Bell is the reason they go there. Taco Bell creates products with a unique flavor you won't find in any mom-and-pop taqueria, and Taco Bell uses that flavor as part of its branding.

Consumer loyalty is built on a consistent brand taste. Sometimes, you're hungry and don't want to gamble on food from a place you've never been to, so you go to your old

standby. Food isn't the only thing with a branded taste. When your products have a flavor, whether gum, beverages, tobacco, or toothpaste, that taste is intimately connected to your brand.

• *Smell*. Everyone is familiar with the Hollister smell.

That's on purpose. As part of their job duties, employees spray the brands' colognes throughout these stores to create this unique atmosphere. Many brands that smell good know they smell good, and some have taken advantage of their amazing scents by giving buyers the opportunity to take those smells home with them. There are so many memorable scents associated with Disney World's resorts that third parties sell candles that replicate these smells in 2018, Auntie Anne's produced a line of essential oils, and Auntie Anne's created a line of pretzel essential oils in 2018.

 Interactions. Even interactions can be branded. An example of this type of response is Chick fil A's employees saying "my pleasure" when customers thank them. Branded interactions transcend words and phrases. Additionally, they extend to how employees refer to themselves within the company.

Another company, Disney Parks, is known for integrating employee-guest interactions into its branding strategy. The workers at Disney World are not employees but cast members. The employees not only perform day-to-day duties, but also participate in the parks' immersive world, often going above and beyond to make guests feel extra special.

- Sound. In the same way that taste is part of the brand identity, so can sounds. This can
  include song jingles but also spoken phrases, short musical phrases, and recorded
  phrases. We all immediately recognize the sound branding that goes along with Netflix
  or HBO logos at the start of our favorite shows.
- Location. Last but not least, the location also plays a significant role in branding. The way people perceive your brand is dependent on where they see it, much like how they perceive positioning and partnerships. It's no accident that certain brands only operate in shopping malls, others never operate in shopping malls and others operate in very specific locations.

As a branding element, location doesn't just mean where you do business. Additionally, it can refer to where your products and advertisements can be found. An ad campaign launched by UberPOOL used drones to dangle mini billboards advertising the service to drivers idling in traffic in Mexico City.

So the customer experience has become incredibly important to the brand. Thus, when forming branding, it is necessary to take this fact into account and use tools that help to strengthen the connection between the brand and the buyer. Fortunately, there are enough such elements today. However, in such a rapidly changing reality, brands need to offer something new.

#### 2.2. Impact of digital transformation on branding

In recent years, the internet has transformed how firms communicate with consumers, consumer communications with brands, and consumer communications among consumers. Social media and other platforms for user-generated content, known as Web 2.0 and then Web 3.0, have created a seismic shift in the relationship between brands and consumers, and in branding itself (Taylor et al., 2017). Mass media are no longer the means by which firms control brand meaning "one-to-many." In its place, a new "many-to-many" paradigm is emerging, in which the firm and the consumer are active co-participants in the brand management process. Consumers today can share their brand experiences with millions of other consumers (Kuksov et al., 2013).

Smartphones and tablets have already become personal control centers. And if the company fails to adapt to this "mobile mentality", which is focused on service always and everywhere, a new player will take its place (Kulagin et al., 2019).

Against the backdrop of widespread digitalization, many companies that don't understand core meaning of this process, have hastily adopted new technologies in recent years without having the necessary administrative skills to use them (Bangsawan, 2019). Because of this, such organizations do not understand how these technologies should interact with the existing architecture. As a result, instead of maintaining old IT systems, funds are being used to develop new digital skills. From a business point of view, this makes sense, but often such

actions significantly undermine the security of the IT architecture in the medium term. But it is important to not forget that digitalization is a tool, not a goal unto itself. A digital transformation should aim to achieve the company's business goals and increase its key performance indicators (Kulagin et al., 2019).

But what digital transformation means by itself? According to Statista.com, the concept of digital transformation (DX) is the integration of digital technologies into an organization's operations and services to improve current and develop new operations and deliver greater customer value (Liu, 2021). Powered by technologies such as advanced analytics and artificial intelligence (AI), it represents a cultural shift to more agile and intelligent ways of doing business. As a result, all of these processes affect the overall business model, key elements of the value chain (product development, marketing, and supply chain), and some of the main functions (technological base, organizational model, and corporate culture). Organizations are already beginning to digitally transform, and they are doing so broader and deeper - by 2023, more than half of global GDP will come from digitally transformed organizations.

However, integrating technologies into business processes is only one part of digital transformation (Schallmo & Williams, 2018). It is not enough for companies to turn analog things into digital artifacts simply to keep up with current trends. To succeed in the digital age, individuals have to rethink old processes. As a result, digital transformation requires skills that involve the extraction and exchange of data, as well as the analysis and transformation of that data into actionable information.

As a long-term process, digital transformation has an evolutionary rather than revolutionary approach (Bangsawan, 2019). But events of the past two years have led to a more rapid acceleration of this process. According to the global survey (Mlitz for Statista.com, 2021), 97% of respondents say the outbreak of the COVID-19 pandemic motivated their organizations to accelerate digital transformation. In particular, 68% of respondents report their organization's digital transformation has accelerated significantly.

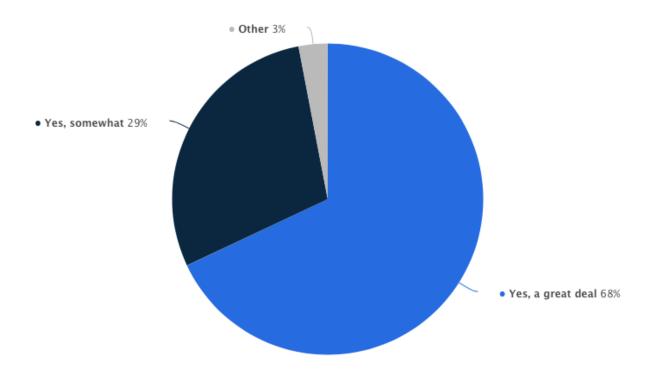
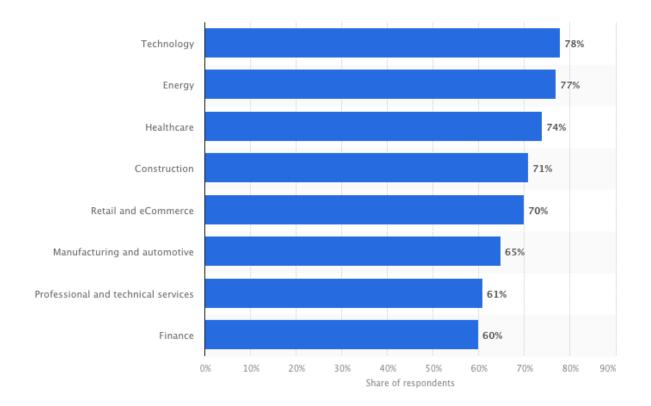


Figure 2: Global COVID-19 impact on digital transformation tempo 2020 (Mlitz, 2021)

Since many companies are organizing employees to work from home due to the pandemic, digitization processes have accelerated to meet the sudden demand for teleworking. And this applies to all areas of business.



#### Figure 3: Global COVID-19 impact on digital transformation tempo 2020, by industry (Mlitz, 2021)

Today, brands have to be proactive to find the latest and greatest opportunities in a rapidly changing world. Those that embrace new digital channels often build stronger and more visible presences simply because they were there first (Poulis et al., 2017). Of course, you can wait until it has proven itself as a successful digital channel, but you run the risk of getting lost in a sea of other marketers who have also joined the party. The brands that got onboard with YouTube right from the start did not become lost in the crowd.

With all the information above, when it comes to traditional branding techniques, it can be difficult to teach millennials the old ways. And therefore, digital branding approach appears.

The digital branding process involves creating and building your brand on websites, apps, social media, video, and many other outlets (Robertson, 2019). Digital branding consists of a combination of internet branding and digital marketing in order to develop a brand online. But what is the difference between digital branding and digital marketing?

Digital marketing focuses on finding new customers and generating sales whereas digital branding focuses on providing value and inspiring loyalty (Robertson, 2019). In contrast to traditional ads, digital advertising attempts to engage consumers. Instead of inspiring people to make a one-time purchase, it's more about creating an online identity and positive feelings. Successful digital branding gives your customers the feeling that you're talking directly to them, because you're using the same platforms they use to communicate with friends and family members. One-time customers become lifelong brand loyalists when they receive personal and meaningful communications from the brand.

A company's digital branding is at its core a tool for enabling communication between the company and its customers (Kaswengi, 2020). This can be as simple as making it easy for customers to find information about your company on your website or making it easy for them to contact you as quickly as possible. In the modern consumer's mind, a brand that isn't searchable online is essentially nonexistent. Aside from conventional approaches, globalization has opened up many possibilities for brands to use social media and the Internet in their branding strategies. Due to digital transformation impact on branding, new branding key elements appeared:

- Website. As your logo is a visual representation of your business, your website is a digital showcase. Customers who want to find stores, opening hours, grocery listings, or contact information will not dig through the phone book (Aquino, 2020). Whenever they want information easily and efficiently, they Google a website.
- *UX/UI*. User experience (UX) and user interface (UI) design are additional elements that can be incorporated into a brand's identity. UX refers to the user's experience with an app or other type of product, and UI refers to the user interface. The goal of UX and UI design is always to provide the user with a simple, intuitive experience. It is positive for the brand to provide such a seamless experience. Branded UX and UI do not need to end there the use of UX design as a way for users to engage with your brand is a great way to make an impression on them, such as the way Vans embraces creativity by offering users the ability to design their own sneakers.
- SEO. SEO (search engine optimization) means making sure your brand and its offerings are easily found on search engines, one of the main avenues through which customers find your business.
- Social media. Everybody has some sort of social media presence, whether it is Facebook, Twitter, or Snapchat. Brands that are there with their customers should be there as well.

To make your post effective, you need to customize it according to the platform. Snapchat's content is usually fun, lively, and targeted to a younger crowd. The purpose of Instagram posts is to drive likes and comments. The Twitter application works in real-time and responds to current events and news. Facebook is a little bit of everything, with a focus on behind-the-scenes content.

Online advertising. Using the Internet to sell your products is what online advertising is all about. It's not just a banner on a website anymore. There are dozens of ways to advertise digitally today (Aquino, 2020). These are some of the most common avenues:

Search engine ads, Display ads, Social media ads, Mobile feed and desktop feed ads, Retargeted ads.

Nevertheless, as market competition increases, the rules of the game can change at any time without notice (Bangsawan, 2019). For this reason, it is so important for brands to regularly analyze the market, their company and global trends.

#### 2.3. Brand Strategy

#### 2.3.1. General Overview

In order to achieve success with branding, companies need to understand the market environment, resources, society, and culture, as well as analyze their competitors' choices in the marketplace. However, due to the limitations of marketing in a rapidly evolving digital environment, it is important to continue to maintain the fundamental principles associated with building a brand based on long-term success (Poulis et al., 2017). Digital landscape continues to evolve into an active and lively environment through which consumers can be instantly accessible, but the way in which this is achieved must also continue to evolve. In some instances, disrupting a person's work to demonstrate what a company is capable of can have unintended consequences that may undermine their opinion of digital landscapes.

As an example, a video advertisement based on something completely unrelated interrupts what a person is watching on a website like YouTube in the middle of the video. Businesses should take the time to understand where and who their audience is, and then create approaches that are more organic to them so that they don't distract the viewer from the experience, but rather add to it.

Brand strategy is a holistic and comprehensive look at the future of a company or product (Lalaounis, 2020). It encompasses everything, directly or indirectly, related with the brand. It starts with philosophy and ideological platform and ends with calculable indicators. Designing the brand strategy help company to get answers for all following questions (Rajagopal, 2019):

• What will the created or updated brand be like?

- Who is it designed for?
- How to increase the engagement of your target audience?
- What brand will become in a month, six months, a year?
- What are the main and secondary goals?
- What actions need to be taken to achieve the set goals?

But what are the benefits of a competent brand strategy?

- Stand out from the competition. Modern markets are so flooded with offers that it is very, very difficult to stand out from the crowd (Lalaounis, 2020). Brand strategy enables you to analyze the external environment, identify your own niche, and differentiate yourself from competitors. Therefore, customers will remember you.
- *Build an emotional connection with consumers.* A successful interaction with customers involves building relationships where the latter not only use the product, but also recommend it to their friends, spread information about the brand on social networks, on Internet forums, etc.
- *Increase the value of the company, product or service to users.* You can add value to your product by creating a brand strategy and implementing it so that it is more appealing and interesting to consumers.

#### 2.3.2. Key Components

Any branding strategy consists of a number of basic elements (Rajagopal, 2019) that ensure a brand's existence and development. Here are a few examples:

*Essence or concept.* It defines the brand's idea and unique characteristics as well as the problems it will address (Lalaounis, 2020).
 Consistency in the brand image across all touchpoints generates consumer confidence and creates loyalty (Friston et al., 2019). It is important for companies to tell the right story with their brands. However, a company's digital products tell a very different story from its other channels. Digital products are some of the most frequent points of contact

between consumers and companies today. Is this not where the brand's identity, history, and message should be most prominently displayed?

Consistency can also be determined by how often you post and where, but even more so by what you say (Poulis et al., 2017). As long as you are consistent, it does not matter if you post once a week or every day. It's not possible to post every day for a week, then forget about it until a month later and post again.

- *The target audience*. It is crucial to know the target audience, its problems, needs, and interests in order to create effective brand strategies.
- Brand communication strategy. It identifies and describes the most effective channels for interacting with consumers, as well as the visual image of the brand that will attract the target audience.

Today, customers want to switch between channels freely (von Gizycki & Elias, 2018). Omnichannel retailing unifies all sales channels into a single shopping experience (Glover,2019). Customers can browse, purchase, deliver, collect and return goods via any combination of channels - and their experience remains consistent. This allows people to engage with your brand via whichever channel is most convenient for them at that particular time - and the customer experience remains unified, integrated and consistent.

• *USP*. Contrary to popular belief, this is not just a benefit. This is a characteristic that qualitatively differentiates a brand from competitors, makes it stand out from the rest, and makes it truly irreplaceable.

Keep It Simple and Give a WOW Experience (Poulis et al., 2017). A key challenge facing brands is engaging audiences and giving them a memorable experience. There is a lot of distraction in the world, so it is imperative that the audience has a memorable experience with a brand, and that innovation is of the kind that people talk about for weeks (von Gizycki & Elias, 2018).

- *Brand benefits*. This is a set of factors that increase consumers' rational and emotional attachments to a company or its products.
- Brand strategy tools. This includes tactical methods, techniques, and methods that are used to step by step implement the developed strategy.

Measurement and control instruments. This is a unique system of indicators developed specifically for the tasks of a particular brand. Using it, the implementation process of the strategy is monitored, and the effectiveness of the strategy is evaluated. Some of such tools are:

Term/Tool	Definition
Ambient intelligence	Electronic devices that recognize and respond to human presence and are personalized to human needs and anticipate human
	behavior.
Behavioral analytics	Using data captured online to analyse the behavior of apps and
	game users and online shoppers.
Cookie	Small computer file that stores data about internet users' behavior
	when they visit a website. The information is used to track
	consumer activity and build profiles.
Data aggregation	The sourcing, gathering, and summarizing of data from various
	into a format that is useful for businesses.
Data mining	Analyzing data, discovering patterns, and summarizing these into
	accessible information with a practical application.
Internet of Things (IoT)	A connected network of "things" made by attaching a unique IP
	address to all kinds of items. This will allow everything to
	communicate remotely.
Omni-channel	A retail approach that pulls together a brand's online and bricks-
	and-mortal shopping experience to engage consumers across all
	platforms.
Personal data economy	A model that recognizes personal data is an asset and encourages
	a trust-based balance between businesses and consumers to
D. L. L. L. L.	regulate how those data are used.
Real-time analytics	Continuous updates on website activity that allow the site owner
	to monitor hits and interaction as they happen.

*Table 1: Big Data: Terms and tools relevant to brand management (Beverland, 2018)* 

#### 2.3.3. Brand Strategy Roadmap

A brand's strategy determines its future. This determines what the product will be for the target audience, how the consumer will perceive it and in which direction the company will go. Essentially, a brand strategy is a roadmap for building a successful business model and becoming a brand leader in its field (Rajagopal, 2019).

It is important to note that even the most competent and well-thought-out strategy will not meet the requirements of the external environment over time.

The basic steps of brand strategy designing are:

- *Large-scale research*. The laying of the information foundation is the first step towards creating a successful strategy. Experts study the market, competitors, and target audience. Meanwhile, the product is being researched and analyzed, including its inclusion in a particular product group, price category, competitive advantages, and the level of demand from buyers.
- Positioning strategy creation. This statement gives the brand's idea, personality, and philosophy, as well as identifying the key benefits that consumers receive. At the same time, a list of measures are developed to establish a positive reputation from scratch or to improve it.
- Development of a communication strategy. Experts can predict the direction of an audience's reaction and choose the most appropriate channels of communication and tone of communication based on information about the target audience. A business at this stage develops various types of strategies, including creative, marketing, media, and others depending on its line of business.
- Development of a promotion strategy. What is the best way to make a product popular?
   What is the best way to get consumers' attention? What are the best ways to push out competitors in the Russian and global markets? By creating a promotion strategy that takes into account the specific characteristics of your brand, you can answer all

questions. A marketing plan describes the steps of promoting a company, a product, or a service.

 Creation of unique brand attributes. In order to differentiate from competitors and improve company or product memorability, this is essential. In this stage, they develop a corporate identity, packaging design, non-visual elements of communication with consumers, and more.

It is important to remember that even a high competitive brand strategy is not a guarantee of brand's success. Otherwise, there different patterns that will help a business growth in needed direction.

#### 3. ESSENTIALS OF A SUCCESSFUL BRAND ANALYSIS.

#### 3.1. Case studies

According to their research article, authors Sarah Crowe, Kathrin Cresswell, Ann Robertson, Guro Huby, Anthony Avery and Aziz Sheikh argue that "The case study approach allows in-depth, multi-faceted explorations of complex issues in their real-life settings." (Crowe et al., 2011) In their view, the value of the case study approach comes from the fact that it can be successfully applied in the financial, legal, and political fields, but not so much in health care.

Its greatest implementation, based on my perception, is published in Gareth R. Jones's book "Organizational Theory, Design and Change 7<sup>th</sup> Edition (Jones, 2013), that inspired me to use exactly this approach. This method became in my thesis most relevant, since it reflects the practical experience of successful brands and displays the cause-and-effect relationship.

Therefore, in this section, I intend to review the most famous examples and collect list of "keys" that bring company to success. To get a broader perspective, all case studies below were chosen for their unique style, functionality, and brand personality. Some of them I've already used in my Paper about Business Ethics as part of my semester project.

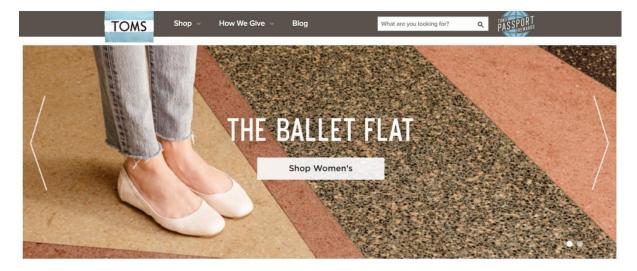
#### #1. TOMS



Source: https://www.toms.com

Originally, TOMS is an American commercial organization whose main activity is selling shoes, the design of which is based on Argentine espadrilles.

According to the official website (toms.com), TOMS was founded by Blake Mycoskie in 2006 while he was in Argentina. At that moment, Mr. Mycoskie was too impressed by local people who lived without shoes, a problem that most of us had never considered.



With every product you purchase, TOMS will help a person in need.

One for One

Source: https://www.toms.com

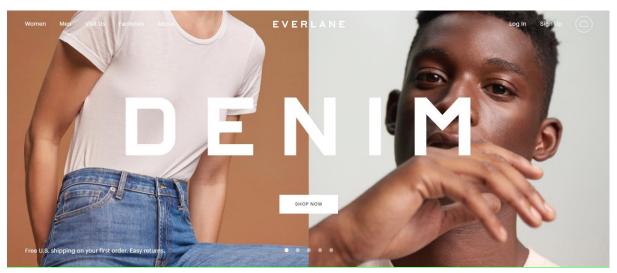
Since its inception, TOMS has adhered to a strict policy: a pair of shoes from every sale is donated to children from poor families suffering from foot problems all over the world. Over the last few years, the company has donated over 60 million pairs of shoes!

Furthermore, TOMS' additional eyewear department has donated more than 400,000 pairs of glasses to visually impaired people who are unable to access ophthalmological care.

This is how TOMS integrates its social and environmental philanthropy into every aspect of its brand. It not only informs potential customers about the company they are dealing with, but also reinforces the company's values across all touchpoints.

#### • Brand reliance and ethics

In my Paper, which I used partially as a basis for writing this thesis, I've already highlighted the importance of this aspect. Based on my findings, I concluded that ethical marketing relies on making continual improvements. The goal of this strategy is to help consumers make better, more informed choices about the products they buy and the stores they visit.

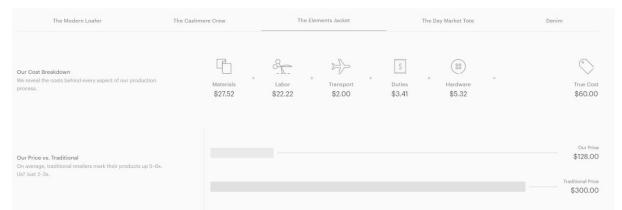


#### #2. EVERLANE

Source: https://www.everlane.com

Everlane doesn't say much about their garments being produced and sold in an ethical manner. However, the company strives to establish a more trusting relationship with its customers and therefore provides them with a detailed breakdown of the cost of each garment.

Through its channels, Everlane broadcasts to its customers information about the cost of materials, labor, transportation, and logistics, as well as taxes and fees, and even items such as zippers and buttons. "We believe our customers have a right to know how much their clothes cost to make. We reveal the true costs behind all of our products—from materials to labor to transportation—then offer them to you, minus the traditional retail markup" – company's employees write on own website (everlane.com).



Source: https://www.everlane.com

Usually, most of similar companies keep the production costs in a secret. Today it's called "corporate" secret. But Dan Shewan, business author, ensure that "*This isn't merely because a breakdown of such costs would reveal a brand's potential profit margin on a specific item, but also because they highlight the desperately poor pay and conditions many people working in garment manufacturing endure"* (Shewan, 2018).

Saying the truth how much each of its garments exactly costs to produce, Everlane can offer their customers the kind of transparency consumers want.

• Brand transparency

Transparency requires brands to be responsible, and that can be intimidating for a good reason. Brands feel vulnerable and vulnerable because their mistakes are praised by the public.

However, "Building Brand Experiences" author Darren Coleman argues that transparency does not have to be treated with caution or disdain (Coleman & Darren, 2018). More and more brands adhere to the principle of transparency. They use this as the cornerstone of the brand experience they create and succeed as a result. The goal is to leverage supply chain transparency to mitigate negative social and environmental impacts that a brand can have.

#### **#3. STARBUCKS**



Source: http://economy.uz/producers/starbucks-2013/

Starbucks is widely known for its commitment to sustainable sourcing of coffee and C.A.F.E. practices (Coffee and Farmer Equity Practices). In order to achieve its goals, the company focuses on four areas: quality, economic transparency, social responsibility, and environmental leadership. This experience has been also researched by freelance writer Bennett O'Brien in his article "4 Companies Who Succeed by Focusing on Ethical Sourcing and Manufacturing"). The author ensures, that Starbucks gains to buy coffee only at fair prices and ensure each step of the coffee planting, harvesting, processing, and purchasing is always done ethically. Bennett O'Brien also writes that the coffee giant to be sure of ethical sourcing uses third parties to verify it. "*The standards set by Starbucks are now recognized as the industry standard for ethical sourcing. Starbucks works with over 170,000 farmers and generates billions of dollars in revenue every single year. Its ability to remain both profitable and set the* 

*industry for sustainability has been a shining example for North America's coffee industry*" (O'Brien, 2018).



Source: https://diginomica.com/starbucks-places-downpayment-blockchain-vision

#### • Brand sustainability

In order to be sustainable, a company must be able to successfully balance economic, environmental, and social concerns. In reality, many companies that consider themselves to be sustainable only meet one-third of this definition.

Forbes digital journal shared some statistic related to this topic on its webpage (forbes.com). According to the article, today, over 90% of CEOs cite sustainability as a key element to success. Society can see evidence of the modern CEO's state of mind in how much attention companies are giving to sustainability strategies. Furthermore, Simonetta Lein, the author of the article, presented some examples of sustainability initiatives which are:

- Developing sustainable products and services
- Creating positions like Chief Sustainability Officer
- Publishing sustainability reports

This trend seems to be deeply rooted: 88% of business school students think environmental and social issues are important. Furthermore, more first-time entrepreneurs are building their companies around environmental protection. In response, many startups offer durable, sustainable, and sustainable products. But the most important condition is It must come from the heart.

#### #4. NETFLIX

Players who do not remain vigilant during the digital revolution continue to commit fatal mistakes, such as the one that determined Blockbuster's demise.

According to Business Insider statistic, in 2004 the network had 9,000 retail outlets and generated \$5,9 billion in revenue (businessinsider.com). In those days, no one on the board of a leading market player took Netflix seriously, which had been founded a few years earlier.



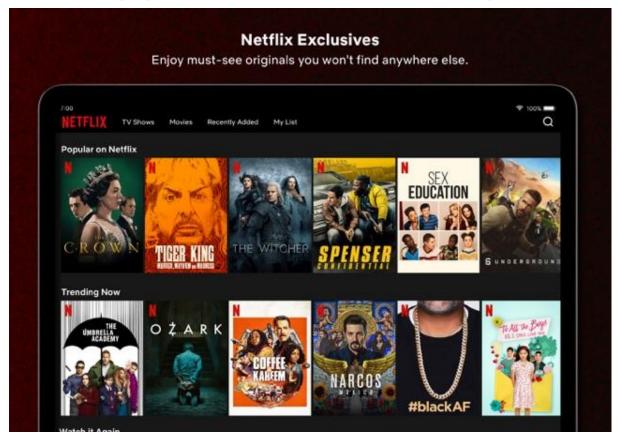
Source: https://en.wikipedia.org/wiki/Netflix

Using attractive subscription models, the company offered its customers the option of renting DVDs online and receiving them by mail.

And while Blockbuster engineers were slowing building their online ordering system... Netflix made a breakthrough in 2007 when they began offering video-on-demand services that allowed movies to be streamed directly over the Internet (forbes.com).



Source: https://producthabits.com/how-netflix-became-a-100-billion-company-in-20-years/



Source: https://www.netflix.com/de-en/

As a result, DVD technology went out of date almost immediately. A rush of Netflix customers flooded in, thrilled by the new attractive offer: no need to wait for mail delivery, no need to send money in the mail - just sit down and enjoy!

After that, Blockbuster responded to the situation by introducing its own video-ondemand service, but it was too late. As early as this time, Netflix had already taken over a significant portion of the market, and Blockbuster was unable to distinguish itself with any new features that might win back customers.

#### • Quick response to changes

It is very difficult to take over a business that is doing well and completely rebuild in order to secure future sales and profits. Change begins with the simplest of signs that often go unnoticed. However, even today, not vigilant players continue to commit the same mistakes even when looking at the examples of Kodak and Blockbuster's fall (Kulagin et al., 2019).

#### #5. NIKE



Source: https://www.nike.com/nike-by-you

The Nike company recently introduced the NIKE by You service, through which customers can design their own sports shoes online, independently choosing their own parameters. This news had been shared by Brand on official digital platform (nike.com).

Co-creation of products is already enticing dreamers who even wonder if companies should even have their own product line?

Is it possible that the company may soon establish a business model inwhich it simply provides a platform on which co-authors can find the underlying design and customize it as needed? As fantastic as it may sound, the process of 3D printing is already available to customers who create their own designs.

Nike's new brand strategy focuses on repositioning the company as a service as much as a product, and a refreshed identity is being designed by Gretel Design Director Simon Chong. Through the digital channel, Aimee McLaughlin, part of "Creative Review" team, shared some parts of interview with Simon Chong. "We needed to figure out a way to reorientate the brand around co-creation, delivering something that is recognisably Nike, can stand out within Nike environments and flex across endless, unique applications," says Chong.

#### • Customization

Customization approach is becoming one of the most popular research topics today. So, Springer magazine authors identify Mass Customization as a modern production paradigm that is aimed at producing highly personalized, highly diverse products and services with almost mass production costs (Tiihonen & Felfernig, 2017). Customers have become increasingly important for manufacturers who wish to be competitive. Tailoring offerings to meet those needs has become a common practice for them. Those same views are expressed by Tatsunori Hara, Tomohiku Sakao and Ryo Fukushima in their article "Customization of product, service, and product/service system: what and how to gesign" (Hara et al., 2019).

However, all these researchers are deeply convinced that one of the negative consequences for companies gives rise to confusion and discourages customers from shopping.

Therefore, companies need to control this process and, alternatively, use them as seasonal promotions.



#### #6. TESLA & PANASONIC

Source: https://www.businessinsider.com/panasonic-tom-gebhardt-bullish-electric-connectedcars-2017-5

As companies without traditional footholds shift their focus, new alliances are being formed almost every day. Nevertheless, this collaboration managed to stand out from the crowd. As a basis for mutual cooperation a common goal has been established.

In 2009, Tesla Motors and Panasonic Corporation entered into an agreement for the supply of automotive grade lithium-ion batteries. The company reflects this information in its official sources (tesla.com). Then, in 2010, Panasonic invested \$30 million in Tesla to deepen the partnership and foster the growth of the electric vehicle industry. Panasonic's nickel-type cathode technology allows for Panasonic's cells to have the highest energy density and industry-leading performance. Together, Panasonic and Tesla have developed a next-generation nickel-based battery whose lifetime and performance have been specifically optimized for electric vehicles.

"This is a strong support for our technology, which Panasonic, the world's leading battery cell manufacturer, has chosen to partner with Tesla to improve the performance and value of electric vehicles," said Tesla co-founder and CEO Elon Musk.

#### • Collaboration

The concept of collaboration between brands can be defined as a strategic alliance between two or more brands to create an innovative product or service with the goal of gaining a competitive advantage. It is a method of business operation where two companies form a mutual-benefit alliance to create sales and marketing synergies. The Marketing91 platform exposes more examples of collaborations of famous brands (Bhasin, 2018).

Consequently, in today's dynamic business climate and ever-changing markets, brands must manage to retain their customers, offer unique products, and compete fiercely in a highly competitive scenario. So today, the business strategy Brand Collaboration became one of the key tools.

#### #7. AMAZON

How does Amazon recommend a really interesting items for me after I only bought a few things from Amazon?

Shops and applications like Spotify collect data about their customers: what they buy, what they are interested in, which site referred them, what device they use, what time of day it is, how often they visit this site, and what other products they browse.

After that, advanced analytics programs analyze all the data and find patterns, through which the company can be able to predict customer behavior in the future. This information is shared by Amazon itself on its official website (amazon.com).



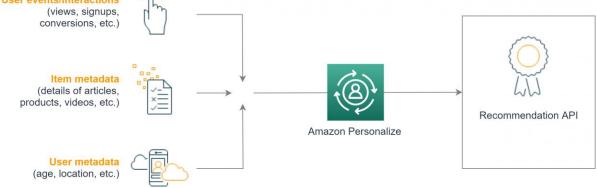
# Hallo, Polina

Dabei seit 2021



## Top-Links für Sie





Source: https://aws.amazon.com/ru/personalize/

Online stores and internet services are actively using analogy-based modeling (lookalike), which consists of finding 'statistical doubles'.

It is assumed that if two users leave behind similar information traces, then their needs are also the same. As soon as one of these doubles likes a particular song, movie, or pair of jeans, the other gets a recommendation to encounter it. Data can also be transferred between different companies in order to expand target group. As an example, Netflix became one of Amazon's partner. According to Michael Beverland, the author of "Brand Management: co-creating meaningful brands", these two companies are linked together and have a very close relationship (Beverland, 2018). "Let's say, like me, you enjoyed Netflix's Stranger Things series. If you're an obsessed electronic music fan and would like to buy the soundtrack by Austin band Survive at Amazon. Immediately you'll be recommended this track and other similar items related to this topic at your Amazon's home page".

#### • Data collection and processing

It used to be cumbersome, costly, error-prone, and difficult to collect customer data (Beverland, 2018). With the advent of the Internet, social media, and online business, this has changed. With big data, companies can collect real-time customer behavior information and use it to improve message and offer targeting, identify brand audiences, test hypotheses about behavior, and better predict and manage demand. Using big data means making better, quicker decisions based on vast amounts and varieties of customer data. In all of this, it is crucial for companies not to overlook the importance of personalization when interacting with clients.

#### **#8. UNITED AIRLINES**

What is the benefit of sitting and waiting for malicious hackers while you can organize an attack yourself to identify weaknesses in the system before they do so?

That is what United Airlines did, offering free miles to skilled hackers who discovered vulnerabilities in its software (Kulagin et al., 2019).

Russian authors of this book explain that data leaks can result in very serious consequences if they become public. Therefore, all departments of the company need to be ready to respond - IT, marketing, customer service, and, of course, PR.

				🌐 English - R	ussia руб	Q Search	🌲 Alerts	🛔 SIGN II	N 岸
		воок	MY TRIPS	TRAVEL INFO	MILEAG	EPLUS® P	ROGRAM	DEALS	HELP
Book Flight state	us Check-in	My trips							
FLIGHT HOTEL	CAR								
Roundtrip     One-way	Book with miles	Flexible dates					e takir	ig acti	on
From*				- Aller	-		ер уо	and the second se	
Berlin BER	₹ To*	U	Cur Cur	UTES	-1	Learn how	v >	_	
Dates*	Travelers			Station - Stationers	-	-		II   0	•
Sep 17 - Sep 19	1 Adult		-		-	-			
Economy	~								
Advanced search > (Certificates, multi-city and upgrades)	Find fli	ights							
	Bag rules and fees	for optional services							

Source: https://www.united.com/

#### • Customer data protection

Data now stands as the most demanded product in the era of global digitalization. It has led to the theft of companies' codes and its customers' personal data around the world. Attacks by hackers come from different directions, with different goals in mind.

In their book, V. Kulagin, A. Sukharevski and U. Meffert share similar examples. For instance, sometimes entire states are behind these cyber-attacks, with the goal of stealing information that will boost their own economies.

The results of all these actions have led to a massive increase in cybersecurity. According to the book, only about 5% of executives believe their companies are capable of effectively preventing these attacks. Therefore, company providing data protection attracts a greater number of customers.

#### #9. JOHN LEWIS



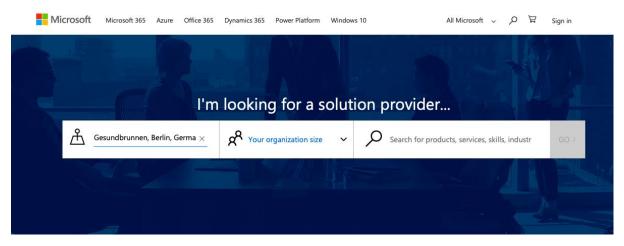
Source: https://www.johnlewis.com/customer-services/delivery-information/click-and-collect

If a retailer does not want to lose customers in the process of dealing with them through different channels, it must implement an end-to-end service method that covers all these types of interactions. Investing in the development of multi-channel services is well worth the effort (Kulagin et al., 2019).

John Lewis is a successful example of this type of business model: over 60% of people who order goods from its online store do so online and then pick them up at their nearest physical branch. Such a service called "click-and-collect" (johnlewis.com). As the result, more than half of these customers coming to the store will purchase other goods there as well. Due to this success, John Lewis has been increasing sales not only on the Internet, but also in physical outlets for several years - despite the widespread fear among retailers that online trading will replace traditional sales.

#### o Omnichannel

Customers want to be able to switch channels at will. Therefore, a company that does not want to lose its customers in a competitive environment has to establish a convenient service mechanism that covers all channels. Numerous studies around the world conclude from their works that targeted investments in the development of multi-channel services are a wise decision. The experiences of companies such as Macy's, Amazon, Disney, etc. confirm these conclusions. The Russian marketing researchers V. Kulagin, A. Sukharevski and U. Meffert provided some of these examples in their book already mentioned before (Kulagin et al., 2019).



#### #10. MICROSOFT

Source: https://www.microsoft.com/en-us/solution-providers/home

Microsoft wants its partners to take full advantage of the cloud and created the Cloud Solution Provider Program (CSP). Its overview was published on QBS Group webpage (qbsgroup.com). It says, that as a part of Microsoft's Cloud Solution Provider Program (CSP), partners can manage their entire Microsoft cloud customer lifecycle. The program partners manage their customer subscriptions directly using in-product tools to implement, manage, and support subscriptions directly.

Partners can easily combine their tools, products, and services into one monthly or annual bill for customers. Microsoft partners can use this program to become trusted advisors to their customers. Because CSP allows partners to own and manage the customer relationship end-to-end, they gain complete control over the relationship.

#### o Solution provider

According to Business Model Navigator, offering products and services in a specific full-service provider combines them into a single area, a contact point (businessmodelnavigator.com). The customer gets special know-how to increase his or her efficiency and performance. The company can avoid revenue losses by extending and integrating their services into their products and become a full-service provider. In addition, close contact with the customer provides a great deal of insight into customer habits and needs, which can be used to improve the products and services.

#### 3.2. Successful branding essentials checklist

By providing specific examples and experience-based recommendations, a comprehensive checklist has been gethered. Additionally, I have added additional business patterns that will allow to implement brand strategy to reality.

Following checklist will also help to create the branding concept in the next chapter.

#### Brand reliance and ethics

- o Customer Loyalty
- o Experience Selling
- 0 License
- o Robin Hood

#### Brand transparency

o Open Source

#### Brand sustainability

o Guaranteed Availability

#### Quick response to changes

- Digitization
- From Push to Pull

#### Customization

- Mass customization
- o Prosumer
- o Virtualization

#### Collaboration

- Revenue Sharing
- Ingredient Branding
- o Layer Player
- $\circ$  Franchising
- o Barter

Data collection and processing

o Leverage Customer Data

Customer data processing

• Sensor as a service

#### Omnichannel

- Self-service
- *E-commerce*
- Object Self-service

#### o Solution Provider

#### 4. CONCEPT CREATING

#### 4.1. Brand Analysis



Olly Polly is a Ukrainian educational center for preschoolers. It first opened in 2015 and continues to release dozens of children every year.

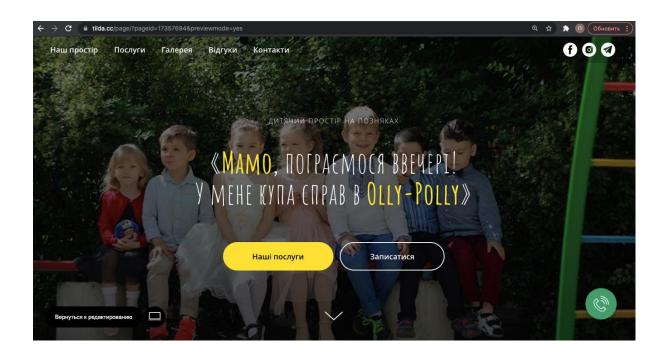
Initially, this center was opened without the support of a brand specialist, thereby creating a hole in the construction of branding.

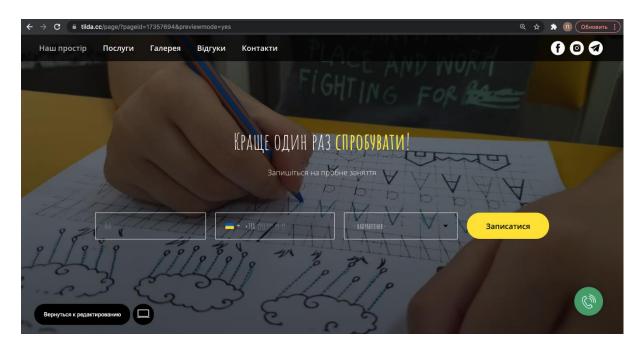
In this chapter, I'm going to build a brand strategy

based on all the literature I have studied, as well as independently conducted research. And display it as a business model. The most useful will be surveys of specialists from the Ukrainian market in order to form the most accurate idea of the brand environment with which Olly Polly needs to interact. For the analysis, I use the data from my Paper, which is attached in *Appendix B*.

These data indicate that Olly Polly is still a long way from becoming a brand whose identity drowns out its competitors. However, at the same time it has a strong sistem of values, which are transmitted to consumers.

The competitor analysis gives a clear idea of what Olly Polly lacks as a brand at the initial level: a website. In this paper, the meaning of the website has already been revealed well enough to create it.





This website became one of the most important channels to interact with customers. It allows customer to get to know the brand, study reviews, apply for a trial lesson, etc.

One of the identified weaknesses is inability of online operation. However, experts I interviewed shared the opposite point of view. Impact of digital transformation have shown that all of different fields implement new technologies every day. So, It is important to find a useful ones. In my interviewing block (*Appendix C*) people shared their successful examples of using such digital platforms as Logik Like, Quizlet, Power Point Animation, Kahoot!, Lingo Kids and Candy Club. In the beginning all of these programs are useless. Therefore, it is important to choose 2-3 the most helpful platform. Taking educative program to consideration, Power Point Animation, Kahoot! And Quizlet are best option.

According to my survey and questionaries, I can do follow statements:

- Despite the specifics of the activity, the brand still needs to enter digital platforms
- o Fully online activities are not encouraged by either the management or the consumer
- Consumers want closer contact
- For the most part, consumers are ready to introduce new interaction tools.

## 4.2. Concept Idea generation (Business Model Canva)

Therefore, on this ground, the business model canva that includes all brand strategy elements was created:



The Business Model Canvas: Olly Polly

#### Key Partners

- Hosting platform Tilda publishing. This platform allows you to create and edit content on the website in a matter of minutes without additional investment for web-developers. It is through this platform that one of the most important interactions with clients takes place: getting to know the center and its services, registering for classes, a personal account with the possibility of individual settings, access to additional materials, etc.
- Social media. Today, brand display on social media is one of the most important steps 0 in a brand strategy. It is through social media that customers can experience a powerful connection with the brand when discussing events, training programs, and more.
- Partnership with a publishing house. For effective cooperation, Olly Polly chose the 0 "Ranok" publishing house, as this publishing house specializes in printing educational aids and literature. And as we already learned from the examples given in the previous chapter, a common goal is necessary for successful cooperation.
- Bank partner. Humanity is moving further and further away from paying for goods and 0 services in cash. Now the main method of payment has become online payments with a convenient user experience. Thus, Olly Polly, together with Privatbank, has created a qr-code for convenient payment for services without entering any data.

- Google Play and App Store. It is through these online app stores that Olly Polly's educational app is distributed.
- Schools. To increase the status and trust of the client, Olly Polly works with primary schools, giving clients an official guarantee of admission with the Olly Polly's certificate.

## Key Activities

- Offline educational activities (individual, in groups). This is the main activity of the brand.
- Development of digital channels. This includes both the development of branding in the vastness of social networks, and the creation and use in practice of an educational application and other digital materials to diversify and customize the educational process.
- Psychological support. Every child moving into a new stage of his life requires psychological support. Thus, the material is assimilated better and the education process itself does not cause fear and anxiety.
- Teaching materials and workbooks Sales. With the aim of expanding the target audience and attracting clients from other districts / cities to cooperation, Olly Polly sells all educational material created according to its own certified method.

#### Key Resources

- Offices. Of course, offline classes are impossible without a physical office.
- IT-specialist. The development and maintenance of Olly Polly's application and other digital platforms cannot operate without such a specialist.
- Team of professionals. Successfully selected staff is the key to the success of any company. And Olly Polly is no exception. To interact with children, you need really professional employees who love what they do.
- License. For a center like Olly Polly, the license is a big step towards development.
   Since it brings the level of education closer to the education adopted by the state.

## Key Propositions

- Certificated personal educative program. First, Olly Polly offers its clients an effective program that is time-tested and aimed at the effective comprehensive educational development of the child in the shortest possible time. The center guarantees a positive result and full readiness of the child for school, both intellectually and psychologically.
- An individual approach. Even the most difficult cases do not frighten the teaching staff of the center. Since each of them has the basic skills of a psychologist, which will find an approach to any child and help him deal with all internal experiences (not counting cases where the child is provided with therapy by a psychotherapist).
- Perfect contact with customers. Thanks to the correct definition of the target audience, all our clients completely trust their children. This is one of the most important components of productive interaction.
- The opportunity to study the Olly Polly program remotely. In a pandemic and massive digitalization of all processes, online education is no longer a rarity. And in order not to be dependent on a physical office and to continue the development of your child, such a program is ideal.
- Technological tricks. In order to introduce interactive even into such a trifle as payment for services, the center introduced online payments using the qr-code.
- Lessons in a playful way. The established age category of children is special in that the material is better respected in a playful way. Moreover, children do not get tired of classes in this format and are always happy to complete all tasks.

#### Customer Relationships

- Personal. No matter how digitalization grows, it is simply impossible to deprive some areas of business of personal contact. Thus, given the peculiarities of working with preschoolers, verbal communication should remain the main channel of communication.
- Self-service. It is intended for use for self-study at home or for additional interactive practice of skills acquired offline.
- Media space. Digital branding is impossible without interaction with customers through the website and social media. Using these platforms, you can share feedback and suggestions, photos and much more.

#### Channels

- In person at the office
- Social media
- OllY-Polly digital platforms

#### Customer Segment

- Children from 4 to 7 years old. The main target audience is children aged 4 to 7 years, who need careful educational development (mainly preparation for school) and the development of socialization skills. Depending on the skills of the child, parents can be offered both an individual form of education and classes in a group.
- Children with some developmental disabilities. The center also helps children with certain psychological or other disabilities, which require a special individual approach, which the center's specialists are ready to provide.
- Pupils. In connection with the reforms in the Ukrainian education system, the school curriculum for the first grade very often leaves children feeling frustrated. In order to help them perceive the school curriculum, the Olly Polly Center organizes special groups with its own program for adapting children to the peculiarities of school education.
- Parents who are engaged in the development of their child on their own. An individual program is developed especially for such children, which is carried out independently without the participation of a teacher.
- Large families. In such families, children clearly lack personal attention and approach. After individual lessons with a teacher, the child will clearly have no attention deficit.

#### Cost structure

- Salaries to staff
- Commission for partnership with the bank
- Office rent
- Printing of educational material
- Marketing, advertising
- Hosting, IT technologies

#### Revenue Streams

- Offline educational activities
- Paid access to digital content
- o Sales of printed educational materials
- Partnerships with other brands
- $\circ$   $\;$  Individual consultations on the psychological preparation of the child for school

## Conclusion

Branding today is not static. It is a living organism of the market.

Every day, branding changes its meaning, elements, strategies, and expectations. And brands that do not track this process and respond to changes in time are doomed to fail. Analyzing the practices of global brands, it became obvious that the slightest mistake can remove such giants as Kodak, Blockbuster, etc. from the market.

Most of all this is facilitated by digital transformation, which most of the entrepreneurs misinterpret, from which they lose the clients they have gained over the years, their image and, of course, profits. Digital transformation is not just about technology. It's about rethinking the relationship between the company and the consumer. Digital transformation has brought the biggest change to the data sestoma. Data is now like new oil and is one of the most important resources.

Based on all this data, I managed to create a very promising business model for the Ukrainian brand Oll<sub>H</sub> Polly, which is owned by my mother. I am confident that with this strategy, the brand will reach a whole new level.

#### References

Aquino, A 2020, Brands That Get Digital Transformation Right

Bangsawan, S, Mahrinasari, MM, Hendrawaty, E, Gamayuni, RR, Nairobi, Dwi, MH, Wahyu, RA, & Rahmawati, S (eds) 2020, The Future Opportunities and Challenges of Business in Digital Era 4. 0 : Proceedings of the 2nd International Conference on Economics, Business and Entrepreneurship (ICEBE 2019), November 1, 2019, Bandar Lampung, Indonesia, CRC Press LLC, Milton.

Beverland, M 2018, Brand Management: co-creating meaningful brands Branding in the era of Web 2.0 (and beyond) 2017, Emerald Publishing Limited, Bradford, West Yorkshire.

Coleman, D 2018, Building Brand Experiences

Crowe, S., Cresswell, K., Robertson, A. *et al.* The case study approach. *BMC Med Res Methodol*11, 100 (2011). https://doi.org/10.1186/1471-2288-11-100

Glover, M 2019, How to Roll Out a Winning Omnichannel Strategy in Your Retail Business. https://www.veeqo.com/blog/omnichannel-retailing

Hara, T, Sakao, T, Fukushima, R 2019, Customization of product, service, and product/service system: what and how to design. https://www.researchgate.net/publication/328735096\_Customization\_of\_product\_service \_and\_productservice\_system\_what\_and\_how\_to\_design

Hirschman, EC 2016, Branding Masculinity: Tracing the Cultural Foundations of Brand Meaning, Taylor & Francis Group, London.

Hitesh, B 2018, Brand Collaboration. https://www.marketing91.com/brand-collaboration/ https://www.socialbakers.com/blog/brands-that-get-digital-transformation-right

Jones, GR 2013, Organizational Theory, Design and Change 7th Edition

Kaswengi, J 2020, Branding and Labeling in the Digital and Artificial Intelligence Era, Nova Science Publishers, Incorporated, New York.

Khamis, S 2020, Branding Diversity : New Advertising and Cultural Strategies, Taylor & Francis Group, Milton.

Kingsnorth, S 2019, Digital Marketing Strategy 2<sup>nd</sup> Edition Kramer, L 2021, The 8 elements of branding. https://en.99designs.de/blog/logobranding/elements-of-branding/

Kulagin, V, Sukharevski, A, Meffert, U 2019, Digital @ Scale: business digitalization handbook

Lalaounis, ST 2020, Strategic Brand Management and Development : Creating and Marketing Successful Brands, Taylor & Francis Group, Milton.

Lowrie, A 2017, Understanding Branding in Higher Education : Marketing Identities, Palgrave Macmillan US, New York.

Mlitz,K 2021, Global COVID-19 impact on digital transformation tempo 2020. https://www.statista.com/statistics/1200465/covid-digital-transformation-global/

O'Brien, B 2018, 4 companies who succeed by focusing on ethical sourcing and manufacturing. http://www.tradeready.ca/2018/topics/supply-chain-management/4-companies-succeed-focusing-ethical-sourcing-manufacturing/

Olito, F 2020, The rise and fall of Blockbuster. https://www.businessinsider.com/rise-and-fall-of-blockbuster#despite-the-rise-of-netflix-and-redbox-blockbuster-was-at-its-peak-in-2004-10

Otamendi, FG, Martin, DLS 2020, The Emotional Effectiveness of Advertisemen https://www.frontiersin.org/articles/10.3389/fpsyg.2020.02088/full

Poulis, A, Rizomyliotis, I, & Konstantoulaki, K 2017, Digital Branding Fever, Business Expert Press, New York.

Rajagopal 2019, Competitive Branding Strategies : Managing Performance in Emerging Markets, Springer International Publishing AG, Cham.

Rashid, Y. et al. (2019) 'Case Study Method: A Step-by-Step Guide for Business Researchers', International Journal of Qualitative Methods. doi: 10.1177/1609406919862424.

Robertson, M 2019, What is Digital Branding and How to do it Right: the ultimate guide (2019) https://en.99designs.de/blog/logo-branding/digital-branding/

Schallmo, D.R.A, Williams, C.A. 2018, Digital Transformation Now!, SpringerBriefs in Business

Shewan, D 2018, Ethical Marketing: 5 Examples of Companies with a Conscience Steenkamp, J 2017, Global Brand Strategy : World-Wise Marketing in the Age of Branding, Palgrave Macmillan UK, London.

Tiihonen, J., Felfernig, A. An introduction to personalization and mass customization. *J Intell Inf Syst* 49, 1–7 (2017). https://doi.org/10.1007/s10844-017-0465-4

van, DSF, Frison, A, Zotz, P, Riener, A, & Holl, K 2019, User Experience Is Brand Experience : The Psychology Behind Successful Digital Products and Services, Springer International Publishing AG, Cham.

von, GV, & Elias, CA (eds) 2018, Omnichannel Branding : Digitalisierung Als Basis Erlebnis- und Beziehungsorientierter Markenführung, Springer Fachmedien Wiesbaden GmbH, Wiesbaden.

Woods, P 2019, The Brand Strategy Canvas : A One-Page Guide for Startups, Apress L. P., Berkeley, CA.

## Appendix

Appendix A.	Definitions	of brand	and branding	(Beverland,	2018)

Author	Definition
American Marketing Association Mark I	A name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers. The legal term for brand is trademark. A brand may identify one item, a family of items, or all items of that seller. If used for the firm as a whole, the preferred term is trade name.
American Marketing Association Update Mark II	A brand is a customer experience represented by a collection of images and ideas; often, it refers to a symbol such as a name, logo, slogan, and design scheme. Brand recognition and other reactions are created by the accumulation of experiences with the specific product or service, both directly relating to its use, and through the influence of advertising, design, and media commentary.
Oxford English Dictionary	A piece of burning, smouldering or charred wood; a stigma, a mark of disgrace; a torch, a sword; a kind of blight, leaving leaves with a burnt appearance; a special characteristic (brand of humor); an identifying mark burned on livestock or (formerly) criminals etc. with a hot iron; an iron used for this; a particular make of goods, an identifying trademark, label etc. to designate ownership.
Prophet and Professor Emeritus, Hass	A Brand is a distinguishing name and/or symbol intended to identify the goods and services from those of competitors.

John Phillip Jones, Emeritus Professor of Advertising, Syracuse University, and author of numerous works on the effectiveness of advertising.

Jay Baer, founder of convincenandconvent.com, one of the most popular online marketing resources for business people.

Cheryl Burgess, co-founder and CEO of Bluefocus marketing, a web-based brand agency focused on building personal employee brands via media.

Seth Godin, speaker and entrepreneur, creator of permission marketing, and author of 17 books.

David Ogilvy (1911-1999) hailed as "Father of Advertising", founder of Ogilvy & Mather, inspiration for Don Draper character in TV show *Mad Men* and author of *Confessions of an Advertising Man*. Focus was on the BIG IDEA. Clients included Dove, Hathaway, Rolls-Royce, Schweppes, Shell, and many others.

A brand is a product that provides functional benefits plus added values that some customers value enough to buy.

Branding is the art of aligning what you want people to think about your company with what people actually do think about your company. And viceversa.

A brand is a reason to choose.

A brand is a set of expectations, memories, stories, and relationships that, taken together, account for a consumer's decision to choose one product or service over another. If the consumer (whether it's a business, a buyer, a voter or a donor) doesn't pay a premium, make a selection, or spread the word, then no brand value exists for that consumer.

The intangible sum of a product's attributes: its name, packaging, and price, its history, its reputation, and the way it's advertised. Marty Neumeier, Director of Transformation for Liquid Agency, brand consultancy San Jose, CA. Author of *Brand Cap, Zag: The #1 Strategy of High Performance Brands*, and *The Brand Flip: Why Customers Now Run Companies and How You Can Profit from it.* Clients include Adobe, Apple, Hewlett Packard, Microsoft, and Symatec.

A brand is a person's gut feel about a product, service, or company. It's a GUT FEELING because we're all emotional, intuitive beings, despite our best efforts to be rational. It's a PERSON'S gut feeling, because in the end the brand is defined by individuals, not by companies, markets, or the socalled general public. Each person creates his or her own version of it.

Sergio Zyman, marketer behind the launch of New Coke, marketing executive and consultant, and author of *The End of Advertising as We Know it.* 

Alvin "AI" Achenbaum (1925-2016), held senior positions (1951-1974) with major New York advertising agencies McCann Erickson, JWT, Grey Advertising, and Ted Bates. Clients included Procter & Gamble, GE, Nestle, Kraft, Honda, US Department of Defence. Regular contributor to *Ad Age* and *Marketing Week*.

Scott Bedbury, CEO Brandstream, former Nike Advertising Director (1987-1994, including "Just Do It" campaign) and Starbucks Chief Marketing Officer (1995-1998).

Sergio Zyman, marketer behind the A brand is essentially a container for a customer's launch of New Coke, marketing experience with the product or company.

What distinguishes a brand from an unbranded commodity counterpart and gives it its equity is the sum total of consumers' attributes, about how it performs, about the brand name, and about the company associated with producing it.

A brand is the sum of the good, bad, the ugly, and the off-strategy. It is defined by your best product as well as your worst product. It is defined by award winning advertising as well as by god-awful ads that somehow slipped through the cracks, got approved, and, not surprisingly, sank into oblivion. It is defined by the accomplishments of your best employee as well as by the mishaps of your worst hire you ever made. It is also defined by your receptionist and the music your customers are subjected to when they are put on hold. For every grand and finely worded public statement by the CEO, the brand is also defined by derisory consumer comments overheard in the hallway or in a chat room on the Internet. Brands are sponges for content, for images, for fleeting feelings. They become psychological concepts held in the minds of the public, where they may stay forever. As such you can't entirely control a brand. At best you can only guide and influence it.

Sir John Hegarty, founder of Bartle, Bogle, Hegarty and author of *Hegarty on Advertising* and *Hegarty on Creativity*.

Helen Edwards, author of E Passionbrand and co-owner of the a consultancy of the same name. t Award-winning Marketing Week a columnist.

Roland van der Vorst, Professor, TU Delft, Netherlands and Managing Director FreedomLab.

Erminio Putignano (RMIT Adjunct Professor and co-founder of the PUSH Collective, Melbourne).

of Brand = Product and/or service + values +
he associations. This combination creates 'meaning'
he. that people can connect with at the level of identity
he. therefore the relationship is beyond commercial.
In theory the values are 'forever' and embrace the
ideology, the product and/or service and
associations can change over time.

The most valuable piece of real estate in the world,

a corner of someone's mind.

A more practical definition is 'all operations executed by a brander to develop his/her brand in a positive way'. A brand is a concept that regulates the behavior of both brander and user.

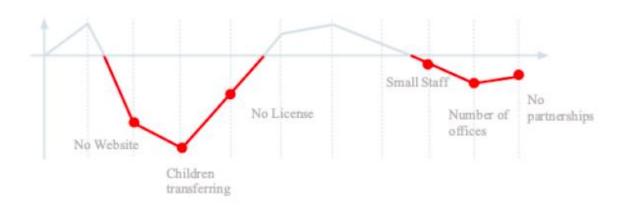
Branding is an exercise in world-making. It's about shaping a worldview anchored in values, beliefs and promises and bringing it to life through symbols, stories and experiences. It is an act of narration and a conversation and it implies a very active contribution from all parties involved - everybody is

	involved in its generation and interpretation
	(organizations, agencies, customers and the
	community at large). If the worldview is convincing
	and relevant, then it is able to change opinions and
	behaviors.
Brian Richards, founding partner,	The brand is what brings together and articulates
Richards Partners, leading brand and	company values, both internally and externally,
design consultancy, Auckland.	which is why one of the most important tasks of the
	manager is to ensure that everyone delivers the
	brand, it's no longer just a marketing function.
Marie-Agnes Parmentier, consumer	[A brand is] a repository of meanings fueled by a
research and academic.	combination of marketers' intention, consumers'
	interpretation, and numerous sociocultural
	networks' associations.
Jeff Bezos (founder and CEO of	What people say about you when you aren't in the
Amazon.com)	room.

## Appendix B. Olly Polly's analysis



	Olly Polly	Little Heroes	Dolon'ki	Clever
Discount system	+	+	+	-
Website	-	+	+	+
Children transferring	-	-	-	+
License for professional educational services	-	-	-	+
100% result	+	-	-	+
Own author's methodology	+	-	-	+
Recognition by public schools	+	+	-	+
Full staff	-	+	-	+
Chain of centers	-	-	-	+
Partnerships				



# Customer Journey Map

et an operator condition See the progress Entry primary school : friends Keep study Pass entry
r frienda Keep study
oupmates process exams successfully
oupmules process

Appendix C. Interviewing

Entrepreneurship segment

Full name

Natalia Postolnyk

How long have you been doing business?

6 years

How long have you been conducting educational activities?

Around 20 years

Today, what exactly, in your opinion, hinders the further development of the educational center? (Please, indicate 5 reasons)

- 1. Lack of experience
- 2. Fear of "big work" and the ability to think big
- 3. Financial and political instability
- 4. Lack of highly qualified personnel
- 5. Incomprehensible situation due to the pandemic

Do you feel a lack of automation / digitalization of any workflows?

Undoubtedly!

1. Multimedia accompaniment of lessons

2. Using tablets in the classroom by children

3. Active use of the website: personal account, photo and video gallery, useful tips, additional materials

4. Video surveillance in the room to control and correct the educational process

What channels of communication with clients do you use today?

Social networks, website (getting started), personal

What are your goals regarding the development of the center for the future?

- 1. A network of 5 educational centers (minimum)
- 2. License for educational activities
- 3. Primary school
- 4. Release of printed materials
- 5. Using the site to create a paid digital service

With whom, in your opinion, could your center cooperate?

I haven't thought about it yet

How important is personal contact when working with preschoolers?

It is 100% important

How much will need to modify the manuals in order to transform them into an online format?

## Cardinally! I don't know how yet

Expand your personal opinion regarding online education for preschoolers. Can it be effective? If so, to what extent?

You need to use it, but as an addition. It can only be carried out in the form of a game, for example, communication from different planets or a secret mission for spies.

Have you applied digital methods of presenting information in practice? If so, which ones?

Projector, tablet. Educational videos and cartoons. Nature sounds, pictures ...

What digital platforms, in your opinion, could be effective?

Didn't have this experience, but many people use zoom

How did you conduct your activities during the lockdown?

Individual lessons only

Educative segment

Full name

Irina Sereeva

Your Position, Company

Primary school teacher, boarding school for hearing impaired children

How long have you been conducting educational activities?

25 years

Has the format of teaching in elementary grades changed in the context of the pandemic?

Of course, yes

What online platforms have you used to interact with students?

Zoom

Has the children's perception of school material changed using a purely online format? If so, what is the reason?

Yes, although children perceive the material with interest, there is no way to help weaker students in mastering new material that causes difficulties in understanding.

What is the optimal teaching format for primary school students?

Combined

How do you see the format of education in the future?

Most likely, online learning will take a dominant place in education, but for primary school students, it is not optimal, and live communication with the teacher and students is very important for the development of the child.

Full name

Illia Petrov

Your Position, Company

Senior Software Engineer, Gorgias Inc.

Your function role in the Company

Software development

Did the pandemic have any impact on the IT industry, in your opinion? If yes, how exactly?

Yes. In my opinion, the biggest footprint was on the e-commerce side, since all offline businesses, no matter how big they are, had to adapt to the situation and start improving their workflow with online features.

In the meantime, market became full of new open positions due to increased demand from e-commerce side. Also, a lot of companies managed to find a good financial balance by virtue of work from home policy, since a lot of employees finally decided to stay working remotely. This helps small market players to reduce their expenses on offices and have a better opportunity for talents competition with giants like FANG on IT market. (Increasing compensations, benefits policy, flexibility, etc)

How far do you think the digitalization of different business areas can go in the future?

It is difficult to give even approximate estimation right now, I don't think 100 years ago people could even think about having something like Skype/WhatsApp/Facebook/ YouTube in a tool that they can take anywhere, while we have smartphones nowadays.

I think it is gonna grow until hardware companies can continue improving the hardware. As soon as we reach the limitations in CPU/RAM/Memory without any possibility to improve - I guess it is gonna be the moment when we can think about the digitalization horizons. Until it is not happened - it's potential is much far from the purview of one person.

Can you recommend any interactive digital platforms for using in educational activity?

Kahoot, Quizlet, PowerPoint Animation, Interactive Boards

How long does it take on average to develop and test a primitive educative application?

Depends on the features, supported platforms (Web, iOS, Android) etc.

If to consider 1 platform, for example iOS, I think it is gonna be around 400-500 hours, which is around 2.5-3 months of full-time work for 1 engineer.

Which existing services would be most effective for a small business to use for collecting and processing data?

Good, but not limited: google drive ecosystem (sheets, polls, documents) and services for visualizing data like Sisense.

We have new products born every day, so it always makes sense to go to the market and see what is popular right now. Therefore, we can't create a "forever actual" list of services, because there can be another new service which is our best fit.

My educated guess says that some small convenient features, which fits best for my particular business, are always the matter of choice between services.

How to protect data when interacting with the client through the digital channels?

Nowadays there is no silver bullet in terms of security.

The best option is never trust the 3d party services and try to avoid sending important documents/passwords there. In case there is no other choice - delete sent data right after the receiver downloaded all the required information.

In the meantime - make sure we use different passwords across different services.

Of course, it is better to keep password records written in non-digital environment, since it is the only one 100% way to protect this information from being leaked. Though, nowadays there are a lot of services like 1Password providing a good level of security with friendly UX to help us with passwords management.

Is it safe to connect freelance specialists to provide technical support?

Only in when official documents like consulting agreements, NDAs, etc were signed. If there are no documents guarded by law - the cooperation is risky.

#### Full name

Anastasia Kolyada

Your Position, Company

Targetologist / SMM specialist, freelancer

How can mission and values be defined more clearly?

Discuss the concept, the intent, the idea of creation, the problems company hopes to solve, the objections company hopes to resolve, and for whom company does all of this.

Why is it so important to define a target audience correctly?

In order to attract a new audience of potential customers, this will increase sales and activity on the site / in the profile.

What content is currently grabbing customers' attention?

Good video content (editing, quality of shooting, good plot or a product review), minimalist aesthetics, more live content (production behind the scenes, personal stories).

What is the most popular channel for interacting with customers now?

Instagram, Facebook, lead form through the site

How to evaluate the effectiveness of a website / social networks?

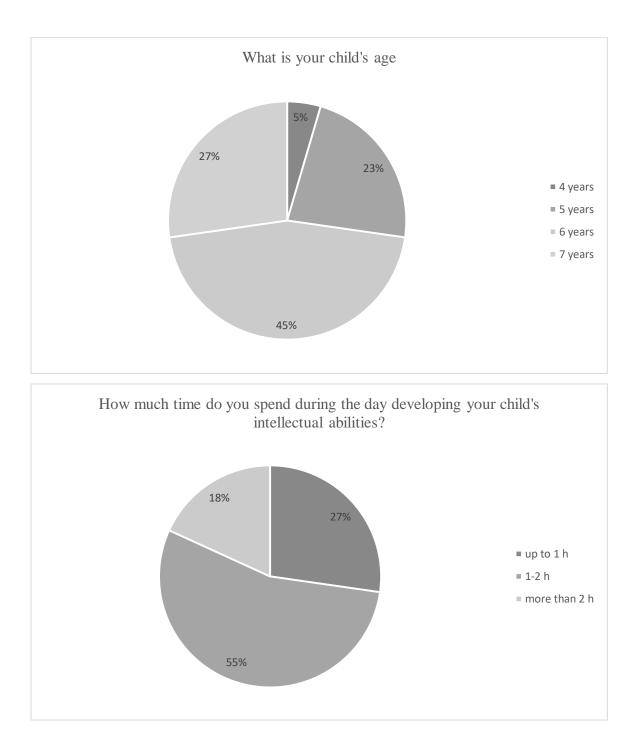
Keeping track of attendance and activities. The company is catchy if after the visit there was a subscription (social network) or viewing of the main pages of the site. Same, if you have a lead form on your site or if users buy products / services. If there is an asset - the company is interesting and that is the most important thing, you can continue warming up. If there is no asset, no views, you need to change.

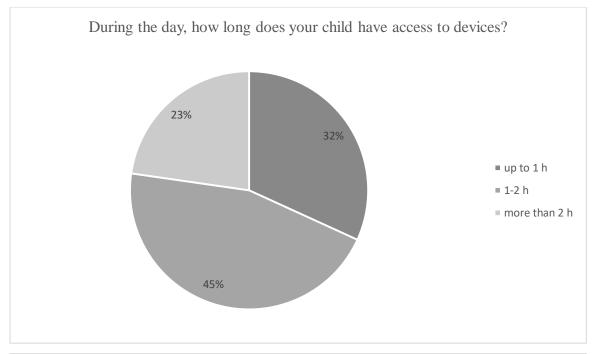
#### SEO or paid advertising?

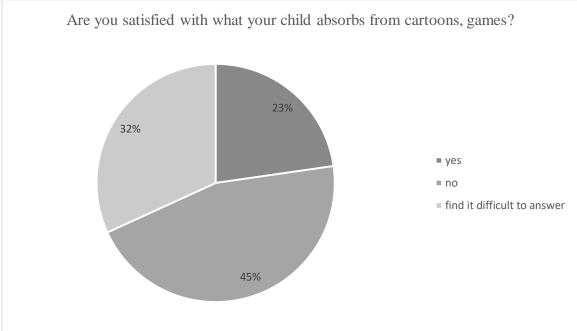
Depending on the placement. Depending on the recognition of your brand, both SEO and targeted advertising for the site will be effective. When your brand isn't well known on the market yet, it makes sense to advertise, but if you already have your own clientele, you may want to raise its search engine rankings.

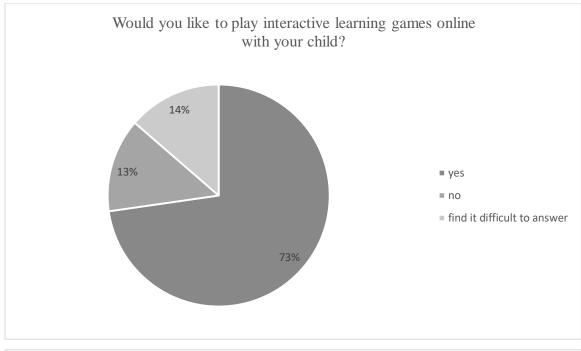
What web analytics tools can you recommend?

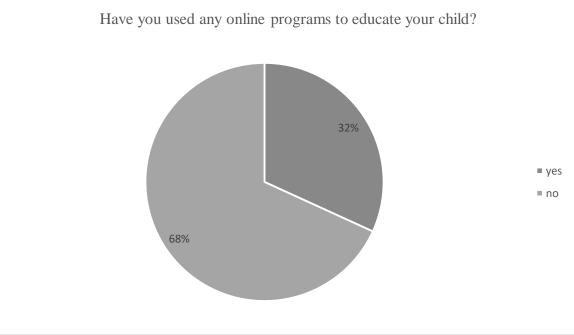
Pixel FB to track the actions of people on the page, Parsing for meeting the target audience.

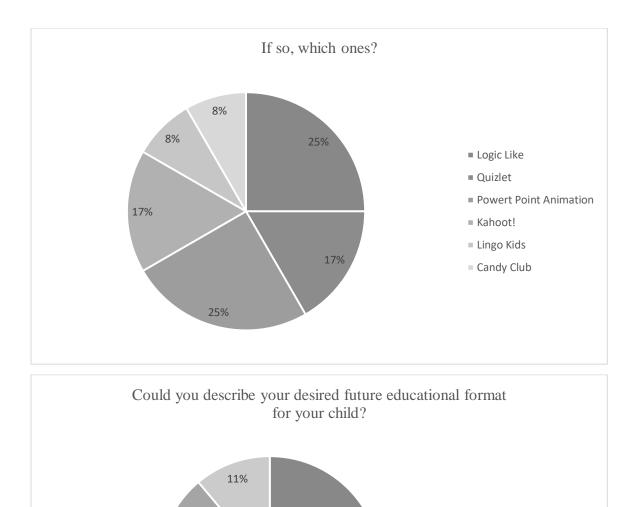












50%

39%

■ offline

combination

self-education