



A Perspective on the Application of Kapferer's Brand Identity Prism in the Branding Process of Hearing Aid Retail Companies

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ABSTRACT

Objective – The aim of this paper is to develop a baseline guide for the branding of hearing aids for use by Hearing Aid Retail Companies.

Methodology/Technique – The individual dimensions of Kapferer's brand identity prism were analyzed and practically applied to the branding process of a Hearing Aid Retail Company.

Findings – Each dimension plays a relevant role in a consistent branding process. The study concludes that Hearing Aid Retail Companies, particularly smaller ones, should focus on branding due to increasing competition to remain competitive in the market.

Novelty – This paper deals with the practical implementation of Kapferer's brand identity prism in the context of Hearing Healthcare. It offers Hearing Healthcare Professionals a framework for the branding process.

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Abbreviation: HARC - Hearing Aid Retail Company

Keywords: Branding; Marketing; Hearing Healthcare; Kapferer's Brand Identity Prism.

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1. Introduction

Hearing Healthcare is changing. Starting from traditional structures and simple technologies, the digital transformation has now found its way into the hearing aid market. Information about hearing aids can be viewed online and there are already some providers whose core business model is the online distribution of hearing aids.

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In addition, it is no easier than ever to communicate with customers via a smartphone or a corresponding app, and to change the settings of the hearing systems remotely. Further, the target generation for hearing aids is shifting towards the Baby Boomers and Generation X and these generations are intimately familiar with online media and smartphone use. All of these circumstances contribute to the fact that the way hearing aids are fitted and distributed will continue to change in the long term and competition within the market – both online and offline – is likely to increase. In order to accommodate these changes, hearing aid retail companies are increasingly concerned with strengthening their corporate identity.

Corporate identity is the basis for all marketing actions and is largely responsible for the success or failure of these activities. The aim of this paper is to provide a framework for the branding of hearing aids, which can be used by those companies as a baseline guide. The foundation for this is Kapferer's Brand Identity Prism, which is geared to the needs of HARC. They can then integrate their personal identity along the individual dimensions of the identity prism to develop a consistent branding procedure.

2. Kapferer's Brand Identity Prism

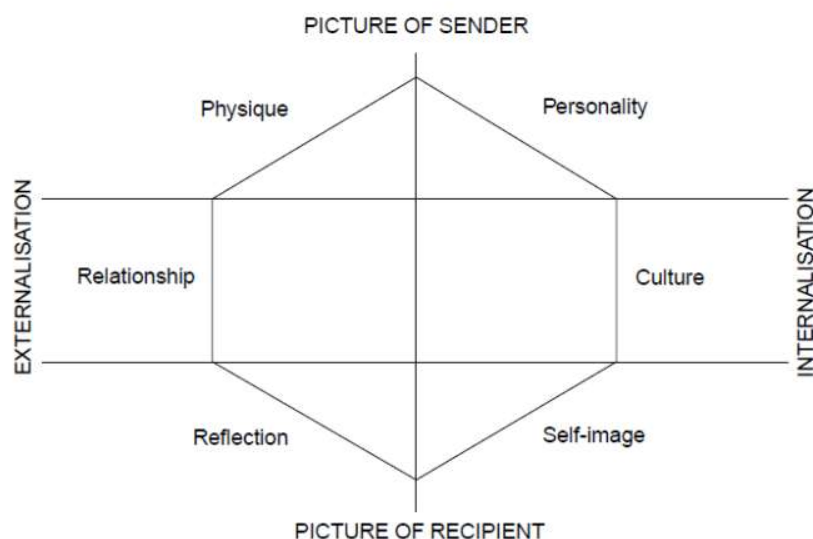


Figure 1. Kapferer's Brand Identity Prism (Kapferer, 1994)

Kapferer criticized, that many companies have forgotten the fundamental purpose of their brands. They place too much attention in marketing activities involving designers, graphic artists, packaging and advertising agencies but are undervaluing the role to be played by other parts of the company, such as the development of a successful branding policy (Kapferer & Rifky, 2008). To address this weakness, Kapferer developed the Brand Identity Prism which is intended to illustrate the interdependence of its various elements. According to Kapferer: "Strong brands are capable of weaving all aspects of the prism into an effective whole in order to create a concise, clear, and appealing brand identity." (Kapferer, 1994). His theory puts together six elements by taking into consideration their position between the business (Sender) and client (Recipient), and vice versa. The defined areas between these 2 points range from internal to external and include the different dimensions (Lombard, 2018).

3. Externalisation

3.1 Physique

Because HARCs do not produce but adjust and sell hearing aids, it is important to analyze their existing corporate design. One of the most important factors of the physique of a product is its logo. Peters (1999) explained the importance of a visually strong logo: “Humans think visually. A picture is really worth a million words. And great brands have readily identifiable icons – just as Nike or Apple or Shell – strong simple images that connect with customers” (Peters, 1999). Hence, consideration should be had to the type of message the company wants to communicate to its customers, which should then be implemented with a strong logo, which reflects that message.

Another important factor is the colour associated with the company, which can be used in many ways as a marketing tool. The company’s colour is vital to brand recognition and is an essential tool in drawing attention to a product. It can influence a person’s mood or encourage a certain attitude towards a product or can create a certain image for it (Shi, 2013). It is useful to use the company color in all marketing activities to ensure that all of its products are aligned and recognizable as being related to that company. A good example of this is the marketing of Heineken beer, which uses the color green in all of its media. The staff can also contribute to this by wearing uniform reflecting the corporate colors. The design of the store should add value to the retail strategy by improving the quality of the shopping environment and by influencing consumer decision-making and loyalty (Kent & Omar, 2003).

3.2 Relationship

HARCs have a very intense relationship with their customers. Their customers visit the shops, after years of living with hearing loss, and are searching for help. Hearing aids are not marketable in the same way as regular consumer products; the marketing and sale of hearing aids requires collaboration between the audiologist and the customer, which takes several weeks. In the end, HARCs are selling a better quality of life. After adjusting the hearing aids, the customers are able again to hear and understand in every hearing situation. This adds huge value to a person’s life, and value creation is the keystone of the customer’s relationship with the company (Zeithaml et. al., 2001). Apart from that value, while the client works over weeks with the audiologist, a relationship develops. The audiologist is not just a professional who helps the customer to hear better, they are also a psychologist, a good conversational partner, and a companion during that time. This also leads to strong customer loyalty, even after the purchase has occurred. When a company retains just 5% of its’ customers, profits increase by 25% to 125% (Reichheld & Sasser, 1990). To increase sales and customer satisfaction, it might be helpful to train the audiologists how to ensure each customer receives an individual and tailored experience. One way to achieve this is through the DISC system. With that system, it is easy to rate the customers and to face them in their preferred way. Whilst it is impossible to classify all customers in one of the DISC styles, the system provides many useful principles for identifying the best way to approach and access the customer. One study conducted by a dentist identified that implementing the DISC system in their patient management led to an increase in the rate of treatment plan acceptance and an improvement in patient behavior with regard to their oral health (Scarbecz, 2007). The relationship between a customer and a company, from the perspective of Kapferers brand prism, is a very intense, amicable, emotional and long-term focused relationship.

3.3 Reflection

The reflection point in Kapferers brand prism concerns how a company portrays their target audience. In respect of HARCs, and against common opinion, it is not only the elder generations who experience hearing problems. The customers seeking the assistance of HARCs have changed significantly over the last few

decades and that change will continue as time goes on. The customer base for HARCs now consists of two main groups. The first, which remains the largest target group, are the traditionalists, being customers who were born prior to 1945. This customer group was born in very hard and rough times and due to that, their morals and ethics and a formal communication system and marketing techniques are quite important to them. They need time to become familiar with new things and are more likely to distrust change (Williams, 2009). The next major customer group among HARCs are the Baby Boomer generation, being those born between 1945 – 1965. This generation is still relatively young, which makes it difficult for them to accept that they are in need of a hearing aid. This creates certain challenges when it comes to the unique way in which HARCs should target their marketing strategies to this group. This generation is attracted to the newest technologies, for example, they are interested in connecting their hearing aids with their smartphones or to their telephone or to stream music. This contributes to a different perspective on “old associated” products – they can be seen more as “lifestyle devices”. After differentiating between these two major customer groups, a segmentation due to their requirements of a hearing aid and their willingness to pay might be purposeful.

4. Internalisation

4.1 Personality

The character of a brand are important to a consumer. Many scales exist to measure the personality of a brand, for example, Aaker’s 5 – dimensional scale (Aaker, 1997), which is one of the most well-known scales in this field. Kapferer himself criticized that model due to several perceived flaws (Azoulay & Kapferer, 2003). A HARC should assign the human characteristics to the brand it stands for. This is sometimes quite complex to define in Hearing Healthcare, as different customer generations meet Hearing Healthcare Professionals who do much more than just fitting hearing instruments. Their attributes are therefore not only technical, but above all interpersonal. It can also be helpful if a brand ambassador gives the company a personality. A good example of this is George Clooney, who is known as the face of Nespresso. In smaller companies that operate regionally, this may well be a regional personality, as long as it aligns with the corporate character.

4.2 Culture

The culture of a brand focusses on the core values and the heritage of a brand (Kapferer, 1994). This is also the foundation for the brand and often, culture refers to the culture and values of the brands country of origin. An example of brand culture can be seen in Coca Cola, which appeals to American values or Mercedes Benz to German values. That means that brand culture is dependent on the type and regions in which a HARC operates. Most companies are regional meaning a regional focus may be the most useful, because being regional is a competitive advantage against other larger companies who have just one shop in a region but are originally located in another part of the country. That regionalism is much more than a patriotic factor for the customers. Customers prefer buying their products in local shops to support their local environment, but it is more the same culture they have. They speak the same “language” and have the same mentality. This leads to a high level of trust in the company and in the work it delivers (McDougall, 2017).

The core values are also influenced by the company’s origin and mentality. A company has to be clear on what its’ core values are because there is a clear relationship between a track record and core values. A great example here is VOLVO. They create value by providing transport-related products and services with superior quality, safety and environmental care to demanding customers in selected segments (Urde, 2003). In accordance with their core values, they kept on doing things their way. The company was sold from Ford to Geely a few years ago and the new owners changed the design of the brand completely to lean into innovation, however the core values of the brand have been remained the same. Transporting and communication these core values is an important aspect of the branding process.

4.3 Self – Image

An important factor of marketing is how a consumer feels when consuming a particular brand. In hearing healthcare, this factor is not straightforward. The largest segment of HARC customers are elder generations. In past times, hearing aids have been bulky and unattractive, which has led to consumers not feeling satisfied with the way the hearing aid made them look and feel. However, with the development of technology, hearing aids have shrunk in size and enjoy a more ergonomic design, more suited for everyday use. This enables HARC customers to develop hearing aids that are reflective of their customer's image and the way they want to feel when they are wearing them. HARC customers typically respond to marketing efforts which reflect the following 5 key concepts: Autonomy, Connectedness, Altruism, Personal Growth, Revitalization (Leventhal, 1997). This is also how customers want to see themselves or better said the retailers and the manufacturers should integrate these aspects in their marketing material. Indeed, these attributes already exist in lots of products. Autonomy can be achieved by creating hearing aids that allow customers to use their hearing aids to make calls hands-free or listen to music while they go for a walk. Connectedness can be achieved by encouraging customers to join with one another and share experiences with other customers who are also experiencing hearing loss and are using hearing aids to correct this issue. It can be summarized that hearing better is an emotional aspect. Autonomy, Connectedness, Altruism, Personal Growth or Revitalization is important for HARC customers. In relation to the self – image aspect of Kapferer's brand identity prism, they see themselves as independent and social people who interact with people throughout all generations. They like to learn and teach and give back to their environment. Being young and active is one of their primary goals. Marketing techniques should focus on how a hearing aid can help customers achieve this goal and maintain their quality of life.

5. Managerial Implications and Conclusions

The six dimensions form the starting point for the identity of a brand, which is becoming increasingly important, especially in a unique and challenging industry such as Hearing Healthcare. Because they are interconnected, it is essential that each dimension be clearly defined, as they represent the brand's mouthpiece, both internally and externally. This precise definition gives the brand a uniqueness that aimed at communicating the core values of the assigned company, which will be the foundation for a consistent and successful brand. Applying Kapferer's brand identity prism enables marketing specialists or managing directors to assess the strengths and weaknesses of a brand, which helps to maintain existing customer relationships as well as create new ones. HARC customers, especially smaller ones, should focus on identifying what their brand actually is, before planning any marketing strategies, because marketing without knowing everything about the brand is largely ineffective.

In Hearing Healthcare, there is only one clear path in the branding process according to Kapferer. Firstly, it is important to identify what the various stakeholders perceive about the brand or the company. For this purpose, all members of management and employees, as well as external customers, should be interviewed about how they currently see the brand and what would be the ideal positioning from their perspective. The questions should cover all six dimensions in order to get an exact status quo of the current brand situation. This often reveals strong discrepancies in brand perception in the internal relationship between management and employees, but also in the external relationship between the company and customers or non-customers. It is precisely these discrepancies that should be addressed, the differences analyzed and compared with the previous brand orientation. With these insights, management should then define each individual dimension for the brand according to Kapferer to determine precisely how the brand should work in harmony with the corporate mission. In order to achieve a conclusive and consistent result, it is recommended to consult an external marketing agency, because they approach the process with an unbiased and objective view. After successful completion of the branding process and the definition of the brand identity, a targeted marketing

strategy can be implemented that communicates the brand in all directions. This may be the difference between a HARC that leads the way in the Hearing Healthcare industry and one that does not.

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