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BRAND BUILDING FOR SMALL AND MEDIUM-SIZED COMPANIES

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ABSTRACT OF THE MASTER'S THESIS

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<p>Abstract</p> <p>Small and medium sized companies represent 99% of businesses in the European Union and provide two thirds of the total private jobs. Despite the importance of SMEs category, there is scarce literature that covers the topic of brand creation in SMEs context. Knowing that SMEs have specific characteristics and encounter different kind of problems than large corporations, there is a clear need to create a better understanding about brand creation in SMEs environment.</p> <p>The purpose of this study is to describe brand creation and brand building activities of six companies from Oulu area. Besides that, topics that are considered important in brand creation process, as perceived relevance of branding and most often encountered errors are also covered.</p> <p>The study was done using qualitative methods. The research was implemented as a case study, in which in-depth interviews with representatives of companies and investigation of company websites, press releases were main sources for acquiring empirical data. Theory development was done using abductive reasoning.</p> <p>Present study gives concise information about most important aspects of branding, together with several easy to follow solutions for brand creation. Empirical analysis offers an overview of contemporary branding practices employed by SMEs. It points out significant changes in attitudes towards branding among SMEs owners/managers. It shows that branding is perceived as an important activity that have potential to bring future benefits for firms. Modern entrepreneurs are aware of branding and make visible efforts in creating meaningful brands starting from early stage of development of firms. They tend to consult firm's stakeholders and use professional help for the design of visual elements. SMEs owner still plays an instrumental role in defining and managing the brand, but in our days, he is helped by at least one employee. SMEs from Oulu area tend to use unconventional branding activities, like using products created and produced under own name, participation in professional events and fairs, PR activities and social media. Focusing branding activities towards a wrong target is reported to be one of the biggest error in branding.</p> <p>Entrepreneurs that know little about branding, because learning from real-life situations might provide a useful tool to deal with actual problems. Scholars that study entrepreneurship, because it offers fresh information about branding practices.</p>			
Keywords Corporate Branding, Marketing, SMEs, Entrepreneurship			
Additional information			

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1 INTRODUCTION

1.1 Background of the Study

Small and medium-sized companies (SMEs) form the backbone of strong, healthy economies and are vital for ensuring the economic growth, innovation, job creation, and social integration in most developed economies. According to European Commission's data, SMEs represent 99% of all businesses in the European Union, are the source of 85% of new working places and provide two-thirds of the total private sector jobs. The recent economic crisis showed once again the important role played by SMEs in the well-being of the society since a thriving base of SMEs creates premises for economic growth and employment opportunities. Consequently, the last years have seen a renewed interest from policy makers, scholars and business people alike in stimulating entrepreneurship and in offering support to small and medium-sized enterprises.

For the Oulu region the strategic importance of creating a dynamic, healthy network of SMEs, became one again clear since the downsize of the region's main employer, Nokia, that led to significant job losses. Understanding the importance of a strong base of small enterprises for the local economy, region's policy makers make efforts to create opportunities for economic revival by stimulating entrepreneurship, thus the setting-up of a significant number of start-ups in Oulu area (according to Business Oulu, more than 100 companies are established in Oulu each year). The vast majority of the new business enterprises are SMEs - hence the need for marketing expertise that serves the needs of that category of firms.

The importance of brand building and proper brand management for the success of a company is generally acknowledged (Berthon et al., 2008 via Berthon, Hulbert & Pitt, 1999a; Keller, 1998; Low & Fullerton 1994; Park, Jaworski, and MacInnis, 1986). A significant part of marketing literature is dedicated to brand creation and management, but, even though most firms worldwide consists of SMEs, most marketing literature seems to focus on large enterprises (Berthon et al., 2008; Spence & Essoussi, 2008). Because small and medium-sized companies have specific characteristics (lack of resources, undifferentiated departments, management style,

operations, and functions) branding and marketing techniques that are generally applicable for big companies, can be hardly used for small companies (Berthon et al., 2008). Another challenge consists in the fact that the IT revolution and the globalization significantly changed the ways business is done - thus old marketing practices are not so efficient in our days.

Due to lack of resources and management experience, SMEs themselves don't seem to be fully aware of the importance of branding for the success of their attempts, thus paying little attention to branding activities (Spence & Essoussi, 2008 via Inskip, 2004; Gabrielsson, 2005; Ojasalo et al., 2008; Mäläskä et al., 2011). At the same time, most often encountered problems faced by SMEs are in the areas of marketing, human resources management, and general business planning (Berthon et al., 2008 via Huang and Brown 1999; Raymond, Brisoux & Azami, 2001). Therefore, there is a clear need to find out what are most encountered marketing issues, figure out branding solutions that are easy to understand and apply, and create awareness among entrepreneurs about the importance of brand building and brand management.

1.2 Research Objectives

Knowing that business and market conditions are different in Nordic regions than in more densely populated areas, the present study aims to show how small firms from the Oulu area create and maintain their brands. The objective of the study is to describe and analyze brand creation processes and brand management activities used by SMEs located in Northern Finland (Oulu area). Important issues that are derived from research' objective is to determine the level of awareness about branding among business owners and what are most often encountered branding errors. Based on findings from interviews and existing literature, a list of recommendations regarding best practices on branding strategies is provided.

The study has four research questions:

- What is the perceived relevance of branding in the SMEs context?

- How is the brand created?

- Which brand building activities are used by local SMEs?

- What are the most frequent problems and mistakes?

The research questions presented above are meant to offer structure to the thesis and offer answers to present-time issues encountered by SMEs from the Oulu region. The study aims to help local small companies become aware of the importance of branding, offer a brief, clear account about branding meaning and practices, help small firms clarify own branding issues and design better branding solutions.

1.3 Research Methodology

When doing social or business research two major models are used: deduction and induction. When using deduction, the researcher builds hypotheses based on existing theories. Then, hypotheses are tested by empirical study and are either confirmed or infirmed. Induction works the other way around: it starts from empirical studies without any theoretical knowledge and builds theory based on ongoing patterns (Eriksson & Kovalainen, 2008).

In real life, few studies are purely inductive or purely deductive. Most researchers use both methods in the different stages of their investigations, thus a combination of those two methods is often employed. The process of moving back and forth from the theoretical understanding to empirical data collection and interpretation and analysis is called abduction. Scientists use abduction to evaluate theories, then induction to justify them with experimental data, evaluate and analyze, then return with enhanced information to existing theories (Eriksson & Kovalainen, 2008). Given the fact that the present study builds on existing knowledge about branding, but uses empirical data from case studies, the research model used is abduction.

The paper intends to study SMEs from the Oulu region, and offer an account of their branding practices. Because it aims to provide details about an ongoing phenomenon, trying to explain, understand and offer solutions to its challenges, qualitative research was found to be an appropriate research methodology.

As the study is concerned with the particular context in which events take place and aims to offer an understanding of the phenomena by offering insights from real life practices of several local companies, the empirical part of the thesis is completed using a case study approach.

According to Yin 2003, case study analysis is required when the objective of the study is explanatory thus it tries to answer “how” the phenomenon occurs and “why”. Present situation refers to the specific business environment of the Oulu area and how local SMEs create their brands. Yin 1994, states that case study research permits a deep understanding of real life events, such as organizational and management processes, life cycles or maturation of industries. Case studies focus on a phenomenon in context, using multiple methods of confirmation for data collection. Cases are selected to be "typical", "revelatory", "critical" or "unique" (Cruzes et al., cited Yin 2014). Case study research can be focused on a single case or on multiple cases. As each technique has own advantages and downsides, the method of choice depends on research goals and research approach. The goal of this study is to compare empirical results from several ongoing phenomena with previously developed theories. Yin (2003) states that empirical results are considered more reliable if two or more cases are found to support the same theory but challenging hypothesis. This investigation uses a multiple case study approach in which relevant data about branding practices of six local companies is collected. The findings are analyzed and compared. Based on cross-examination of case studies, conclusions about branding practices of local SMES are drawn. In the last stage of the investigation, findings from empirical research are evaluated in relation with existing literature about small firms branding issues.

The study will compare 'branding practices employed by local SMEs with a similar study about branding approaches adopted by Swiss start-ups and see if there are significant differences between firms from Northern Finland and their counterparts in Switzerland.

Structure of the Thesis

Because one of the goals of the study is to raise awareness on the often-neglected area of small enterprises, their role in the society, struggles, benefits and opportunities offered by a healthy ecosystem of small enterprises, the first part of the research is offering an account about SMEs in general, then narrow the focus on small firms characteristics and specific challenges.

The second section attempts to offer synthetic information about branding: starting with a much-needed clarification of concepts and continuing with a brief history of brand concept and its subsequent theories. The main part of the theoretical framework is dedicated to brand building approaches and best practices. The first part of this section covers branding from a general point of view, while the last part the analysis focuses on existing theories about branding in SMEs context.

Chapter four: Research methodology provides a detailed account of the research methodology, research design, collection of data and topics analysed.

The first part of the empirical research section (chapter five) offers a detailed account about the companies that were studied. Then, each firm's branding practices are presented. The last part is dedicated to a comprehensive cross case analysis that is meant to present answers to 'the research questions. In the final section, the findings from empirical research' are compared with existing theories.

2 GENERAL ASPECTS OF SMALL AND MEDIUM-SIZED ENTREPRISES

It is often said that SMEs are the backbone of healthy economies. The statement is based on well-founded facts. The level of the economic development of a country seems to be directly correlated with the number of SMEs. Roughly said, SMEs form about 95% of total firms (OECD, 2000), bring approx. 52% of the private sector value added (Edinburgh Group, 2014) and provide about two thirds of the jobs worldwide (WTO, 2016). In EU the overall rate of SMEs' in the economy is even higher than global figures: SMEs' in the non-financial business sector account for 99.8% of existing firms, provide approx. two thirds of the existing jobs (66.8%) and 57.4% of the value added (European Commission, 2016). It also seems that the importance of SMEs 'for the global economy is on the rise. OECD notices that, as large firms downscale and tend to outsource more functions, SMEs' become the drivers of economic growth in the developed countries (OECD, 2000, 2016). Research had shown that the contribution to net job creation was higher among microenterprises and decreased according with the size of the company - thus small firms play an instrumental role in reducing unemployment (OECD, 1996).

Most analysts consider that the importance of SMEs does not reside in their absolute contributions to GDP, but in the role they play in the welfare of societies. Small firms are active vectors in job creation. They seem to have stronger ties with local communities and adopt more socially responsible practices than large firms. Finding a niche of opportunity, starting a business or being self-employed usually offer opportunities for underprivileged categories of society, thus playing a major role in the well-being of the society (Acca, 2010). Their dynamic nature creates premises for generation and testing of new ideas, increased productivity, healthy competition, structural change and overall economic growth (Airaksinen et al., 2015).

Several studies reveal the fact that even though big companies can contribute significantly to the wealth of a country, they are much more vulnerable to international business cycles than SMEs, which seem to adapt better to market variations than large corporations. A survey done in 2010, among SMEs in UK showed that during the recession years of 2007-2010 the productivity level of SMEs

in UK increased - fact that once again, demonstrates the sector's resilience and the role played in maintaining the region's employment levels (Edinburgh Group, 2014).

It is generally known that productivity increases with the size of a company. This is especially true in sectors where economies of scale can be attained, for example manufacturing, where large firms outperform SMEs in productivity level. In other sectors, like services or ICT, which require a high level of customization or high intellectual content, it seems that medium-sized companies show the same productivity level or outperform large firms (OECD, 2016).

2.1 Definitions

SMEs come in all shapes and flavours, cover a wide range of business activities, differ significantly in their dynamism, technical progress or attitude towards risk. Some of them are developing at a steady pace while others struggle for a place in the business world. There are huge differences from the turnover and financial assets point of view, and significant regional/country variability. Consequently, a comprehensive definition of SMEs is hardly available, and the existing ones are still highly debated. The most widely accepted definitions are the ones offered by the European Commission, UN Industrial Development Organization and the World Bank. All those institutions set the upper limits of SMEs at 300 employees and at less than €35m turnover (Acca, 2010). As a matter of fact, SMEs' boundaries seem to be high in large economies and lower in service-based economies. For the sake of simplicity, the present report uses the SMEs' definition offered by the European Commission, which sees SMEs as "enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million".

2.2 Types of SMEs

According to the number of employees and yearly turnover SMEs fall under three main types of companies: medium-sized companies - that have less than 250 employees and a turnover less than 50 million euro, small firms - with less than 50 employees and 10 million/year, and microenterprises - that have less than 10

employees and earn less than 2 million euro yearly. In EU the vast majority of SMEs is composed of microenterprises (92,8%), while small and medium firms account for 6% and respectively 1% of total SMEs (European Commission, 2015). In terms of value added generated by the non-financial business sectors each category has a relatively equal share - 20%, while big enterprises contribute with the rest of 40%.

The SMEs environment is highly dynamic, especially in the microenterprise category. Companies in their initial stage of development encounter a wide range of difficulties, starting from lack of 'business owner experience, to difficulties in accessing funding and ending with regulatory burdens. Consequently, SMEs are characterized by high business birth rates (ranging from 3.6% in Belgium to 23.1 in Lithuania) but also by a high level of business death rate (2.1% in Malta to 18.2% in Portugal) (European Commission, 2016). It is considered that the survival rates of small companies are quite low, with less than one half of start-ups surviving for more than five years and even a smaller proportion turning into high growth companies (OECD, 1996). As companies evolve from micro- to small and medium and eventually large, their survival chances increase accordingly. Altogether those aspects have a positive impact for the local and global economies, because the SMEs dynamic environment leads to a high job turnover, increased competition inside industries, which results in improved productivity level inside industries (OECD, 1996).

2.3 Characteristics and Challenges Encountered by SMEs

The importance of SMEs for global and local economies is well acknowledged by business and academic circles. Consequently, there is a constant interest in the study of SMEs and of the problems they encounter. It resulted in a large number of projects, associations, inter-professional working groups, academic study directions and scientific papers that cover various SMEs' issues and try to find solutions to their most acute problems.

What are the characteristics of SMEs and how they differ from large organizations (LO) is a topic that was extensively covered in business research. It is common knowledge that SMEs differ from large organization in management style, main

functions and operating model (Berthon et al., 2008 via Knight, 2000; Cohn & Lindberg, 1972; Wong & Merilees, 2005; Centeno et al., 2012; European Commission, 2017). The management style of SMEs is unique to each firm (Berthon et al., 2008 via Culkin & Smith, 2000; Gilmore et al., 1999) due to the fact that decisions are usually made by the company ' owner who is involved not only in the management but also performs many other functions as accounting, recruitment, advertising (Berthon et al, 2008 via Culkin & Smith, 2000).

Usually SMEs have limited resources in terms of time and money, fact that leads to a survival mentality and limited, short-term strategic planning (Berthon et al, 2008 via Huang; Soutar & Brown, 2002; Orser, Hogarth-Scott & Riding, 2000; Gilmore et al., 1999). Being small and having a flat and informal organizational structure makes SMEs flexible, inventive and entrepreneurial. Those aspects help them to be quick to respond to customer demands and to be innovative and flexible to changes in the market (Berthon et al., 2008 via Gilmore et al., 1999; Cohn & Lindberg, 1972; Centeno et al., 2012), facts that give them resilience in market turmoil (Edinburgh Group, 2014).

Most small firms operate inside their country of origin. They seldom export (only 10%-40%) and when they do it, they export to nearby countries. Even though they don't directly export, SMEs are indirectly connected with international markets by being suppliers for large firms (OECD, 2016).

The European Commission acknowledges the fact that SMEs are facing different sets of issues than other enterprises. It identifies two main areas in which difficulties are most likely to occur. One is about market failures that make the environment in which SMEs operate more challenging, like difficulties in accessing proper financing and investment in research and development, or insufficient resources to be able to comply with environmental regulations. SMEs also are confronted with structural barriers, such as lack of management and technical experience, limited knowledge of international markets and opportunities, labour market regulations (European Commission, 2017). The European Commission's observations are in accordance with a study done by the World Bank in 2000 about SMEs in developing countries. Among most cited obstacles are: access to electricity and finance, tax rates and

political instability (Kushnir et al., 2010). An OECD Report from 1996 about small businesses, notices that the main obstacles in the growth of SMEs are: market failures in capital markets, access to foreign markets, government regulations, labour costs and problems in recruiting skilled workers. The study goes further to analyze what are the success factors of SMEs according to their stage in development. It notices that management capabilities are of tremendous importance for the survival of a company in the early stage of development. As the company develops, human resources and innovation strategies become more important. When the company matures and aims to become competitive, an emphasis on research and development, innovation, hiring, motivating and training skilled workers, turns out to be important.

Even though efficient marketing and a strong brand are known to contribute significantly to the success of a firm and business literature recommends that company's identity should be drawn from the business plan stage, evidence shows that most managers of small enterprises know little about the subject and generally neglect most marketing issues. In order to help SMEs managers get fair knowledge about marketing and brand building techniques, a special chapter of this report will be dedicated to that topic.

2.4 Policies regarding SMEs and Microenterprises in Europe

EU decision makers are fully aware of the instrumental role played by SMEs in the well-being of the region. Consequently, EU had put in practice a wide range of policies meant to create a business-friendly environment, promote entrepreneurship, facilitate access to international markets and finance and increase the innovation level among small companies in Europe. Most of the above-mentioned measures are included in the Small Business Act of Europe (SBA). The SBA framework is supported by comprehensive legislation and a large array of additional campaigns, projects, networks and portals.

European policies are translated into actions at country level and are completed with strategies adapted to the local needs. This includes direct funding for small enterprises from the European Commission under the form of grants and indirect funding - by providing development funds for SMEs to local intermediaries

(EuroNet, 2017). An example of such collaboration between the European Commission and local bodies is the implementation of the SMEs initiative in Finland - a joint project of the European Investment Bank and the European Investment Fund, the European Commission and the Government of Finland aimed at supporting SMEs in the country by offering access to funding (European Investment Fund, 2016).

2.5 SMEs and Microenterprises in Finland

Almost all businesses in Finland are SMEs. According to OECD (2016) data, in 2013, 99.4% of country's firms were belonging to that category, which provided employment to more than half of country's active population (64.6%). The clear majority of Finnish SMEs fit in the microenterprise category (79.3%) and approx. one quarter of the workforce is employed in a such a company. Wholesale, retail and manufacturing are the sectors that contribute most to the value added (approx. 20%). Those sectors also provide about 40% of SMEs employment (European Commission, 2015).

The Finnish economy has been badly affected by the global economic crisis, medium-sized companies being hit the hardest. The country is making efforts for recovery and recent developments look promising, but the number of SMEs and employment are still bellow pre-crisis levels (European Commission, 2015) while the number of enterprise exits is still high (OECD, 2016).

Even though the country seems to offer a business-friendly environment, puts in practice adequate policies that support SMEs, and fares better than other EU countries in most SBA policy domains, the situation of SMEs has yet to improve to the pre-crisis level. Consequently, when looking at the employment rate in SMEs and entrepreneurship level, Finland is still below the EU average. The reason for the slow recovery might reside in the fact that Finnish SMEs face difficulties in accessing funds and in the risk averse cultural norms (European Commission, 2015). Although the country fares well in most SBA areas, its performance stagnated or deteriorated in the previous years. Consequently, the policy makers were trying to stop the trend by introducing policy activities meant to improve the SMEs operating environment

especially measures aimed to improve access to finance. Other areas of importance were entrepreneurship and internationalization (European Commission, 2015).

3 BRANDING

An old story says that marketing appeared almost at the same time with the first human beings: at the moment when Eve convinced Adam to eat the forbidden apple. Other sources argue that the first marketer is even older - being the snake that persuaded Eve to sell the idea to Adam (Kotler, 2017). We have mostly anecdotic evidence about the very early beginnings of marketing – the first debates about marketing and its role in society started from Plato and Aristotle (Shaw and Jones, 2005) but the origins of branding are set in stone. There is archaeological evidence on brands, aka trademarks placed on goods being found on ancient Chinese porcelain, pottery jars from ancient Greece and Rome and goods from India dating back to 1300 B.C. Those marks were the signs that certified the product's origins and quality. Consequently, sellers and buyers alike were looking for them thus later being used to attract buyers that were loyal to certain craftsmen (Keller, 2013). It is hard to say which discipline appeared first, and there is a general confusion about their meaning, the terms often being used improperly. Therefore, the first part of this chapter will try to explain the meaning of both concepts. To understand its origins and role, a brief historical timeline of branding will be presented. Features and components of the brand concept will be presented, together with the benefits of branding. Finally, a brief guide to branding will be offered.

3.1 Advertising, Marketing or Branding?

Marketing, advertising and branding are often used interchangeably by the general public and even the business literature seems to provide no clear distinction between the concepts. One of the reasons resides in the fact that those notions cover a range of aspects that in many cases are overlapping. Also, along the time, the concepts had been defined in many ways as their application and coverage evolved together with business relationships. Sometimes it is difficult even for business professionals to point out which definition is most appropriate.

Adding to general confusion, most marketing books have at least one chapter dedicated to branding, or unsystematically cover various branding issues. When reading a marketing manual, the reader gets the idea that branding is a component of

marketing strategy. Branding manuals teach various marketing topics along with branding strategy and branding techniques also. From a branding book the reader gets the idea that marketing is mostly considered a tool for promoting the brand.

Advertising is most of the time confused with marketing, while its most apparent aspects: logos, slogans, imagery are also components of branding. Thus, the general public have a rather blurry image of what all those three disciplines mean and how to differentiate them. Because proper marketing, advertising and branding strategies are prerequisites for the success of a company, the meaning and differences between notions must be well understood by business managers and future entrepreneurs alike.

3.2 Marketing

Marketing has a dozen of definitions. Sometimes it is a challenging task to choose the most comprehensive one. It is enough to say that, since the '60' almost every decade has had its own set of themes and ways to describe it (Gamble et al., 2011). Even well-regarded definitions, like the ones presented in the next paragraphs, are still subjects of debate in academic circles. For the sake of brevity, the present study will focus on the definitions from AMA (American Marketing Association) and another one from the marketing guru, Phillip Kotler.

"Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large." (AMA, 2013)

"Marketing is the science and art of exploring, creating, and delivering value to satisfy the needs of a target market at a profit. Marketing identifies unfulfilled needs and desires. It defines, measures and quantifies the size of the identified market and the profit potential. It pinpoints which segments the company is capable of serving best and it designs and promotes the appropriate products and services." (Kotler, 2017).

3.3 Branding

The definition of a brand poses the same challenges as the meaning of marketing. There is substantial scientific literature that debates the various aspects in which a brand can be understood. A comprehensive study done by Maurya and Mishra in 2012 analyzes no less than three dozen definitions about branding and manages to classify them in 12 themes that also reflect the main perspectives in branding adopted during the modern era. Those perspectives on branding evolved along the time, coexist and some of them show overlapping concepts and solutions. According to Maurya and Mishra (2012), the main themes in brand definition are: brand as a logo, brand as a legal instrument, brand as a company, brand as a shorthand, brand as a risk reducer, brand as identity system, brand as image in consumer's mind, brand as value system, brand as a personality, brand as relationship, brand as adding value and brand as an evolving entity. Another study by Jones and Bonevac (2013), also identifies 12 definitions of branding and finds none of them comprehensive enough to be generally accepted.

To serve as guideline, this study will present three definitions of brand: AMA's - legal definition of brand, together with the one developed by Europe's leading authority in the field: Jean Noel Kapferer's in 1992, and a more recent definition by Bonevac and Jones (2013). The definitions also illustrate how the view on branding evolved along the time, from the product-focused definitions 'of the '60 and the '70s - AMA and Kotler, towards approaches that emphasize identity and differentiation in the general offering of a firm - Kapferer, Jones and Bonevac, Kunde.

"A brand is a name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers" (American Marketing Association). AMA's definition has been often criticized as being too simplistic or not comprehensive enough (Bonevac & Jones, 2013; Maurya & Mishra, 2012). There is a range of brand definitions as AMA's and Kotler's that look at the concept from the product's viewpoint. Other researchers argue that brand and branding 'should not be reduced only to the product level, as branding has attributes that are not directly related to the product performance, such as cultural, symbolic and emotional associations (Keller, 2013).

In their review of definitions of brand, Jones and Bonevac (2013) consider that Kapferer (1992) managed to offer one of the most comprehensive definitions of a brand as "...the product's essence, its meaning, and its direction and it defines its identity in time and space. " Even so, the authors are not entirely satisfied with it and come out with what they consider a more precise description of a brand: "A brand is a definition of a particular company or product."

3.4 Advertising

A classic definition of advertising is the one offered by Kotler (2001) which says that advertising is "Any paid form of non-personal presentation and promotion of ideas, goods or services by an identified sponsor." A more recent one is provided by Dahlen and Rosengren (2016) - which see advertising as "brand-initiated communication intent on impacting people."

It can be easily noticed that, only by reading definitions and without lengthy analysis, it is difficult to get a clear image about what marketing, advertising or branding do, let alone understand the differences between them. Consequently, there's a need for further clarifications.

Simply said, marketing is a framework, a process for understanding, finding and keeping customers. The definitions clearly point out the direction towards which marketing is looking: outside - the customer. Marketing aims to understand who the customer is, its values, needs and wants, to communicate and promote an offering that will catch the attention of the customer, to develop products and services that attract and sell well. Thus, marketing is orientated towards others: customers or stakeholders alike.

On the other hand, branding is mostly focused on introspection, on the soul searching of a firm. It tries to figure out values, principles, find or create an identity which must be communicated at internal and external level. It is part of marketing efforts because the brand must be communicated to external stakeholders and match their expectations, but it can be also said that branding is a significant part of the firm's strategy and its positioning on the market.

Kotler's definition of advertising brings the concept very close to marketing as paid promotion. Consequently, advertising is one of the components available when developing the firm's marketing strategy, while the second definition presented here - that refers to the brand-initiated communication, links advertising to branding. In its most basic form, advertising means paid communication/persuasion about a product offering or a firm. The fact that the general public often think that advertising is similar with marketing or branding might reside in the fact that for several decades, the only form of marketing communication was paid advertising: newspaper, radio, and later TV (Coomber, 2002).

3.5 Development of Brand Concept and Branding Theories

By only going through the literature that deals with branding definitions along the time, the reader can get a fair idea about how the concept developed. From the marks found on ancient pottery to a strategic tool in business development, branding transformed and evolved while maintaining its initial role: as a way for identification and later differentiation of merchandises. Those items for consumption might be physical products, services, people and organizations, forms of entertainment or ideas and causes. Soon after being used as identification marks, the customers looked for certain stamps to identify products from reliable sources. It took little time until the sellers used the newly arrived opportunity to let customers knew about their quality. Branded offerings increased sales, engaging in what we know today as marketing (Keller, 2003).

The practice continued in medieval times, with a larger range of products being "branded", but the role of the brand extended as a way for making producers responsible for faulty products. The first European settlers to America took the convention and practice of branding with them. The first branded products of the New World were patented medicines and tobacco, that had been sold under certain labels since 1800 (Keller, 2003).

Industrial Revolution, improvements in transportation networks, increased purchasing power of population led to the mass production of quality products, efficient distribution and a wider customer base. Mass produced goods had to be sold

efficiently, thus merchandise that was usually sold from bulk containers became replaced by packaged goods, hence the need for producers to differentiate their offering. Soon branded products became a fixture on shop shelves. Some of the early adopters of systematic marketing and branding strategies are still in business today: Heinz and Coca Cola (Keller, 2003).

Following economic development and improved sales techniques, the first marketing courses were taught in US at the beginning of the 20th century (Shaw and Jones, 2005). Marketing as an academic discipline came out with a systematic approach to the domain and development of various tools and techniques such as: marketing management, marketing systems, consumer behaviour, etc., (Shaw & Jones, 2005). Although brands and branding were always present in selling and marketing activities, it took some time until managers understood the importance of systematic branding for their businesses. The first attempts to introduce brand management systems were done by Procter and Gamble around the '30's, but the practice became widely spread more than fifteen years later, only after WW2 (Keller, 2003).

Between 1945 - 1990, the dominant paradigm in branding was the kotlerian view, which was mostly focused on product. In "Principles of marketing", Kotler et al. (2001), as well as in early works, when talking about Marketing Mix, considers branding as an attribute of Product, together with other product's features, like quality, design, packaging etc. Following those steps, an entire marketing direction sees branding from product perspective.

When talking about developments in brand management, David Aaker also notices that the domain evolved from a tactical tool of marketing towards a strategic approach. The shift in paradigm became obvious in 1988, during an influential brand conference that was hosted by the Marketing Science Institute. Since then, research in branding started to gain an increased importance and even though not all firms adopted the new approach immediately, most successful firms nowadays place branding at the core of their strategy (Aaker, 2014).

At about the same time the debate about branding became more diverse also on the European side of marketing science. During 1986-1990' the French branding guru,

Jean Noel Kapferer came out with a new perspective about branding in which he emphasized the identity aspect of the brand. Other thinkers, as Keller, Coomber, Kunde, came with own contributions and noticed that brands have some other dimensions that differentiate products one from another. Those differences might be rational and tangible - as the ones related to product performance, but also symbolic, intangible and emotional aspects - which are associated to what the brand represents for customers (Keller, 2013). Following Kapferer's way of seeing branding, as being the product's essence, meaning and direction, other marketing experts, like Coomber (2002) but also Kunde (2000, 2002), emphasize the strategic aspect of branding and identity building. In his well-known book, *Corporate Religion*, published in 2000, Jesper Kunde goes further and claims that branding is not just about marketing the company's product offering, but it is the turning point of the entire strategy of a firm. The author affirms that branding only for firm's stakeholders is a direct by-product of the internal personality of the company and that the main role of the management consists in the creation and maintenance of firm's brand. Kunde went further and, 17 years ago, claimed that the business world was entering a new age: the "value economy era" - which focuses on communication of brand values to the customer, and in which the brand is the key management tool. In the value economy era success will be not about the size of the company but about which company is able to build the strongest brand (Kunde, 2000, 2002).

Kunde sees several stages in the evolution of the branding domain: industrial economy - which was dominated by product, thus branding was entirely product-focused, marketing economy - that was about adapting and communicating the brand to customers, and the present era: called value economy - in which the brand replaces the product, become a key management tool and it is instrumental in creating unique value that is communicated at global level (Coomber, 2002 via Kunde, 2000; Kunde, 2002).

If not entirely valid, Kunde's theory is somehow consistent with previously mentioned criticism of AMA's and Kotler's definitions of brand, and in the same line with Kapferer and also Keller's approach to branding. When exposing the first steps of brand building, Keller (2003), recommends four fundamental questions and corresponding steps to be asked and followed: Those steps are about brand identity-

Who are you?, brand meaning - What are you?, brand responses - What do I think or feel about you?, brand relationships - What kind of association and how much of a connection would I like to have with you? This process of introspection has many aspects in common with early steps of business planning because in the process of finding the new firm's reason for existence, on how it can differentiate itself from competitors, its vision, mission and values which might underpin the firm's identity and founding story. Thus, when seen as identity building and differentiation, branding can be considered as being a significant part of a firm's strategy.

In an era when product features such as quality, innovation, price are just prerequisites to enter the game, firms need something else to catch the attention of customers. In our days people buy personalities and stories. All successful firms have meaningful founding stories (Coomber, 2002). In a way, in the modern era, branding manages to remain true to its origins, since, under the form of identity building and differentiation, it had been present since the advent of humanity. Ancient cities and civilizations, like Athens and Rome had founding stories and specific imagery. Since prehistoric eras groups of people and nations created their own imagery and stories meant to differentiate them from other people and give them identity and a sense of belonging. The enduring power of tales and symbols is still valid, and the success of modern commercial brands confirms it.

3.6 What to brand?

In modern era almost everything is branded. Coomber (2002) mentions the classification of brands from brand consultants Upshaw & Associates. The company identified six types of brands:

Product brands - consumer goods, like clothing, perfumes, soda drinks, are the original and most typical brands e.g. Kellogg's, Coca Cola, Dior.

Service brands - intangible services, like hotel chains, banking services or restaurants: Hilton, Visa and Mac Donald's.

Personal brands - well-known personalities that use their fame and image either for business purposes or promotion of ideas. Personal brands cover a wide range of areas, from pop music and sports - Britney Spears, Michael Jordan, to business gurus - Steve Jobs, to political leaders and religious representatives - Mahatma Gandhi, Mother Theresa.

Organizational brands - form also a wide category that includes sport clubs, political parties, firms, charities: Real Madrid, Microsoft, Greenpeace - all are well-known organizations that over the years build a distinctive identity and have large amounts of fans and detractors.

Event brands - usually sports or art events that become fixtures in people's lives and are associated with certain ideas and features. Olympic Games, Super Bowl, Cannes Film Festival, Burning Man Festival are all illustrative examples of such events.

Geographical brands - famous geographical locations with a clear identity existed forever (e.g. Athens, Rome) but the development of tourism in modern era created a new marketing field: location branding and marketing. Nowadays people go on honeymoon to Paris, ski in the Alps, sunbathe on the French Riviera, etc.

3.7 Why to brand?

A quick glance at the most valuable companies in the world shows that all of them are also well-known brands (Cardenal, 2016). Although it is a challenging task to get an idea about the return on investment of marketing expenses, it seems that branding efforts usually pay off and generate long-term profits (Coomber, 2000; Aaker, 2001, 2014). As an acknowledgement of the brand effects on company's bottom line, brand equity is part of the intangible assets in the firm's balance sheets and brands are sold and acquired as any other commodities, sometimes at huge prices that significantly surpass the price of fixed assets of a firm (Coomber, 2000).

The benefits of branding don't refer only to the firm's bottom line. Brands and branding benefit customers and companies altogether. For the customer a brand is a sign of quality and ownership that helps recognize it from generic products, thus

reduce search time. As the brand identifies the product and its producer, it facilitates assignation of responsibility for a faulty item and compensation demand. People prefer to buy a branded product because they trust the brand, thus branding reduces transaction risk. Beside functional benefits, people tend to personalize and develop relationships based on trust and loyalty with favourite brands. Objects and brands have also symbolic value. People associate certain products with specific lifestyles and values and identify with them. Users of certain brands form communities and share experiences, thus brands are catalysts for social interaction and have profound cultural influence (Keller, 2013).

Brands offer also a wide range of valuable functions to firms. As they serve an identification purpose, brands simplify product handling, tracing, organizing inventory and accounting. Because brands can be registered as trademarks and certain features patented, they offer protection against counterfeited products and copyright infringements, thus allowing companies to maintain their competitive advantage. Investments in branding differentiate firm's offering, signalling an expected level of quality, building trust and developing lasting relations with its customer base, that in turn brings financial benefits on the long run. Well-built and maintained brands are valuable assets that can be bought and sold. Putting efforts in building a successful brand has good chances to pay off in the future, when it eventually can be sold at a huge price. Unlike most product's features, the "personality and soul" of a brand and its lasting impression on customers minds cannot be easily copied, thus branding brings competitive advantage to the firm (Keller, 2003).

3.8 Brand Building

Business literature seems to agree to at least one aspect: strong brands are instrumental for the success of firms and branding is an essential part of the business strategy (Coomber, 2002; Kunde, 2002; Kapferer, 2006, 2013; Keller, 2013). Several times a year newspaper publish lists with top brands and their net value. Those rankings are extensively debated and influence the overall valuation of the firm. Consequently, there is constant pressure for firm's managers to improve their firm's

brand equity thus brand building seems to rank high on the to do list of most executives.

What are the strongest brands seeming to be clear from business magazines rankings. What are the features of strong brands can be easily deduced by analyzing the most successful companies. Business literature also abounds in resources that cover the topic. Yet very few people seem to master the science of building successful brands, and usually they are called visionaries. For the rest of us, who lack vision, one solution might be to read all branding manuals and try to learn from success stories. Branding books and internet offer detailed lists of features that successful brands share. For example, in her brand building guide, Wheeler (2006) tries to understand what makes a brand succeed. She found out that there are some aspects that form the base of a brand, called functional criteria. Those are the minimum conditions for a brand to function as such. First, a brand has to be bold, memorable, appropriate and immediately recognizable. It has to offer a clear and consistent image of the firm and communicate well the personality of the firm. The firm's message must have an enduring value, one that works well across media. Brand font and imagery must work well in colour and black and white. Finally, all brand elements have to be legally protectable (Wheeler, 2006).

Even if functional criteria seem to require already a lot of planning and effort, the author says that they only form basic requirements for a brand, ones that everyone have but do not make the brand any more special. In Alina Wheeler's (2006) opinion the essential characteristics of best brand identities are:

Vision - an inspirational, powerful, articulate vision forms the basis of successful brands.

Meaning - strong brands stand for an idea, a clear set of values, a strategic position - all those elements becoming a clear voice that stands the brand apart.

Authenticity - is acquired only after the organization has a clear image about its value proposition, positioning, market and competitive differentiation.

Differentiation - there is a permanent competition between brands for customer's attention and money. A strong brand manages to stand apart from others. A clear vision and mission and a sense of authenticity are essential elements that concur to differentiation.

Sustainability - means the capability to thrive in an unpredictable setting.

Coherence - the message has to be consistent along all communication channels and customer touch points in a way that the customer recognizes it and feels familiar.

Flexibility - a successful brand allows for change and growth of the company. It supports a marketing strategy that evolves continuously.

Commitment - continuous concern regarding brand management and improvement. Integration with other marketing systems and sales department.

Value - building awareness, communicating uniqueness and quality results in increased awareness which, most of the time translates into competitive advantage. Competitive advantage is easily seen in the bottom line of a firm, thus in its overall value.

The list of strong brand qualities compiled by Wheeler (2006) is consistent with other researchers' findings and discussions on the same topic. Kay (2006) provides an extensive analysis of a list of items similar with the ones presented by Wheeler, showing their relevance, validity and challenges. The paper shows that there is not one bullet proof approach to branding and that mainstream solutions have also downsides.

The long list of the characteristics that successful brands share might give some insights about brand building. Yet, the precise steps on how to build strong brands remain elusive. The point is that, despite the consistent literature about the subject, there is no clear consensus about the right way to build a brand. Brand building and brand management techniques differ according to various perspectives in branding. Given the diverse types of brands (product, organizational, service, location, etc.) it

is difficult if not impossible to find a description of a branding process that fits, and it is effective to all categories. Consequently, branding literature is either focused on one specific area, or branding manuals pay attention to each category of branding in separate sections.

3.9 Business Model Approach on Brand Building

One of the most comprehensive approaches in brand building is the one offered by the French marketing guru, Jean Noel Kapferer. His views go beyond the marketing approach to branding and links it with the firm's strategy. When talking about branding literature, Kapferer (2008, 2013) notices that sometimes the branding community gets too much in love with its own image, considers that the brand is the most important strategic tool and asset of a firm, and forgets that the sources of brand equity come also from other business functions, like production, servicing, staffing, distributing, innovating, pricing and advertising. All of those functions help produce value associations and effects that become rooted in the clients' long-term memory, thus branding and marketing should become embedded with other functions of the organization in order to reach the objectives of the business plan.

Jean Noel Kapferer brings into attention the business model perspective, which states that building a brand requires long term vision and the fact that branding is closely intertwined with the firm's business model. Most branding decisions are a direct consequence of the firm's business model, since the firm's vision, mission, and values have to be reflected in the way the firm behaves and communicates internally and also with its external partners. The brand is not a self-sufficient asset: it is effective only in interaction with a matching business model. This view is not entirely new and has much in common with other theoreticians that emphasize the strategic role of branding, (Wong & Merrilees, 2005 via Aaker, 1996; Mosmans, 1996; Sashittal & Tankersley, 1997). Kapferer's vision unites two opposite perspectives on branding: the product-oriented view, represented by early developments in branding e.g. the early works of Kotler and the value proposition view/brand as adding value - represented by de Chernatony and McDonald (1992); Doyle (1994), Kunde (2002). Unlike the proponents of the value proposition view, Kapferer acknowledges the importance of the product's features and innovativeness

in brand creation, but also emphasizes the necessity of an unique value proposition from the early stage of development.

Kapferer (2008, 2013) highlights the strategic aspect of branding and the importance of brand creation from the early stage of development of a firm, since what is done at the beginning has a long-lasting influence on market perceptions, customer expectations and degree of satisfaction. The author sees branding as a genetic program, a mold, that gives structure and meaning to a business entity and influences its future development.

Two Ways of Building a Brand

Brand building is a long, dynamic process that is much more than developing a product or service. It starts from customers and their values and it involves a deep level of understanding of those aspects. Good quality is a prerequisite to make customers make repeat purchases and get attached to the brand. Product differentiation and innovation help in creating and owning a value that is desired by others.

Kapferer (2008, 2013) states that there are two ways to build a brand: brands as innovative products/services or brands as concepts or ideas. At their beginnings, some brands start as names put on innovative products or services. Little by little, as the offering develops and improves, customers notice the quality of the product, trust and status are built, thus the brand becomes known as qualitative and reliable, so certain values become associated with it. In this situation the product and its features are the main factors that differentiate the brand and form the base of brand personality, its mission and set of values. The brand grows from being a satisfying product towards being associated with values that result from quality and reliability and even more intangible aspects like the self-perception of somebody who drives a BMW car.

On the opposite side there are brands that begin as concepts or ideas with a predefined personality, accompanied by a set of custom made values and purposes which are attached to a product or service. The offering must be of good quality and

reliable, thus the tangible aspects cannot be neglected, but the emphasis is put on offering's personality, its values, the experience it provides and how it is perceived by consumers. Relevant examples of such brands are licensed brands, such as Harry Potter, Angry Birds, etc. (Kapferer, 2008). The two views are not mutually exclusive since, even from the early stage of launching a product brand, a deep level of sense and values have to be incorporated (Kapferer, 2008).

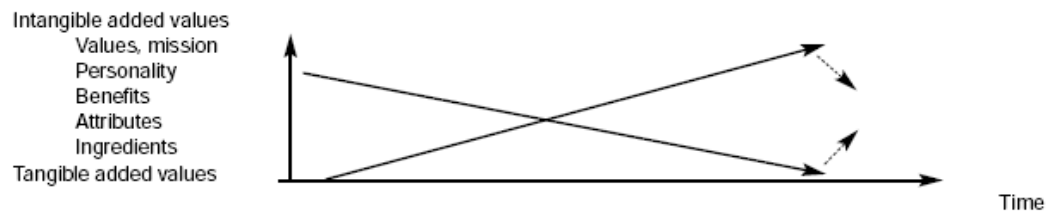


Figure 1. Brand building model (Kapferer, 2008)

In his works Kapferer sees the brand's structure under the shape of a pyramid (Figure 2), with the brand's vision and rationale at the top, which continues with core values that are further communicated in a well-defined style, forming what outsiders perceive as brand's personality, and goes down to the product/service offering, its attributes and benefits.

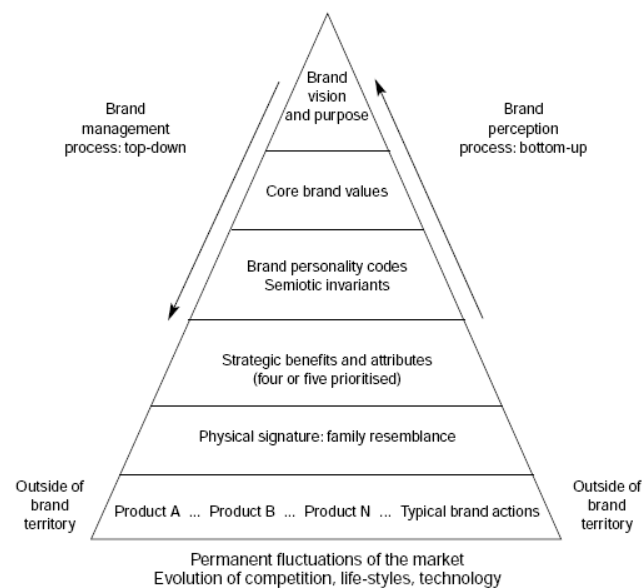


Figure 2. The brand system. (Kapferer, 2008)

Most brands start bottom-up, with the physical product and its features, and on the way up they get lost and fail to crystallize a coherent message and create a distinct personality. Therefore, they become one of the many other offerings in the market, with no memorable aspects. Therefore, their only way to compete is by price reductions - which in turn reduce company's profitability and further erode the brand. Kapferer (2008) suggests that brand building and its management should start with intangible features: shared values, personality, differentiation, and move towards the tangible aspects, like innovativeness and performance. Thus, the brand should be built in reverse order, starting from strong ideas, strong experience, direct relationships, emotion and opinion leaders to product features and performance (Kapferer, 2008).

Brands are direct consequences of the firm's business model: their roots are in the firm's strategy of market segmentation and product differentiation; therefore brands are embedded in the organization's strategy. Once a clear vision is synthesized, it must be coherently communicated at internal and external level and applied in all firm's actions. Then comes imagery: colour, signs and symbols that illustrate and emphasize overall firm's values. Communication of values must be consistent across all mediums and match the organization's actions and relationships since discrepancies between words and actions are easily noticed and can seriously damage the firm's reputation (Kapferer, 2013).

Brands should never be confused with the firm's business plan, even if they originate from the firm's strategy and must reflect its vision and values. It is one of the strategic assets (R&D, customer orientation, employee involvement) that a company uses to reach its objectives. Therefore, it should be managed as any other assets and work in accordance with several functions of a company (Kapferer, 2013).

3.10 Branding in SMEs Context

Business theoreticians and practitioners alike agree that current market conditions that are characterized by an affluence of products, short product life cycles, general access to technology, choosy and well-informed customers, makes the "classic" way of promotion which is based on product differentiation by innovativeness and

features inefficient (Kunde, 2008; Hirvonen et al. via Baumgarth, 2010). To stand out of the crowd, firms must find their own voice and create a distinct personality. This fact is especially true for small businesses, that, in their early stage of development, face more hardships than well-established firms. To differentiate themselves from the general offering and have chances to succeed, SMEs must develop knowledge and abilities to create distinctive brands even before their official launch. Brand building must start from business planning stage. By reviewing the scarce literature about SME branding, this chapter will offer details about branding awareness among SMEs owners, methods used in brand building, and will also provide some simple ideas and techniques that will help newcomers to build brands.

The previous section showed that marketing literature abounds in resources about brand building and its management. Brand management manuals usually are hundreds of pages long and their content consists of a considerable number of steps and stages that are supposed to help in brand and identity building. In many cases, a single manual is not enough to cover all branding issues, thus various elements of brand management are covered in separate books. The internet abounds in resources that analyze every detail of brand building to the point that the subject became incomprehensible to the newcomer. Despite the affluence in information, little space is allocated to brand building issues encountered by small businesses (Inskip, 2004; Wong & Merrilees, 2005; Ojasalo et al., 2008; Spence & Essoussi, 2008, Odoom et al., 2017). When reading branding manuals, the novice gets the impression that branding is a long and costly process that is accessible only to affluent companies. Therefore, in an era when a distinctive identity and differentiation are more important as ever, proper marketing and branding seems to be too complicated and too expensive, thus being out of the reach of small firms (Wong & Merrilees, 2005; Berthon et al., 2008; Ojasalo et al., 2008).

The topic of SMEs characteristics and challenges they encounter had been covered in the first chapter of this paper. Consequently, it had been already acknowledged that large and small firms differ in many ways and that includes the way marketing is viewed and practiced. A consistent set of business literature emphasizes the benefits of brand and marketing orientation from an early stage of development of a firm (Wong & Merrilees, 2005; Berthon et al., 2008; Hirvonen et al., 2016). Reijonen

(2010) notices that basic marketing notions, like segmentation, customer orientation, targeting, positioning and competitive advantage apply to small and large enterprises alike. Despite that, several studies about marketing in SMEs reveal that large firms employ different marketing strategies and techniques than small firms and that mainstream marketing approaches seem to be problematic when applied to small firms (Inskip, 2004; Wong & Merrilees, 2005; Spence & Essoussi, 2008; Reijonen, 2010; Mäläskä et al., 2011; Odoom et al., 2017).

3.10.1 Branding Challenges and Practices in SMEs

The SMEs universe is vast and dynamic. It is made of endless categories of firms, starting from one-person agricultural self-employed worker to high tech start-ups that explore the boundaries of human knowledge. It is an almost impossible attempt to catch the essence and characterize a group that contains such a vast typology of firms which are also very adaptable to market conditions and in continuous change. As a result, there is no comprehensive study about how branding is done in SMEs context. Most noticeable research seemed to focus on start-ups or software SMEs issues. The following paragraphs will offer a glimpse at branding challenges and practices in small companies. Even though the papers reviewed cover different categories from the SMEs group, it seems that small firms encounter similar challenges and resort to the same branding practices.

It is generally known that SMEs live in an universe of uncertainty and don't enjoy the same level of resources as large firms (Berthon et al., 2008). Several studies have shown that most small firms are product-oriented, but SMEs with a branding orientation do exist and usually they are highly successful. For many small companies with product-orientation, the creation of brand awareness is not a well-defined goal and it is not included in the company's marketing budget (Inskip, 2004; Krake, 2005; Ojasalo et al., 2008). Branding and its management receive little attention in daily activities because SMEs managers seems to have a rather narrow image, if any, about the meaning of branding, limiting it at brand name, logo and advertising (Inskip, 2004; Rode & Vallaster, 2005; Ojasalo et al., 2008; Wong & Merilees, 2005; Spence & Essoussi, 2008; Reijonen, 2010; Mäläskä et al., 2011).

Because strategic planning in small firms is mostly limited to short time horizons (Berthon et al., 2008; Odoom et al., 2017), most owners or managers consider that investment in the long-term planning of a brand is not possible (Ojasalo et al., 2008). Consequently, branding approaches in SMEs seem to be rather reactive than proactive (Berthon et al., 2008). On the positive side, (Krake, 2005 via Carson et al., 1995; Gillinsky et al., 2001; Reijnders & Verstappen, 2003; Rode & Vallaster, 2005; Berthon et al., 2008) reveal that SMEs show better abilities to adapt their marketing strategies to fit complex market environments and enter new markets. This is especially true for start-ups, because as they are in full process of organizational learning, are more prone to acquire and use marketing information than the non-entrepreneurial SMEs (Berthon et al., 2008 via Chaston, Badger, and Sadler-Smith, 2001). As they acquire experience and the business develops, SMEs managers begin to experiment different marketing techniques and learn which ones produce positive results. Consequently, SMEs branding tends to be more practical, pragmatic and adapted to the particular needs of the moment than in large organizations (Berthon et al., 2008 via Carson and Gilmore, 2000).

Several studies show that in SMEs, branding activities are taken care mostly by owners or managers who, due to the fact that they are involved in most of the firm's functions (product development, selling, book keeping), seldom pay attention to branding and are not aware about the concept of brand management (Krake, 2005; Berthon et al., 2008; Ojasalo et al., 2008). SMEs owners know about the benefits of branding for their company and wish to engage in brand building if time and resources allow it (Ojasalo et al., 2008).

SMEs owners put more emphasis on direct communications and personal selling strategies than on systematic brand building. Because of lack of expertise and limited promotional resources the goals of branding are usually poorly defined and corporate brand building and product brand building are not differentiated. Also, the owners of the SMEs studied do not seem to be aware of the link between the outcome and benefits of branding and the process of branding. Outcome and process are somehow separate in their minds (Ojasalo et al., 2008). Isnkip (2004) points out that, due to the general lack of resources and marketing experience, the brand building activity is more likely to happen at the end of product development, or even after the launch.

SMEs are shaped by the personality and vision of the entrepreneur which also stays at the base of the brand's essence. He/she has an instrumental role in giving purpose and direction to the firm, thus in brand building and recognition (Inskip, 2004; Krake, 2005; Rode & Vallaster, 2005; Ojasalo et al., 2008; Spence & Essoussi, 2008).

Most SME managers seem to handle themselves the job of creating the firm's visual image and production of advertising materials. The reason consists in the fact that they feel they have all the skills and equipment needed for that type of activities. Sometimes the managers outsource some aspects of marketing to specialized agencies, but mostly for a short time, because it is considered a financial burden to use professional services in the long run (Ojasalo et al., 2008; Mäläskä et al., 2011). Therefore, it is no surprise that SMEs owners face various challenges when confronted with the practical aspects of marketing and branding, such as how to formulate the central message they wished to convey, how to determine the appropriate customer segments for their offering, in creating and differentiating the message for different audiences (Krake, 2005; Rode & Vallaster, 2005; Ojasalo et al., 2008). When using specialized marketing services, SMEs owners face major challenges to get their technology-oriented R&D personnel and marketing people to understand each other and adopt common stances. This is particularly important since the lack of commitment and resistance to change of the personnel can seriously undermine brand building efforts (Ojasalo et al., 2008).

The forms of external communication are mostly web pages, advertisements and brochures. It seems a challenging task for a small firm to ensure consistency between those and other forms of corporate identity (Rode & Vallaster, 2005).

3.10.2 Brand Building in SMEs Environment

Despite the challenges encountered, SMEs owners seem to believe that building a strong brand is beneficial for their organization's success and show a certain level of interest in performing branding activities if the business grows (Ojasalo et al., 2008). As many studies show, SMEs entrepreneurs lack basic knowledge about branding, time and financial resources to engage into long-term brand building process. Inskip

(2003) points out SMEs need a branding process that is fast, flexible and targeted to transform owner's vision into an enduring and motivation message.

Given the fact that a strong brand is instrumental for the success of a business enterprise, it is interesting to notice that only a handful of the reviewed literature about branding in SMEs offers practical advice about how to build a brand.

Building on the strategic aspect of branding and on the long-term approach Lassen et al. (2008) emphasize the fact that, to succeed, the company has to come out with a unique value proposition that will help it differentiate from its competitors and win the minds and hearts of its customers.

Lassen et al. (2008) study offers a practical, easy to understand six-point guide about how to build a strong brand that can be competitive on national and international markets. From the beginning of the paper the authors state that, correctly applied, corporate branding can be successful even for firms with limited marketing budgets. In order to succeed, the branding processes have to be long-term oriented and the firm's management have to be able to align the internal culture of the with its external positioning. The authors also give details about the six steps that are necessary for building a successful brand:

Identify the brand essence - executives must figure out what are their company's basic values, culture and personality. From those aspects they should synthesize the attributes and benefits of the company's offering, thus communicate an unique value proposition.

Focus on the right target group - when marketing resources are limited, it is often a better idea to focus the efforts on a small, select group of customers than to try to meet everyone's needs and get lost in the crowd of similar offerings.

Select the right media - choose communication channels according with the core target group characteristics and preferences.

Devise a consistent concept - means to find a sentence or slogan that is descriptive and suggestive.

Keep all communication consistent and continuous - the above-mentioned concept must be closely linked with the company's values. The same message must be transmitted on the long run and on all forms of communication used by the organization.

Renew the brand over time but leave the core unchanged - the message must be slightly changed in order to keep the audience interested, but it has to reflect the same core values since the company's inception.

Lassen et al (2008) provide an easy to understand, step-by-step approach to brand building for small enterprises. It is in accordance with the findings and recommendations from other scientific studies, as Ojasalo et al. (2008), Spence and Essoussi, (2010), Krake (2013).

Bresciani and Eppler (2010) acknowledge the wide variety of SMEs and recommend a tailored approach towards branding according to each firm's orientation. In their study the authors notice that firms show different attitudes regarding branding, according to industry characteristics and owner's attitude. Therefore, they ended up classifying firms in four categories: damned to brand, tech-marketer, far-sighted and traditionalists.

Based on lessons learnt from their study, the authors suggest a framework that can be used by any type of firm according to own needs. The first step should be taken before the inception of the firm and consists in the conceptualization of a brand strategy which is in concordance with the strategy of the new company. It requires the definition and design of appropriate brand design elements (name, logo, other visual elements) and a careful planning of future brand building activities (Bresciani & Eppler, 2010).

For company owners who make efforts to establish a company and build a name for it, Bresciani and Eppler (2010) recommend five basic aspects that are to be taken in consideration before the establishment of the firm but also along its management.

During the first steps of firm's inception the owner must think about and anticipate the firm's expansion. That step involves not only management aspects but also a significant branding side, like a clear definition of the brand concept and creation of a branding plan. Good care should be taken when choosing the company's name, since a descriptive one might become problematic if the company will diversify its offering in the future.

Apply rigorous criteria to company's logo. Because brand vision is very much dependent on the suitability of the logo, special attention should be paid to that aspect. The logo must be easy to remember, protectable and not hold negative connotations.

Develop and make use of creative brand building activities. SMEs are known to lack financial resources but are usually dynamic and innovative. That can be applied also to branding activities in which small firms are able to better focus their marketing efforts and target customers. Special attention should be paid to communication with specific media and relationships with journalists. On the same line of thinking, SMEs should learn how to harness the power of Internet and use it in efficient ways. Nowadays the online world offers a wide variety of free platforms and tools that can be used to create and maintain a consistent reputation. Many start-ups are already aware of the existing opportunities and use them at optimal potential, but many others seem to ignore such affordable opportunities.

Finally, Bresciani and Eppler (2010) recommend a rigorous measurement of results. Branding is a continuous and iterative process; thus, it cannot be done just for the sake of doing it. Its effects must be constantly monitored, and strategies adjusted accordingly.

4 RESEARCH DESIGN AND IMPLEMENTATION

A research project can be approached in a multitude of ways according to the branch of science it belongs to, researcher's ontological view, or aim of the study. The very first step that a researcher should take at the beginning of a project is to decide what philosophical and methodological approach is most appropriate for his/her study. Research methods can be defined and classified in many ways, sometimes in dual-contrasting terms: objective versus subjective, being concerned with discovery of general laws versus being concerned with uniqueness of situations, intended to predict and control versus aimed at explanation and understanding, taking and outsider view versus taking an insider one, etc. (Myers, 2013). Beside the multitude of classifications, there are two major branches of research approaches into all types of research fit: qualitative and quantitative (Myers, 2013). In quantitative research statistical tools are used for analyzing the data and interpretation of numbers is viewed as strong scientific support (Myers, 2013, via Straub, Gefren and Bourdeau, 2004). Qualitative research is sometimes defined in contrast with quantitative research - as any type of research that produces results not obtained by statistical procedures. Ritchie and Lewis (2003) combine several definitions of qualitative research and state that qualitative research can be understood as "...a naturalistic, interpretative approach concerned with understanding the meanings which people attach to phenomena (actions, decisions, beliefs, values etc.) within their social worlds".

In business studies paradigms research methods changed over time. Myers (2013) states that, while in the '80s quantitative methods were prevalent, starting from the 90s there has been increased interest in qualitative methods which resulted in the development of quantitative studies in almost every domain of business science while the quality of qualitative studies improved. The author states that both approaches are equally useful and necessary in business studies and the research approach should be selected according to research objectives. There is no clear-cut distinction into using only qualitative or only quantitative methods: many qualitative researchers use quantitative methods when analyzing qualitative data, while quantitative information is often viewed from qualitative lenses (Gephart, 2004).

When planning a research project, Silverman (2011) via Punch (1998) recommends six essential aspects that should be taken into consideration:

1. What is the aim of the study?
2. What kind of focus on the topic is required: systematic, standardized comparisons or detailed observations?
3. How other researchers covered the same topic?
4. Practical considerations, like type of available data.
5. Will the general level of knowledge be enhanced if quantitative or qualitative methods are used?
6. To what research method is the researcher committed?

Quantitative research is appropriate when the purpose of the research is to study a particular issue across many people or organizations or find out trends or patterns that apply in many various situations. Researchers who use quantitative methodologies use various statistical methods over a large sample size that allows generalization over a large population (Myers, 2013). Although considered precise and highly reliable, in quantitative research several "uncountable" aspects of reality, as social and cultural ones are lost or treated in a superficial way.

The qualitative approach works best when the aim is to study in-depth a specific situation (e.g. one or more organizations). It is usually recommended for exploratory research - when the subject is new and there is not much research on the topic (Myers, 2013). Because of its features, it is often used for cultural, social and political aspects of people and organizations (Myers, 2013). One downside of the qualitative research consists in the fact that its findings are usually difficult to be generalized to larger populations and many scholars argue upon the reliability of qualitative methods (Myers, 2013). Silverman (2011) states that the reliability of qualitative studies resides in the clear research design and methodical documentation of research procedures.

Silverman (2011) also points out the unique ability of qualitative research to focus on behaviour of naturally occurring situations and recommends being used when the study aims to reveal what and how phenomenon occurs. Qualitative research is

important for business researchers because it has the potential to offer detailed descriptions of real life situations and the meanings that actors assign to those actions. It offers the possibility to understand social processes, thus giving valuable insights for management decisions (Gephart, 2004).

The objective of the present study is to investigate brand development methods that are used by SMEs from Oulu area. To obtain a full picture of the phenomenon the investigation aims to provide answers to the following questions:

- What is the perceived relevance of branding in SMEs context?

- How is the brand created?

- Which brand building activities are used by local SMEs?

- What are the most frequent problems and mistakes they encounter?

Because the aim of the study is to get an in-depth understanding of an ongoing phenomenon - in this case brand creation and branding practices employed by six local companies, a qualitative approach was found suitable for the purposes of the study.

Qualitative research can be conducted using a wide range of methods, like focus groups, textual analysis, case study, in-depth interviews or participant observations. The method of choice for the present research is the case study methodology. According to Yin (1994), case study research allows a deep understanding of real life events, such as organizational and management processes, life cycles or maturation of industries. Gustafsson (2017), defines case study research as: “an intensive study about a person, a group of people or a unit, which is aimed to generalize over several units.” Case studies focus on a phenomenon in context, using multiple methods of confirmation for data collection. Cases are selected to be “typical”, “revelatory”, “critical” or “unique” (Cruzes et al 2017, via Yin 2014). This study shows six cases that are considered typical for the business environment in the Oulu area, thus appropriate for revealing branding practices used by modern small firms.

There are multiple ways in which case study research can be conducted, but Zucker, 2009 via Stake, 1995 points out that the method of choice when doing case study research depends upon the aim of the investigation. For example, an instrumental case study is employed when the plan is to offer insights about an issue; an intrinsic case study is meant to provide a deeper understanding of a situation, while collective case studies are used in order to examine in depth a particular phenomenon. The present study uses multiple case study methodology. Gustafsson (2017) states that multiple case study allows for an in-depth analysis of data within each situation and across situations. It offers the chance to understand similarities and differences between cases and offer opportunities for comparisons. Consequently, it is considered that findings of multiple case study research are usually strong and reliable because they are based on a higher level of empirical support than single case studies (Gustafsson, 2017).

The empirical approach of the study is inspired by Bresciani's (2014) paper about branding approaches of start-up companies from Switzerland. It uses a similar interview template and analysis framework. Topics in the matrix that illustrates the findings of the study cover the same themes as Bresciani's article, but the order of topics are reorganized to serve in a better way the goals of the study.

Bresciani's framework was chosen because it offered the opportunity to learn about and compare branding practices used by SMEs from two countries which are similar in many aspects: Switzerland and Finland are among richest states in the world, with excellent infrastructure, good living standards, highly educated workforces and sustained government practices that encourage entrepreneurship. Switzerland and Finland alike possess high tech areas in which higher education centres, research institutes and Technoparks are concentrated. It is perhaps no coincidence that both countries are renowned for their high-tech industries and high innovation level.

The investigation took place during 2017 and consisted of semi-structured interviews with six small firms from the Oulu area that create own products and sell them under their own brand. The reason for choosing this type of companies resides in the fact that having own product offering increases the probability for a firm, especially a

small one, to engage in meaningful, sustained branding activities, thus, increasing the chance to get relevant results.

Companies that were part of the study were selected from Business Oulu database: using search criteria: microenterprises, SMEs, Oulu. The search query came out with 933 results. Even though they might offer interesting aspects from a branding viewpoint, for the sake of focus, small companies that offered services, like hairdressers, auto repair shops or restaurants were eliminated from the query. Therefore, the search result came up with 27 companies that matched the main criteria of the study: companies which make products that was sold under own name. All 27 firms were contacted by email, then by telephone and an interview request was made. From 27 interview inquiries, six answers were positive. As a result, company founders or key persons involved in marketing from those firms were interviewed. The interview, which contains five sections, twenty-four questions and one table, was semi-structured (see Annex), and took between 45 minutes and one hour.

The interview includes questions that are meant to reveal essential aspects of corporate brand building, as the ones exposed by Wheeler (2006), Kapferer (2008, 2013), and Bresciani and Eppler (2010), but also characteristics of SMEs and their challenges, as depicted by literature about SMEs (Ojasalo et al., 2008; Spence and Essoussi, 2010; Krake, 2013; Lassen et al, 2008; Rode & Vallaster, 2005). It also aims to get relevant insights about the topic of brand building process in relation with the firm's stage of development, since Kapferer (2008, 2013) emphasizes the importance of brand creation since the early stage of development of a business enterprise. Several questions refer to the firm's set of vision, mission and values since it is generally acknowledged e.g. Kapferer (2008, 2013) that those are also important aspects that must be taken into consideration during inception stage of the brand.

All those topics are synthesized into 24 questions that are grouped into five main categories.

1. Background information - offers basic information about the company, such as the type of business, foundation year, number of employees.

2. Brand visual identity questions - refer to the visible aspects of a brand: name and logo, the process that resulted in the choice/creation of company name and logo, the level of satisfaction with the choice and legal dimension of the firm's visual identity.
3. Questions about Brand strategy - inquiry about the main reasons for engaging in branding activities, the scope of branding activities, and what branding activities are used to achieve desired results.
4. Questions under Putting the brand to work topic are meant to get insights about the actual brand architecture and plans for expansion. This section also covers internal branding issues, since it is generally known that a successful identity can be achieved only if consistent internal branding practices are employed.
5. The section on Challenges inquires about branding during the early stage of development of the firm and if the firm representative is aware about major branding mistakes that occurred during the company's existence.

The interview is completed by a table in which most used branding practices are listed. It contains topics considered relevant for business development and brand building like Vision, Mission, Positioning, Core values, existence of Corporate Design Book, Brand measurement.

The semi-structured nature of the interviews offered the opportunity for digressions from which interesting/intriguing aspects of branding and business development were learnt. The fact that sometimes the interviewees did not follow the established framework made it difficult to obtain highly systematic data but offered the opportunity to get relevant insights about firm management, different issues encountered by small companies and out of the box branding methods.




Beside interviews, in-depth investigation of company websites, press releases and any type of public information was sought. The investigation helped the researcher get an exhaustive image about the firms and comprehend incomplete or unclear information from interviews. The report is the result of analysis of interviews and public information about the companies that were studied.

Collected data was analyzed using a cross-case approach. According with Khan and VanWynsberghe (2008), “Cross-case analysis is a research method that facilitates the comparison of commonalities and difference in the events, activities, and processes that are the units of analyses in case studies.” The method allows the researcher to understand relationships between cases, build up knowledge based on the original case, create concepts, build or test theory (Khan & VanWynsberghe, 2008). When conducting case study research and cross-case analysis, Cruzes et al (2015) recommend 3 major steps to be followed:

- *Data Reduction* - consists in selection, focus, simplification, abstraction and transformation of collected results.
- *Data Display* - simplified data is synthesized and presented in a meaningful way. It can be presented under the form of scatterplots, meta-matrices, cause and effects graphs.
- *Conclusion Drawing and Verification* - the researcher notices patterns, occurrences, causal flows and configurations of certain events. He/she extracts meaning from data and draws conclusions that are then compared with findings from previous theories to confirm/infirm their validity or create new theories.

The findings from interviews are synthesized in a list with 36 topics. The table permits a clear evaluation of branding practices employed by each firm and allows comparisons between firms.

The first 21 items in the table illustrate answers from the interview. The results are coded as it follows:

- Big black square for a high level of relevance of an activity 
- Medium-sized black square for a medium level of relevance of an activity 
- Small black square for a low level of relevance 

Problems encountered were marked in red, following the same logic as previously exposed. Where the interviewees reported total lack of an issue (e.g. institutional

support) the answer was marked with “no”. In situations where the interview or other research enquiries produced no results, the lack of information was marked with “no info”.

The last 13 rows of the table contain the results from the table placed at the end of the survey. Positive answers were marked with "☐", negative answers with “no” and missing information with “No info”.

4.1 Topics in Analysis. Conceptual Map

To offer answers to the research questions of the study, data displayed in the table is further compared and analyzed. The units in analysis consists in the most important aspects of brand building extracted from the theoretical framework of the thesis. It takes the form of a conceptual map (Table 1), in which main themes of the study are presented together with their subsequent references.

Table 1: Conceptual map

Empirical research topic	Theoretical framework
Brand relevance	<p>>Why to brand</p> <ul style="list-style-type: none"> • The strategic aspect of branding and identity building: Coomber (2002), Kunde (2000, 2002), Wong and Merrilees (2005), Berthon et al. (2008), Hirvonen et al. (2016). • Brand building is not a major objective in SMEs development: Inskip (2004), Krake (2005), Ojasalo et al. (2008) • Branding receives little attention in daily activities • SMEs owners have a narrow image about the meaning of branding: Inskip (2004), Rode and Vallaster (2005), Ojasalo et al. (2008), Wong and Merilees (2005), Spence and Essoussi (2008), Reijonen (2010), Mäläskä et al. (2011). • Branding is an essential part of business strategy:

Coomber (2002), Kunde (2002), Kay (2006), Kapferer (2006, 2013), Keller (2013).

- Brand creation process (strategy and design):
- Importance of brand creation since early stage of development: Kapferer (2008, 2013)
 - Meaningful founding story: Coomber (2002)
 - Anticipate firm's expansion: Bresciani and Eppler (2010)
 - Brand features: Wheeler (2006)
 - Branding is closely intertwined with firm's business model. Brand system: Kapferer (2008, 2013)
 - Right target group: Lassen et al (2008)
 - Use of external help: Ojasalo et al. (2008), Mäläskä et al. (2011)
- Brand building activities
- Branding in SMEs context is more flexible, practical, pragmatic and adapted to the particular needs of the moment: Krake (2005) via Carson et al. (1995), Gillinsky et al. (2001), Hill (2001), Reijnders and Verstappen (2003), Rode and Vallaster (2005), Berthon et al. (2008)
 - Branding activities are performed by owners or firm's managers: (Krake, 2005, Berthon et al., 2008, Ojasalo et al., 2008)
 - Main branding activities: web pages, advertisements and brochures: Rode & Vallaster (2005)
 - Creative brand building activities - Bresciani and Eppler, (2010)
 - Measurement of results - Bresciani and Eppler (2010)
- Most frequent problems and mistakes
- SMEs lack basic knowledge about branding, time and financial resources for brand building: Isnkip (2004)
 - Brand building activity is more likely to happen at the end of the product development, or even after the launch of the product (Isnkip, 2004)
 - Difficulties with:
 - How to formulate the central message they wished to convey,

- How to determine appropriate customer segments,
- Creating and differentiating the message for different audiences (Krake, 2005; Rode & Vallaster, 2005; Ojasalo et al., 2008)

5 EMPIRICAL ANALYSIS

This section covers the empirical research part of this study. First, it offers an overview of the local business environment and the firms involved in the study. Then, general information about each company is presented. The emphasis is on marketing and branding practices employed by the firms. Data collected is synthesized and presented in the last section of empirical analysis: Cross-Case analysis.

5.1 General Description of the Business Environment and of the Subjects of the Study

The subjects of the study are firms from the Oulu area, Northern Finland. The reason for choosing companies from Oulu, is that the Oulu area has economic and demographic characteristics that make it special among other regions in Finland. It is the most populated area in Northern Finland with a relatively young and well-educated workforce. The region possesses a large network of schools, universities, research labs and firms that are focused on IT, which, until recently, provided high skilled specialists and services for the most important employer in the area: Nokia. During the economic crisis that started in 2007 and that culminated with the downfall of Nokia and its subsidiaries the region was badly affected in terms of employment and economy. During the crisis years, sustained efforts to boost employment, trade and industry development were made by government, municipality and public players alike. One of the measures employed was to create a favourable climate for entrepreneurship, in the hope that new successful enterprises will appear. Consequently, the region became a hub for development of new innovative firms (Autio et al., 2014).

In this respect, it seems to be no coincidence that, even if it was not one of the search criteria, it occurred that of six companies studied, five were established during 2011-2012, at a time when the downsize of Nokia was counterbalanced by a spur in entrepreneurship in the region. That aspect is confirmed also by the fact that five of six companies studied received state support of some sort during their early years.

The characteristics of the companies involved in the study reflect the situation of the Oulu area. The fact that suddenly, a highly skilled workforce become unemployed, resulted in the creation of a relatively high number of technology-oriented start-ups. That aspect is reflected in the fact that all companies involved in the study are focused on high technology products. Apart from the founders of one company - that have also a background in technology and had been part of Nokia's ecosystem, all other five firms were established by people who were directly involved with Nokia or were Nokia's suppliers.

Companies that are analyzed belong to the SMEs category, their workforce varying between one (one-person firm) and seventy-five. Company's founders are experienced managers or highly skilled engineers with a good level of education (master degree level and up) and international experience. Therefore, it seems that even before the start of their entrepreneurial journey, they were familiar with management and branding basics and that can be seen from their approach during the early stage of development of their firms. Nevertheless, it seems that even for well-seasoned specialists, the entrepreneurship path is not always smooth. There are significant differences between the firms involved in the study: starting from management experience and turnover level: one company recording a turnover of more than EUR 6 million in 2017, while another becoming bankrupt.

During their existence the firms faced several ups and downs, two of them reporting that they had had to reduce their head count, while other two firms slightly increased their number of employees. Those facts are in line with generally known facts about SMEs, which say that small firms form a dynamic group, with highest openings, expansions, job gains but also big numbers in terms of closures, contractions and job losses (OECD, 1996). The European Commission also acknowledges the fact that small firms face a wide range of difficulties during their early years and show a lower survival rate than big enterprises (European Commission, 2016).

The main reason for company inception in three out of six cases was lack of funding or Nokia's downfall. Another significant reason for entrepreneurship is also related with the economic crisis and sustained efforts to overcome it: knowing that the strength of the region resides in the quality of its human resources, there was a clear

desire to maintain a high level of expertise at the local level and not allow native talents to disperse.

The point that all the founders had had industrial experience and used to work in an international context, is showed in the fact that the companies in the study are either born global or have an international orientation. This finding contradicts the OECD report of 2016, that says that most small firms operate inside their country of origin. This dichotomy might be explained by the nature of the industry in which companies in the study operate: high-tech firms being usually born global nowadays.

Apart from one firm, all other companies in the study are operating in a business-to-business environment. Interviews reveal that, in SMEs context, boundaries between business-to-business and business-to-customers are not clear set: a company that is mostly operating in a business-to-customers environment, is also exploring business-to-business opportunities. The other way around is also valid, since two companies in the study, which are mainly business-to-business, have also business-to-customer offerings.

5.2 Case Descriptions

The following pages are going to offer brief descriptions of the companies involved in the study, together with detailed accounts about their branding practices. The findings are based on the interviews, magazine articles available on internet and other public information from business publications, like Taloussanommat or Bloomberg.

5.2.1 Company 1 - A.

Company A. is a technology firm that develops interaction solutions for wearable electronics. Its software products allow users to control applications and devices, as well as interact with several vision-enabled wearables. The company licenses its products to OEMs, integrators, and developers worldwide.

The firm was established in Oulu, Northern Finland in 2012 by a former Nokia employee. Presently it has 9 employees. The company has its main headquarters in Oulu, Finland, but it has support hubs in Taipei, Taiwan and in Kyoto, Japan. A. is a born global firm since its products are designed to a worldwide audience and most of its customers are coming from abroad.

Branding Activities

Name and logo. The name of the company was chosen by company founders. They tried to find a suggestive name that was also unique. The name A. was chosen because in Latin it means amplifying and at the same time it sounds close enough to augmented reality - the area in which the company operates.

When choosing the name and logo, company founders tried different ideas and asked different people's opinion.

The logo was professionally designed (design contest) following ideas and suggestions from the founders who wanted something that will make people get an idea about company's object of activity. Consequently, both name and logo are descriptive. The name and logo were meant to complement the firm's founding story, because A.'s founders believe that a credible, coherent founding story stays at the base of identity building.

"Branding is about picking the right brand and the right story behind it. It is good to have it. It will help you build the business case, it will help you build the sales story, it will help grow the company."

The name and logo are seen to serve well company's objectives and it is reported that it worked well from the inception of the company.

Over the years the brand wasn't changed because it is considered that consistency in branding is important: that people see the same message and logo all the time and get used with it. The importance of a coherent identity since the inception of the firm is well understood and applied in everyday activities.

Branding Strategy

The founders have a strong belief that their technology, based on augmented reality, is valuable and solves many technological problems. It is reported that it took some time until the company managed to define and develop its core competences, values and generic goal. Defining the core values and goals is important because it shows clearly what the company is and where it aims. It helps customers and partners understand what the company is and, most important, it gives a sense of identity and structure to employees. *“So, you have to have a core value, then build around it, and that motivates you also, like it is easy for the employees to understand where they come to work - that is another thing that is important: they know what they are doing and they know that it is consistent, that there is structure of working life, like “we do that!” so... if you change that it is hard to propagate it to them.”*

The company is promoted mostly by participation in technology-related events (having own stand, or by being part of its partners promotion campaigns), but also by press releases and interviews, own web site, links and promotion on partners portals (affiliate program). The company have a newsletter and a blog. The enterprise is also promoted when partner smart glass vendors recommend A. when clients ask about devices that allow interaction issues.

Being a B2B company, TV ads are considered unnecessary. Media and events are most efficient ways of promotion.

The company brand portfolio is comprised by firm’s product offerings. It is structured in a modular way that aims to be simple, descriptive and suggestive. All products names contain the company’s name, followed by “smart’ + product name (e.g. A. Smart Glass, A. Smart Panel).

Main Purpose of Branding Activities

The main purpose of branding activities is to make people identify augmented reality for enterprise with A. The firm aims to be recognized as a leader in the field or, at least, to be remembered when the topic of Augmented reality occurs.”... *to make sure*

that people identify augmented reality for enterprise with our name, so they come to us.”

Three people from the company’s headquarters are involved in branding activities and communication: CEO, CTO and a full-time marketing person. Occasionally, the company uses the services of a marketing company from US that seems to be the best at adapting the technical terminology into a language that is understood by people without a technical background. The US firm also offers support with press releases and interviews.

A.’s employees are involved in branding when they represent the company, thus their behaviour must fit the company values. The company has a Code of Conduct that should be followed.

The company does not have clear coded communication rules and policies. Having an enterprise background, employees are expected to be familiar with what they can disclose and not. Official communication is done mostly by CEO, CTO and marketing person.

Branding happens very much by CEO endorsement; thus, it has a top-down approach.

At internal level the brand is communicated during meetings and get together. Being an international company with units around the world, communication is not always easy, and misunderstandings occur.

The company does not have a structured recruitment process. All its employees have an enterprise background and are recruited from known local resources.

A.’s management seems to be satisfied with the firm’s performance, and no major branding mistakes were reported. The company used state support from Business Oulu and Foundation for Finnish Inventions.

5.2.2 Company 2 - C.

Company C. was an Oulu-based ICT company which, after 6 years of operating, went bankrupt. The interview with company's chief business developer who worked at C. since its beginning, tells the story of the company and reveals typical problems that a start-up comes upon, including usual branding errors. The story might prove useful to other companies in their early stage of development which have a similar object of activity and approach towards branding.

C. had his roots in the Centre for Internet Excellence at University of Oulu, where the company founders were working when the company was established. The company founders had also been involved in the management of several local ICT companies and have long term experience in telecommunication technology and IoT.

Being at the centre of Internet revolution and knowing that the future belongs to integrated internet devices, C.'s founders came up with the idea of creating software that enhanced corporate presentations by Internet-based 3D visualization and virtual places. Thus, a company was established in January 2011.

The first software product of the company was called CyberSlide. The program transformed a normal Power Point presentation into a 3D presentation and created a virtual world accessible on different screens. Even though it was innovative, CyberSlide did not bring expected success, thus, after a while, the company changed its focus on other product offerings which were oriented towards IoT.

In 2014 C. launched a new product: CyberVille which was a software platform for visual monitoring and control of the data and the physical assets that comprise the Internet of Things. The product had positive reviews among IoT specialists but that wasn't enough to keep the company afloat, thus in April 2017, the company had to be closed down. During its peak years the company had 17 employees. When it was shut down it had 7 people.

Branding Activities

Name and logo. The company logo and name were descriptive: they were trying to illustrate firm's object of activity and show that the company's products were designed for the virtual world.

The logo and the website were professionally designed. The company also had professionally made Word and Power Point templates and a Visual guide which stated in which way the logo, name, specific colours, should be used. During company existence external help was used for announcements and production of company newsletters.

The name and logo seemed to serve well the company in its early years but when the firm changed its product offering, the name was not at all relevant for its activities. At that time all the efforts were put to keep the company afloat, thus it was already too late for major changes in the firm's identity.

Branding Strategy

The company aimed to become known as a leader among IoT platform providers, thus branding was focused towards that scope. The key people in the company believed in its high level of expertise and that the innovation and quality of their offering could overcome competition and create a strong reputation. They regarded C.'s founding story as important and it played a significant role in the firm's identity. In their opinion branding was embedded in the company's products and activities. They tried to promote the brand by having direct contacts with customers and investors, participating in technology fairs and events, and with company's web site and newsletters. Branding efforts were focused on making the company's products known, not necessarily the company itself.

Responsibility about communication and branding was shared between C.'s CEO, the chief business developer and an employee responsible for sales. The company didn't have a full time professional responsible for marketing and communication.

The company had a top-down approach to branding and major decisions were communicated to employees during meetings.

The company had a rather typical recruitment process, in which first the CEO and then management selected suitable candidates. The company did not look for any special traits, as it was considered that software people are similar in many aspects.

5.2.3 Company 3 - H.

H.'s object of activity is Mobile products development services. The company designs and develops wireless technologies and Web services which are sold to global consumer electronics and telecom companies. At the same time, the firm offers its expertise to various global firms interested in buying software products and integrating them in their own offering. During the years, H. managed to enlarge its product offering from wireless technology and mobile services to IoT. In order to expand and at the same time differentiate its own product offering, the company has founded a subsidiary, called T. platform - which is specialized in the design and manufacture of wireless electronic devices for IoT developers.

The firm was born in the turmoil of Nokia downsize. It was established in September 2012 by some of the most skilled Nokia employees who aimed to retain in Finland an area of expertise that was otherwise to vanish. The newly formed company recruited a talented and competent team made of former Nokia employees who used to work together in one of the Nokia subdivisions.

Building on its employees' reputation and talents, the company grew fast and it is considered one of the start-up success stories in the Oulu region. Now the firm is employing 75 top class mobile devices and SW engineers. In 2017 the company had a turnover of EUR 6,762,000.

Branding Activities

Name and logo. The company took its name from a Nokia project in which five of the H.'s founders were working. It is also the name of Finland's highest peak. The founders found the name suggestive for their company objective: to be the best in the field. So far, the name serves well the company's purposes.

The logo was professionally designed. The company management is not very satisfied with the logo because its font was not custom made. It might be possible that the logo will be modified in the future.

Marketing and branding issues were taken into consideration since the company was at its beginning, thus the logo and visual guidelines were created by a marketing company. A marketing and communication officer was hired soon after the company was established. For printed materials like posters and leaflets, the company uses the services of a marketing company, but verbal communications and info content is done in house by H.'s marketing director.

Branding was very important for H. from day one. In order to be effective, it is considered that it has to be done in a consistent manner.

Main purpose of Branding Activities

Branding activities are meant to support H.'s goal that in five years to become the most trusted and wanted partner in electronics design. The company wants to become known among companies and technology officers that need hardware design and to enhance its reputation in such way that H.'s name comes first to mind when the hardware design topic occurs.

H.'s brand evolved over time and there were no major problems with the brand. During company's early years when its daughter company T. platform was expanding at high speed, a change in the brand of company offering was required, and later another product range called H. Products appeared – fact that required some adjustments in firm's branding, but overall there were no radical changes.

Branding Activities

It is reported that everything the company is doing in public needs to support the brand: name, logo, employees' interaction with customers.

The main branding activities are P.R., events, and online marketing activities like blog, new web pages, Facebook, LinkedIn, Twitter.

Brand Portfolio:

- H. Products - own H. products
- T. platform- IoT products
- S. tracker device - tracker phone
- customer products

The company has a top-down approach regarding branding. The marketing director and the Creative director is the one responsible for communication and branding in the company. The leaders of the company - when they are giving presentations or meet customers, and every employee - when in contact with customers - represent the firm, thus are involved in maintaining the company's reputation. When dealing with customers, H.'s employees are expected to act according to company values, respect the customer, do very transparent work together, be honest and reliable, etc. This is the reason why everyone in the company should understand what the company wants to be and what are the company's values and objectives.

“Everybody that communicates outside the company is responsible for supporting the brand image and the company image.”

At internal level the brand is enforced during meetings, satisfaction queries and from working environment.

The company has a rather standard recruitment process: interested candidates apply using the company's portal, then applications are carefully studied, and candidates are selected or not. One important aspect is if the person “fits” in the company.

5.2.4 Company 4 - L.

Company L. is a game studio specialized in the design and development of collaborative multiplayer games and virtual worlds for PC and smart phone platforms. The company creates games under own name, but it is also involved in

customer projects, creating games according to customer's specifications and under clients' names.

The company is one of the first game companies in Finland. It has its roots in the academia, since its founders also are the ones who established the Game Research Unit at the University of Oulu, which was among the first research units that studied game design. Around 2005, due to financial difficulties encountered by University, the research group managers had been put in the situation to dissolve the research unit - and lose one of the earliest group of experts in game design. The alternative was to start an entrepreneurial journey. Therefore, they decided to try their luck in the business world. Consequently, a company was started in 2006 as a spin off from the same research group. Educational games - which were based on the findings from the initial research unit were among company's first products, helped the company establish its reputation in its early years and are still one of its main area of expertise.

L. is one of the oldest game companies in Oulu/Finland and managed to survive despite global economic crisis and downsize of the IT field in the region. In its peak time the company had had about 30 employees, but over the years the workforce went down. Presently the company employs 17 people, all of them working on the company's premises, in Oulu. In 2016 it had a turnover of EUR 951,000 and it seems that the firm's prospects are good.

Branding

Name. The company took its name from the game research group it originates from. Company founders and first employees were part of a research unit called L. When the company was founded, the group had already an established reputation as experts in game design. The name is a combination from Latin Ludo-play and Craft - doing something with your hands and it is meant to suggest the company's object of activity. The first slogan was "Game and play" and had the role to enforce the meaning of the name.

The logo was professionally designed by L.'s graphic designers and it served well the company's purposes for ten years. It was changed last year in order to give a

more modern touch to the firm. Overall, the new logo seems to work well, but the old one is still used.

Main Purpose of Branding Activities

Branding activities are aimed to improve sales. Their role is to attract potential customers by convincing them that the company is a reliable partner and has enough competence in game development.

Branding Strategy

L. as a group seems to attract a unique type of people and has its own, distinctive ethos. During the years it has been proved that the most suitable branding strategy is to show the company's culture to the outside world. Consequently, potential customers are often invited to company's premises to see and understand L.'s way of being.

Games produced under own name do not seem to bring enough revenue to sustain the firm. Instead, own products play a role in branding by showing the company competence in the domain and serve as showcases of abilities and talents in the firm.

Raising awareness about game design (without emphasizing the business side of L.) is another way to become known and demonstrate expertise. The employees of the company participate in various workshops and seminars about game design and share their experiences with wannabe game developers. In those actions games come first and L. - second. Those events are not meant for making sales but maintaining L.'s reputation as experts and evangelists in the domain.

Beside traditional media (press releases, radio and TV interviews) the company uses social media and own blog to make L. known to the outside world.

Marketing Activities Performed by L.

- Social media

- Blog
- App portfolio
- Traditional media: newspaper and radio, TV
- Own games and play

Communication and Branding in the Company

There are three people that are directly involved in branding: company's Communications Officer and the Global Sales and Brand Manager- who are responsible for communication and marketing activities, and the Creative Director, who is the one who decides about the general look and feel of the company. Besides that, everyone from the company when meeting somebody from outside is involved in creating and maintaining the reputation of L.

It is considered that branding contributes to the development of the company because it makes it known to the outside world. L.'s brand relies very much on the company's culture, but this culture has to be "packaged" and delivered to the outside world to show that the company has the range and skills to do customer projects.

Company culture is made of every employee's personality and values. L.'s employees are people with shared values, ideas, ways of seeing life, thus the firm's image is a result of its internal culture and personality. *"We just do things, and then the brand kind of evolves from our everyday work."* *"the identity of doing things together"*. The role of the branding team is to reflect the company culture and its shared values to the outside world in a coherent way. The company has a bottom-up approach when doing branding.

The company does not have a clear-cut plan about brand building. *"It is good to be aware of things, but it is not good to think branding activities too much."* L.'s brand evolves from day to day activities, from satisfied customers that tell stories about the company. *"Create trust and then you will get new customers - this kind of hands on method to build a good reputation."*

Company identity is not the result of somebody's thinking - that afterwards is communicated to L.'s employees. It results from day to day activities, years of working and being recognized as a reliable partner: *"business first and then things just follow"*. The company's reputation comes from the good work that people from L. are doing, how reliable they are and the fact that people are happy to work at L.

"We are concentrating to make our customers happy and then, they kind of have stories about us, and we are reliable, and we do good work and our people are happy to work here, so, then they also kind of spread the message and that kind of builds the brand."

The company regards mistakes in a positive manner - as experiences and learning lessons. The same happens with possible communication/branding mistakes: the interviewees don't recall any, or if they were, they see it as experiences from which something can be learnt.

The recruitment process is designed so that only people that fit the company culture are hired. Usually, new employees are recruited from trainees that already spent several months in the company - thus they are well accustomed with the firm and found their place in there, or people that are known and familiar with L. environment (past, or current collaborators).

The company doesn't have a clear set of communication rules, because it is expected that everyone behaves according with their own personality. The company culture accommodates all different personalities that work together for a common goal.

Years ago, when they had more employees, the company used to have a guidebook for employees - that helped new comers understand and adapt to the company' culture. In present days, when the firm's payroll is reduced, that guidebook is no longer needed. Instead, the company culture is assimilated by its employees when they participate in everyday coffee meetings, company parties and by working together in company projects.

L.'s culture takes its roots in its inception years: the company founders (from which the clear majority are still involved in the company) were among the first academics in Finland involved in game research. The group - that was named also L., existed at the University of Oulu for several years and had been involved in several projects that studied usability issues, the role of games in education, etc. The research group trained a generation of game developers and managed to attract young people interested in the science of games and game development. People joined L. research lab because they had a long-time interest in game development, and because they wanted to learn and develop games. Therefore, since the University years the group was made of like-minded people. When L. became a firm, most people from the research group joined in, thus the newly established company inherited the passionate, inquisitive, egalitarian atmosphere that was present in the research group. From the branding point of view, L. company inherited the already established reputation of L. game research lab.

The short-term project-based way of work specific to University projects had been transferred to the way of operating the business: the company's way of working is flexible and has a unique way to cope with the inherent hardships of business world. L.'s employees work most of the time for customer projects, but, when there are not many such projects, they switch focus on the firm's own products.

The company policy is to do everything in house, on L. premises. Even in situations when they had to use outside help, like voices or music, they take care that the person is accustomed with L.'s style and works in company's location.

On way of maintaining the company culture resides in the fact that all L.'s employees, even those involved in customer projects, work on company premises. That gives people a sense of belonging: that they are not short-term hired hands.

5.2.5 Company 5 - S.

S. is an Oulu-based company that provides audio-related design services. The company was established in 2012 and had 3 founding members. Over the years the

company's head count diminished to 2 people and nowadays only one (which is also company's main owner) remains active.

The company has an ongoing website from where S.'s own products can be seen and ordered. The main distributor for S. products in Finland is Hifi Studio. For international sales the company uses Etsy.

The company started as a manufacturer of high quality loudspeakers that were sold under S. brand. Due to the general downfall in the Finnish economy and low demand of high-end products, the firm had to give up the sale of products manufactured under own name and instead focused on offering audio-related design services to other companies. After six years of activity in the high-end audio field, the quality of its handcrafted audio solutions made S. a well-known name in the narrow field of high quality audio devices, thus the company enjoys a good reputation among HiFi aficionados.

Branding Activities

During S.'s first two years, a lot of effort was put into branding. Consequently, a custom-made website had been bought, the company's logo was professionally designed, pamphlets and brochures were printed, and a marketing specialist worked for S. for six months. Besides that, other consultation and branding services were brought. S. also participated in interior design and furniture fairs (e.g. Habitare event), that required further expenses and branding materials. Overall, in its first years of existence, the company spent around EUR 40,000 for various marketing activities.

The company's financial struggles reduced significantly its marketing efforts. Presently the entire branding and marketing effort is done by S.'s main owner (e.g. maintaining the company website, taking product pictures).

Name choice. S. founders wanted a name with an international appeal, that suggested sound and light in several languages. After several iterations, they found

the words Sono- that means sound in French, and Lux- which means light in Latin. The chosen name received positive feedback and it is easily remembered.

There are other companies with the same name around the world, but the niche nature of S.'s offerings makes the company easily recognizable. Therefore, there is no immediate need to protect the name.

Logo. S.'s logo was designed by a professional graphic designer together with S.'s main owner. They went through several iterations until it came out as desired. The logo is regarded as excellent.

Branding Strategy

Because now S. is mostly a one-person company, S.'s main owner branding strategy is to strengthen own personal brand as designer of loudspeakers. He aims to become a well-known name among loudspeaker designers around the world. Becoming famous, creating a personal brand in the field of loudspeaker designers will help him be able to select clients and charge properly for the work he is doing. A well-established personal brand will help with getting clients from other countries, thus increasing revenue.

A working strategy for building own brand and become known in HiFi area is to create awareness about own skills by producing meaningful free content and uploading it online.

Beside the company website and the owner's personal contacts, there are no ongoing branding activities. When the company was selling under own name it used to be promoted by participation in HiFi events and with the help of social media channels like Twitter, Pinterest and Facebook.

Brand Portfolio:

- S. Bebop 2
- Woodnotes LoudWhisper

- S. Bebop

Corporate design book is not documented. The owner has a very clear view about how to present the company, its own products and design services, but there is nothing written down. The same goes with the company's vision, identity and core values.

The main mistake in S.'s branding activities is reported to be in the choice of its target audience: company founders considered that the end consumer of S.'s products are company customers, thus all branding efforts were focused on HiFi enthusiasts, while it was proved that in fact S. customers are HiFi and home decoration stores - from where HiFi fans buy loudspeakers or get recommendations. Currently, the company is focusing its efforts towards becoming known among HiFi devices sellers. It aims also to maintain its expert reputation among HiFi aficionados.

Even though marketing efforts did not manage to make the company profitable, S.'s owner considers that marketing and branding are extremely important for a company. Initial branding efforts managed to create a sound reputation and made S. capabilities known, thus it is considered that the company is getting nowadays customer projects because of the effort put into branding during inception years. *"S. as a brand is known by HF enthusiasts across Finland. Everybody knows S. So, all the work that have been done caused us and me to be someone in this business. So yes, it was very, very good."*

5.2.6 Company 6 - Q.

Company 6, Q. is a Finnish company, based on Kempele (Northern Finland) that produces and sells active noise cancelling earplugs and accessories. The device had been developed by company founders. The company was founded in 2015, and presently they have 11 employees. In 2016 the company reported a turnover of EUR 16,000.

The idea of producing active noise cancelling earplugs came out when one of company founders, J. K., was waiting for a flight connection and was in a need of a

quiet environment. None of the devices available for sale seemed to provide the desired level of silence. Being a specialist in telecommunications, J. K. came to idea that noise cancellation technology might be the right solution for providing the necessary level of silence to reduce stress and create an environment where somebody can work or relax even in the middle of a noisy environment. Therefore, J. called one of his colleagues - who was known as an audio, electronics and signal processing guru, and together they developed a prototype that proved to perform better than other products on the market. The feedback from investors being good, the developers started a company in 2015. Presently, the company sells active noise cancelling earplugs worldwide.

Branding

Name. The name Q. is based on the main company's offering: active noise cancelling earplugs. It was chosen to suggest product benefits: quietude in a world full of distractions. The name and logo seem to serve well the company's objectives even though the name might be sometimes difficult to spell. The name and the logo are protected by trademark.

Branding Activities

Branding activities are important for company growth. Branding was taken into consideration when the company was started. It is considered an important tool to stand out in the market and build reputation.

Being a relatively young company, its brand is still under development: different strategies and techniques have been tested. The company does not have a fixed model for branding, it wants to remain versatile and flexible to adjust. Several methods and approaches are tried and tested to figure out which one works.

"The brand is still in process of defining and positioning, testing with different approaches."

Cooperation with media and bloggers to get media coverage and make the brand visible to different customer segments and participation in fairs and exhibitions around the world to showcase the product to potential customers seems to be one of the most efficient ways of promotion. Those methods seem to bring positive results that result in increased sales and better media coverage.

The company pays special attention to online branding: Facebook ads, LinkedIn, Instagram, Twitter, content marketing. Q. have a full-time employee responsible for marketing and communication. Their marketing and communication officer cooperates closely with the board of directors in developing branding strategies and works together with other sales colleagues to get insights and feedback from their assigned customer segments. At this moment all branding activities are done in-house.

The brand portfolio consists in one product so far, but other products are under development. The company is working on building its communication policies with the outsiders (distributors, customers).

Being a new company, with few employees, the hierarchy is quite flat and all relevant information is spread quickly. Consequently, at internal level the brand is communicated/enforced via weekly meetings and direct discussions. The company uses Pipedrive to update internal activities.

The company does not have a structured recruitment process.

Q.'s founders attended a business incubator that helped get the company set up legally and got some funding. Crowd funding was raised on the Indiegogo platform.

5.3 Cross-case analysis

The following pages contain a synthesis of branding practices employed by firms in the study. It takes the form of a cross-case analysis that is focused on four main topics: perceived relevance of branding, brand creation process, brand building and maintaining activities, most often encountered problems and mistakes. The results

are displayed under the form of a matrix that synthesizes data as it had been extracted and coded from interviews. Displayed results form the basis of analysis of empirical data, which aims to offer answers to the research questions of the study. The analysis is augmented by quotations and additional information from interviews that were not suitable to be coded into the matrix.

Table 2: Branding practices matrix

Company	A.	H.	C.	S.	Q.	L.
Analysis topic						
Branding relevance for firm	■	■	■	■	■	■
Branding contributed to the firm	■	■	■	■	■	■
Institutional support	■	■	■	■	■	no
Brand strategy						
Documented brand idea at start	■	■	■	■	No info	no
Name/logo professional choice	■	■	■	■	■	■
Name/logo problems	■	■	■	■	■	no
Top down branding approach	■	■	■	■	■	■
Structured recruitment process	no	■	■	no	No info	■
Internal recruitment rules/policies	no	■	no	no	no	■
Internal brand communication	■	■	■	no	■	■
Communication mistakes	■	■	No info	No info	No info	no
Protected	■	■	■	■	■	■
TM	no	■	■	■	■	no
Branding, communication mistakes/problems	■	■	■	■	■	no
Branding activity						
Advertising	no	■	■	no	■	no
PR	■	■	■	■	■	■
Events	■	■	■	■	■	■
Sponsoring	■	no	no	no	No info	no
Online marketing	■	■	■	■	■	■
Internet domain with the same name	■	■	■	■	■	■
More than 1 brand (brand portfolio)	■	■	■	■	no	■
External expert support	■	■	■	■	No info	■
Table						
Newsletter	✓	no	✓	no	No info	no
Music/Jingle	no	no	no	no	No info	no
Videos	✓	✓	no	no	No info	✓
Packaging, product design	✓	✓	✓	no	✓	no
Gadgets	no	✓	✓	no	No info	no
Uniform/branded clothes	✓	no	✓	no	No info	no
Brand measurement	no	✓	no	no	✓	no
Knowledge visualization	✓	✓	no	no	No info	no
Brand extension	no	✓	no	no	no	no
Corporate Design book	no	✓	✓	✓	No info	✓
Building logo and interiors	✓	✓	No info	✓	No info	✓
Vision, Mission	✓	✓	✓	✓	✓	✓
Positioning	✓	✓	✓	✓	✓	✓
Core values	✓	✓	✓	✓	✓	✓

5.3.1 Perceived Relevance of Branding

Success in brand creation and brand maintenance depends very much on how branding is regarded by business owners. The table below aims to offer an image about how important branding is considered by the companies involved in the study.

Table 3: Relevance of branding

Company \ Analysis topic	A.	H.	C.	S.	Q.	L.
Branding relevance for firm	■	■	■	■	■	■
Branding contributed to the firm	■	■	■	■	■	■

Data shows that, with one exception, all respondents involved in the study consider branding as a relevant activity that plays an important role in the well-being of their firm.

“I think that it is very relevant. Branding in the beginning it is really relevant.” (A.)

” It’s essential to do branding even from the very early phase of a new company. Branding helps bringing the name of the company to the market, differentiating itself from other big players, gaining support from potential customers, and building the foundation for other further marketing activities.” (Q.).

“Branding is about picking the right brand and the right story behind it. It is good to have it. It will help you to build the business case, it will help you to build the sales story, it will help to grow the company. If you start with the wrong branding, then you will suffer for a while.” (A.)

The representative of L., the company that displayed a slightly different view than the crowd, considers that branding comes from within and evolves from company activities, from creation of trust between firm and its customers. The company puts more emphasis on relationships with stakeholders and quality of its offering than on standard branding practices, thus it considers that it is not necessarily needed to put too much effort into it:” *It is good to be aware of things but it is not good to think branding activities too much.”*

Another point which is related with the perceived relevance of branding consists in finding out if business owners view branding as a significant factor for the success of the company. According to this study, most companies consider that branding plays a significant role in the success of an enterprise. There are two firms that display different opinions: L. and C. L.'s answer is consistent with their answer about branding relevance and shows firm's propensity towards unconventional ways of branding. In the case of C., even if the company representative considers branding a relevant activity, it seems that branding efforts did not manage to help company to thrive, thus branding is not considered to play an important role in the success of the company.

The fact that most key persons from SMEs in the study consider branding as important and believe in the role of branding efforts for the well-being of the company brings us to the second issue of interest in this study: brand creation.

5.3.2 Brand Creation Process

The brand creation process refers to the subsequent steps that result in the emergence of identity of a business enterprise. The process involves certain stages, that, properly followed, result in the development of a brand. The following chart offers a simplified image of the brand creation steps and how they are regarded by subjects of this study.

Table 4: Brand creation

Company	A.	H.	C.	S.	Q.	L.
Brand strategy						
Documented brand idea at start	■	■	▪	■	No info	no
Name/logo professional choice	■	■	■	■	■	■
Name/logo problems	▪	▪	■	▪	▪	no
Top down branding approach	■	■	■	▪	■	▪
Structured recruitment process	no	■	▪	no	No info	▪
Internal recruitment rules/policies	no	▪	no	no	no	▪
Internal brand communication	▪	▪	▪	no	▪	■
Communication mistakes	▪	▪	No info	No info	No info	no
Protected	■	■	▪	▪	■	▪
TM	no	■	▪	▪	■	no
Vision, Mission	✓	✓	✓	✓	✓	✓
Positioning	✓	✓	✓	✓	✓	✓
Core values	✓	✓	✓	✓	✓	✓

The main purpose of branding activities in four out of six cases in the study (A., C., H., S.) is to become a leader in their domain of activity *“We want our brand to be known. There is that 5-year plan of us being one of the most trusted and wanted partners in the electronics design in the future, and that’s globally.”* (H.).

In L. case branding efforts were oriented towards increasing sales: *“The main purpose of our branding activities is to improve sales. To be kind of reliable partner.”*

A rather similar view is expressed by Q.’s representative: *“...branding helps us to build up our name, personality, position, etc. in customers’ mind, and ultimately will yield to customers’ loyalty, preference and increased revenues.”*

Clear definition of Mission, Vision, Core values and firm’s positioning in the market are considered to form the base of sound brand building activities. All firms involved in the study seem to be aware of and made efforts to define those aspects. Clear description of Mission, Vision, Core values and Positioning are also essential requirements of business planning and there is a certain link between enterprise planning and strategy and brand creation *“I think that (branding) this is part of every company’s strategy - to tell the world who you are, and what we do and so on.”* (C.).

The table shows that out of the six companies in the study, only two had a clearly specified, documented plan about branding when the company started. In two other cases, brand design consisted mostly in discussions at internal level about the look and feel of the brand. The process seems to be months long and involve discussions with several people: *“I spent couple of months in the beginning thinking what is a good brand. ... I think that I involved also other people, like artist, and I asked about colours and, of course, the contest - I had a lot of exposure and everybody was explaining how they think about it - about the logo - and then you learn also from them, from their explanation - what you want.”* (A.)

One enterprise (L.) did not had any clear-cut plan about branding and just let it develop together with the firm *“it is business first: we just do things, and then the brand kind of evolves from our everyday work”*.

Despite their lack of documented idea about branding, all companies had their graphic elements (logo, Word and PowerPoint templates) chosen with the help of and designed by professionals.

When choosing company names, all respondents except for H., looked for words that were close to or suggested company's domain of operation "*So we chose the name because it was A., as in the Latin form of amplifying, and or course from augmented reality.*" (A.). Another condition when choosing the name was not to be already registered and trademarked. Similar criteria were applied in the choice of the logo: to suggest company's domain of activity.

H.'s name choice, which is suggestive, was determined by a previous project in which the company founders worked and by the fact that the name (Finland's highest peak) suggest the high standards of the company: "*There is that nice connotation - that you want to be on top of everything, the best in the field. They wanted to be the best in their field and found the name as suggestive for their aims.*" (H.)

Except for one firm (C.), all respondents report few problems with their name and logo. They account that, during company development, occurred some problems with either name or logo, but those were fixed without much trouble.

In C. case, the company evolved in such a way, that at some point, the name and logo didn't manage to reflect the way the company was operating and that caused confusion among potential customers.

All companies involved in the study tried to protect to some degree their name and logo. The extent of their efforts depended on the type of the company, financial power and perceived need of such measure.

Most firms involved in the study except for S. and L., have a top-down approach towards branding. Usually, the brand is conceptualized and developed by the CEO with the help of CTO, hired marketing personnel and advertisement company, then communicated to the employees and company stakeholders.

L.'s unique culture allows for a down to top approach, in which the company's brand is the result of all employee's personalities and shared values *"it kind of comes from the identity of the company and everyone's personality is part of the corporate identity. So, we can say that is everyone's personality is part of the corporate identity."*

"Our job is to try and reflect that to the outside world as best as we can, as a cohesive brand."

In the S. case, as the company had always been a small company with of only three owners/employees, the classification did not apply.

A significant aspect of brand building consists in finding and employing people that have sets of values that match the company standards. Topics about recruitment process and policies tried to determine if companies in the study were aware of those aspects and how they coped with it.

Except for one company (H.) all other firms have very little or not at all structured recruitment process. The reason might consist in the fact that technology-oriented companies attract and recruit high-tech people that are considered to share similar character traits: *"...there weren't so many cases caused people to didn't fit to the picture. They were mainly software guys anyway, so those guys are pretty similar. I would say that some are more extrovert than others, but they are from the same category, pretty similar people."* (C.). In some cases, e.g. L., new employees are found among trainees or collaborators, thus they are known by company management and are already accustomed with the company's values and way of working.

Following the same idea, there are very little or no clear defined recruitment policies at internal level. It seems that the CEO and upper management are mostly concerned with recruitment, and they know to what traits to look for. *"First out the CTO checked them and then the management - he accepted like this 3 could be the good ones and then we checked them out, and then asked them to interview and so on."* (C.).

Internal branding, communication about company's plans, its values, does happen, since all companies involved in the study report to do so, but the issue is not considered very important. Those aspects are mostly discussed during weekly meetings and company gatherings. Exception to this pattern makes L., which pays more attention to internal communication and sharing of ideas. Company management and staff met every morning over a cup of coffee. During those informal meetings plans and ideas are shared and company' culture is enforced "We met every morning, have a cup of coffee, talk ... there is no brand book or anything that people need to follow."

5.3.3 Branding Activities

Branding activities refer to the marketing actions that are meant to make known the company to the general public and enforce a desired image in the minds of its stakeholders. This section gives an account of branding activities employed by firms in the study and also offers a glimpse about how marketing activities are performed at internal level.

Table 5: Branding activities

Company	A.	H.	C.	S.	Q.	L.
Analysis topic						
Branding activity						
Advertising	no	▪	▪	no	▪	no
PR	■	■	■	▪	■	■
Events	■	■	■	▪	▪	■
Sponsoring	▪	no	no	no	No info	no
Online marketing	▪	■	▪	▪	■	■
Internet domain with the same name	■	■	■	■	■	■
More than 1 brand (brand portfolio)	■	■	▪	▪	no	■
External expert support	■	■	▪	■	No info	▪
Survey results						
Newsletter	✓	no	✓	no	No info	no
Music/Jingle	no	no	no	no	No info	no
Videos	✓	✓	no	no	No info	✓
Packaging, product design	✓	✓	✓	no	✓	no
Gadgets	no	✓	✓	no	No info	no
Uniform/branded clothes	✓	no	✓	no	No info	no
Brand measurement	no	✓	no	no	✓	no
Knowledge visualization	✓	✓	no	no	No info	no
Brand extension	no	✓	no	no	no	no
Corporate Design book	no	✓	✓	✓	No info	✓
Building logo and interiors	✓	✓	No info	✓	No info	✓

Vision, Mission	✓	✓	✓	✓	✓	✓
Positioning	✓	✓	✓	✓	✓	✓
Core values	✓	✓	✓	✓	✓	✓

The objectives of the company are attained when company engages in certain marketing activities. Interviews reveal that firms in the study seldom employ traditional forms of marketing, as placing ads in newspapers and TV or sponsoring. In fact, no company in the study uses advertising and only one (A.) sponsors small events. *“We don’t actually do much of advertising.”* (H.).

L.’s view of sponsoring is to contribute with knowledge and expertise to the event, not merely to pay for having the logo placed somewhere *“...we don’t want just to sponsor: to give you money and you put our logo to some website that nobody knows, but we want to participate. We want to be part of the thing, we want to belong to that group, so, we can offer for example, we can come to show something, or give a speech, or build a corner where people can play retro games or our new games - this kind of things, so we kind of more want to give something of ourselves, not just money.”*

It seems that modern firms from the Oulu area are prone to unconventional marketing methods. All firms favour PR activities, most of them considering PR as an efficient way for making the company known *“So we have mostly like PR, press releases combined with other activities, like our partners ... in the events (you are part of your partners campaigns).”* (A.).

Another activity that is considered important for branding consists in participation in industry-related events: all firms reporting it as one of their major branding activities. When participating in events, employees use clothes (usually a T-shirt) marked with the company logo.

Online marketing is another major branding activity used by the subjects of the research. All firms in the study have reserved an internet domain that resembles the company name. They make efforts to have a constant and consistent activity in the virtual world, three of them (H., L. and Q.) having employees that, among other responsibilities, take care of online marketing and social media issues. Therefore, all

of them report to have own web page, blog, newsletter, and are active on social media (LinkedIn, Twitter, Facebook).

An interesting aspect that emerged from interviews resides in the fact that some companies use own branded products as a means for branding. Besides developing products under own name, companies like H., L., S., engage also in customer projects. One way to demonstrate expertise in the domain and earn new projects is by showing off products developed in house which are sold under own name “...*It is mainly business to business at the moment but we do our own game development as well where we do use our history and our name just to show that we are not spring chickens there - so we have done quite a bit of it so we do use it when we pitch to publishers our own projects, we use that to our advantage, but I think mainly is business to business sales.*” (L.).

As is typical in SMEs context, the company’s CEO or CTO play an important role in branding activities of the firm, all companies reporting high management involvement in branding. A novelty aspect resides in the fact that nowadays the CEO is helped by one or two people that are responsible for the company’s marketing and external communication (A., H., L., Q.). In some situations, the enterprise uses the help of professional marketing firms (A., C., H., S.).

Another new finding consists in the fact that in four out of six cases, all company employees are considered to play a role in building the company image and its branding “... *everybody working at the company, and the leaders are also responsible for like delivering the company brand further, so all needs to be in line with each other, so it can’t be only like the marketing department’s task to do that.*” (H.).

In L.’s view, the company brand reflects employees’ personalities and company’s culture. The mission of the Marketing department is to communicate that personality to the outside world: “...*it kind of comes from the identity of the company and everyone’s personality is part of the corporate identity. So we can say that is everyone’s personality is part of the corporate identity. Our job is to try and reflect that to the outside world as best as we can, as a cohesive brand.*”

Branding efforts are hardly measurable, since brand measurement and knowledge visualization tools are seldom utilized by companies in the study. When used, Google Analytics and Facebook algorithm seem to be the tools of choice (H., S.).

5.3.4 Most Often Encountered Problems and Mistakes

Due to lack of management experience and financial resources, SMEs executives are known to be prone to various types of errors. The following table shows how the subjects of the study reported the occurrence of branding mistakes.

Table 6: Branding and communication problems

Company	A.	H.	C.	S.	Q.	L.
Analysis topic						
Branding, communication problems	▪	▪	■	■	▪	no

Most firms (four out of six cases) report no or little problems regarding branding, name, logo choices and communication. Those incidents occurred mostly during the early stage of development of the firm. They are considered as part of the evolution of the company (H., L.): *“I wouldn’t call them mistakes. It is like evolving and developing further so everything can’t be ready right when you start but it develops further when you go along.”* (H.) When named, those mistakes or problems refer to lack of branding efforts in the early stage of the company, not enough external feedback gathered when the company was started - Q., or wrong spelling of company name by customers from a certain region (A.).

One mistake with serious consequence is reported by S. It consisted in an error in identifying the target customer and focusing branding efforts on a wrong objective. *“The biggest mistake that we did was that we didn’t realize who is our client. ... And we ended up spending lots of money and lots of time on efforts that never resulted in sales.”*

The suggestive name choice of the firm proved to be problematic for C. When the company changed its object of activity, the name did not reflect the specificity of the company anymore and confused potential customers.

This section forms the main body of this study empirical research. It covers main research inquiry topics as: brand relevance, brand creation process, brand building activities and most often encountered errors. It also provides relevant insights about the subjects of the study - building activities together with their branding practices - from where meaningful lessons about entrepreneurship can be learnt.

6 CONCLUSIONS

This chapter presents the conclusions of the study. The following paragraphs contain a summary of the research results together with answers to the research questions. In the theoretical contribution section, the findings are compared with well-known theories about branding in SMEs context. The management implications part offers practical advice about how local SMEs managers can improve their branding practices. The last two sections of the chapter talk about limitations of the study and offer suggestions for further research.

6.1 Summary of the Research Results

Nowadays the term “brand” is used in all kind of situations and discourses. It seems to be a new, trendy term that makes the speaker look smart. Despite its extended usage, the term is often used inappropriately, and few people seem to understand its meaning, origins and purpose. In fact, new as it might look, brand and branding have been present since the dawn of human civilization and still play an essential role in the development of any type of enterprise. Nowadays the economic landscape seems to be dominated by huge multinational corporations, yet small companies seem to play an instrumental role in the general well-being of societies. This paper wanted to bring into light an often-neglected subject: branding in SMEs context. It aimed to explain in easy to understand terms how small firms create own brands when little resources are available and what brand building activities are used by small firms. Knowing that real-life situations might offer relevant examples and learning lessons, six SMEs from Oulu served as subjects of case study research.

To reach its objectives, the thesis needed a solid theoretical background in which basic knowledge about branding, marketing and advertising was presented. Because a general level of confusion between those terms seems to exist even in business literature, fundamental differences between marketing and branding were also explained in this chapter. A consistent part of the chapter provides details about the evolution of branding, school of thoughts, main aspects of the domain, branding techniques and branding theories. Special attention was paid to the scarce literature about branding in SMEs context, thus a separate section covers this topic.

The second part of the thesis aimed to explain why branding plays a fundamental role in enterprise development. It takes the form of the empirical research section in which the brand creation process and branding activities of six local companies that produce and sell under own brand were presented. The findings were then compared and analyzed in relation with other similar studies. The analysis followed four main topics that are congruent with study's research questions: perceived relevance of branding, brand creation process, branding methods and most encountered errors and mistakes. By doing so, the study managed to reach its objectives by offering answers to its research questions. The following paragraphs present the research questions and answers that resulted from case study.

What is the perceived relevance of branding in SMEs context? The study revealed that modern managers are more informed about branding than their counterparts which were interviewed few years ago. They consider branding as a relevant activity and show willingness to allocate time and resources for it. Interviews reveal also that local business owners have a fair level of knowledge about brand creation and were paying attention to the issue since early stages of development of their firms. Therefore, we may note an improvement in attitude towards branding among SME managers.

How the brand is created? Brand creation efforts of most companies involved in the study are focused towards becoming a leader in their domain of activity. They show a strong product-orientation which, according to existing theories (e.g. Kapferer's, 2008 Brand building model) might place their approach to branding in the product advantage category. Although interviews reveal that companies in the study show a strong focus towards product development, they make visible efforts in creating an identity, have clear defined mission, vision and values and try to differentiate their product offering. Consequently, it seems that their attitude towards branding is more nuanced, and they might easily be placed at the middle of the model. In that respect, company owners seem to follow Kapferer (2008) advice that when establishing a product brand, it is important to enhance it from beginning with the intangible attributes that are meant to differentiate and make the unique company offering.

Despite increased awareness about the strategic aspect of branding only two companies had a clear, written documented plan about branding at the start of their entrepreneurial journey. In other cases, brand development was done during various discussions with company stakeholders.

Most firms involved in the study have a top-down approach towards branding. The owner/manager figure out the main features of the company identity and is deeply involved in the promotion activities. In this endeavour he is usually helped by CTO and a hired marketing person, that is mostly concerned with putting into practice the owner's vision.

At internal level brand values are usually communicated during weekly meetings and company gatherings. Companies seem to pay little attention to more advanced brand creation techniques like attracting like-minded employees or internal branding.

Which brand building activities are used by local SMEs? This study offered an account about brand building activities used by local SMEs. Detailed answers to this question can be found in the empirical analysis (chapter 5) and especially in the cross-case analysis section (5.4.3). It shows that SMEs from the Oulu area seldom use well-established marketing activities like TV or newspaper advertising or sponsoring and are prone to use unconventional branding methods that are more suitable for their needs. The owner/manager still plays an important role in the company promotion activities, but nowadays it seems that he is more willing to use professional services for advertising activities. Currently, it seems that visual elements of the company are professionally designed and at least one employee besides the CEO is responsible for marketing and PR activities.

The study revealed also a branding technique that was not yet reported in any paper we are aware of: using products under own brand to create and establish a reputation. A trend that was noticed by previous studies and seems to continue nowadays consists in the fact that SMEs decision-makers seem to neglect to evaluate and measure their branding efforts. This glitch might lead to inappropriate branding efforts and a general feeling that branding is not useful for the well-being of a company.

What are the most frequent problems and mistakes they meet? Local companies seemed to point out few issues regarding branding and the ones reported were rather typical for entrepreneurs at the beginning of learning curve. One fundamental issue that was reported by one company in the study consists in focusing branding efforts towards a wrong target. It is an error that can affect the survival chances of the company, thus finding right customer segments is a matter that cannot be neglected.

The choice of an appropriate name and logo is another challenge for a newly established company. The choice of name and logo should take into consideration future developments in the firm's offering and be flexible enough to match possible changes in the firm's activities. One company in the study reported that its name choice was uninspired, since, at some point it was no longer representative enough for their activities.

6.1.1 Theoretical Contribution

The final stage when conducting case study research consists in corroborating the findings of the study against existing theories. According to Cruzes et al (2015) this step is necessary because the plausibility of the facts that emerged from acquired data must be tested against already validated concepts. The process of comparison with previous theories offers the chance to evaluate and establish the validity of the results. In the following paragraphs, the cross-case analysis results are discussed in relation with already known facts about branding in SMEs context taken from well-regarded theories. In this way, the results of the study will be assessed, and their validity evaluated. The structure of the chapter follows the main research topics of the study.

Perceived Relevance of Branding

Most firms involved in the study consider branding as a relevant activity that brings long-term benefits to an enterprise. This result is in line with Bresciani's 2014 study about start-ups in Switzerland, but challenges older theories such as Inskip (2004), Krake (2005), Ojasalo et al. (2008) that state that in SMEs context the development of company brand is not well defined, and it is not included in the company's

marketing budget. Taking into consideration those facts, may note a shift in attitude towards branding: modern entrepreneurs report a higher level of awareness about branding issues than the ones that established firms ten or twelve years ago.

Interviews reveal also that local business owners have a fair level of knowledge about brand creation and paid attention to the issue since the early stages of development of their firms. Those findings contradict previous studies about the topic which state that SMEs managers have rather limited knowledge about branding and pay little attention to it in their daily endeavours (Inskip, 2004; Rode & Vallaster, 2005; Ojasalo et al., 2008; Wong & Merilees; 2005, Spence & Essoussi, 2008; Reijonen, 2010; Mäläskä et al., 2011).

Brand Creation Process

Even though their firms are mostly product-oriented, the owners of the companies involved in the study make visible efforts in creating an identity, have clearly defined mission, vision and values and try to differentiate their product offering. This aspect seems to infirm statements from previous papers (Inskip, 2004; Krake, 2005; Ojasalo et al., 2008) that for product-oriented SMEs creation of brand awareness is not seen as a priority and is not included in the company's marketing budget.

Keeping in mind the findings about brand relevance, business owners from the Oulu area seem to be aware about the strategic role of branding and adhere to recommendations from well-established business literature as Wong and Merrilees (2005), Berthon et al. (2008), Juntunen et al (2010), Hirvonen et al. (2016), Kapferer (2008, 2013), that emphasize the strategic aspect of branding and the fact that marketing and brand orientation since the early stages of development bring a competitive advantage to a firm. The attitude and level of awareness about mission, vision and values of entrepreneurs from the Oulu area is consistent with the position of their Swiss counterparts, that consider those aspects as important factors in branding and in assuring a certain level of consistency across all operations of the company.

Only two companies had a written documented plan about branding when the company was established. In other two situations brand development consisted mostly in discussions with stakeholders. This fact confirms the statements of Ojasalo et al. (2008) which found out that usually SMEs managers prefer direct communications and personal selling strategies than systematic brand building. On the positive side, it seems that nowadays, the trend described by Ojasalo et al. (2008) and Mäläskä et al. (2011) in which visual elements of small firms were usually created by business owners is on decline. Firms which took part in the study had their graphic elements (logo, web page, Word and Power Point templates) professionally designed. The same attitude towards professional design of graphic elements can be found in the Bresciani (2014) study about Swiss start-ups.

Most firms involved in the study have a top-down approach towards branding, in which the owner/manager plays a central role. This finding is in accordance with a wide array of papers as Inskip (2004), Krake (2005), Rode and Vallaster (2005), Ojasalo et al. (2008), Spence and Essoussi (2008), Bresciani (2014), that acknowledge the instrumental role that of enterprise owner in the process of brand creation and the fact that SMEs are shaped by the personality and vision of their owner.

Branding Methods

SMEs from the Oulu area rarely use traditional marketing activities like TV or newspaper advertising or sponsoring. This aspect is in line with the findings of Inskip (2004), Wong and Merrilees (2005), Spence and Essoussi (2008), Reijonen (2010), Mäläskä et al. (2011), Bresciani (2014), Odoom et al. (2017) that say that mainstream marketing activities seem to be hardly attainable to small firms. Instead they are adept to methods that are considered more direct, highly effective and low cost such as participation in events, newsletters, PR and efficient use of online marketing and social media. This fact confirms previous findings (Krake, 2005 via Carson et al., 1995; Gillinsky et al., 2001; Reijnders & Verstappen, 2003; Rode & Vallaster, 2005; Berthon et al., 2008) which note that SMEs have a flexible nature and can adapt their marketing strategies to complex market environments, scarce resources and tight budgets. Berthon et al. (2008) via Carson and Gilmore (2000)

found out that branding in SMEs context seems to be more practical and adapted to the needs of the moment than in large firms.

If we compare branding activities employed by firms from the Oulu area with their counterparts from Switzerland (see Bresciani, 2014) we notice that even though companies from both regions show a similar attitude towards advertising - seldom using it, they favour different branding approaches: Swiss companies using more often sponsoring and putting less emphasis on participation in events, and online advertising than entrepreneurs from Oulu area. Bresciani (2014) states that high-tech companies seem to be prone to use unconventional branding methods. It can be concluded that there is no one bullet proof method of branding for small enterprises and that each firm seems to implement branding methods that serve it best.

Previous studies (see Ojasalo et al., 2008; Mäläskä et al., 2011) show that in SMEs context the owner/manager plays an important role in promoting the firm, sometimes being the only one who takes care of marketing and branding. In the cases described here, even though the owner/manager is heavily involved in this kind of activities, local companies also use professional services and make efforts to have at least an employee responsible for marketing and PR activities. This contradicts previous studies by Krake (2005), Berthon et al. (2008), Ojasalo et al. (2008) that in SMEs context mostly the owner/manager is the one who takes care of branding activities. An aspect that was mentioned in very few studies (see Juntunen et al, 2010) resides in the fundamental role played by employees in creating and maintaining the company reputation “... *everybody working at the company, and the leaders are also responsible for like delivering the company brand further, so all needs to be in line with each other, so it can't be only like the marketing department's task to do that.*” (H.).

Despite significant efforts put into branding, decision-makers of firms involved in the study very seldom evaluate and measure their branding efforts. This aspect is in line with the Bresciani (2014) study showing that even though they are aware of the existence of search engine optimization and online advertising measurement tools, small firms seldom measure their marketing efforts.

Most Often Encountered Problems and Mistakes

An error with serious long-term consequences reported by one of subjects of this study consists in focusing branding efforts on a wrong objective. It seems to be an often-occurring fault, since well-regarded authors such as Ojasalo et al (2008) report that high-tech companies encountered problems in finding appropriate customer segments for their offering and in creating and differentiating appropriate messages for their desired customers.

The choice of an appropriate name and logo is another challenge for a newly established company. Branding theory (Kapferer, 2013; Bresciani, 2014) recommends that decision-makers should take into consideration product portfolio expansions or possible changes in the firm's object of activity, thus a fanciful name should be favoured instead of descriptive or suggestive ones. In their name choice firms in the study opted for suggestive names and logos that pointed out towards the firm's object of activity. For one company in the study the choice proved uninspired, because after a few years and several changes in product offering, the company name and logo were not at all representative for the firm's object of activity.

6.2 Management Implications

The present study emphasized the importance of branding efforts since the early stage of development of a firm. The topic is often present in entrepreneurship literature and it is once again confirmed by this research. The study shows a change in SMEs owners' attitude towards branding as they seem to be more informed and showing willingness to engage in branding activities since the early stage of development of their firm. Significant improvements regarding brand creation processes and branding methods were also noticed. Despite that, due to reduced management experience and lack of resources, brand creation processes and branding methods seem to be rather basic and not following a well thought plan. To reach desired results, small firm managers should follow Kapferer's recommendation which say that branding must be part of the firm's long-term strategy and should be integrated in its business model. Branding still seems to be a marginal activity that is done when time and resources allow. Instead it should become one of the main

functions, on the same level with production, distribution, R&D - to which it should be closely integrated.

Even though they acknowledge the instrumental role played by employees in establishing and maintaining the company's brand, decision-makers of firms in the study don't have clear recruitment policies and procedures and don't seem to pay much attention to attracting people that have sets of values that match the company vision and values. Therefore, small firms should try to define in a clear way their recruitment policies and attract like-minded people that can represent the company in a proper way and enforce a positive image. To reach this objective, special attention should be paid to internal branding and communication of company's values and objectives at internal level - an aspect that is often neglected by the subjects of the study.

6.3 Limitations of the study

The theoretical foundation of the present study is based on a significant amount of scientific papers that cover a variety of topics as: entrepreneurship, enterprise building, business planning, SMEs, national and EU policies, branding, marketing, advertising, etc. The amount of available information about each topic is large and sometimes contradictory. From the multitude of sources, the author tried to select and offer most relevant information about the subjects without going into unnecessary details and without losing study's main objective. Keeping in mind the diversity and volume of information and the fact that the above-mentioned subjects are continuously updated with new theories, it was a challenge to choose appropriate theories that make the topic easy to understand and are also easily applicable in SMEs context. Therefore, a limitation of the Theoretical Contribution part consists in the fact that perhaps it doesn't offer an account of the most important concepts in the domain or the amount of information presented is not enough to offer a clear image about the subject.

Present study is a qualitative research that uses a case study methodology. A detailed account of the reasons for choosing a qualitative approach for completing the empirical part of study were given in chapter five. Despite its advantages that were

explained in chapters one and five, the case study method has its downsides and it is not always regarded as the most comprehensive research method. Some scholars argue that the case study methodology lacks a clearly defined, easily replicable methodology, thus the validity of studies using that method is debatable (Ryan, 2012). Although the author of the study followed well-established case study research methodologies and used a proven research framework (designed and used by Bresciani 2010, 2014), the replicability of the study is debatable, since answers to interview questions depend on a multitude of volatile factors like local business environment, type of company, firm's economic situation. The thesis describes a certain situation in one point in history, without aiming to offer generally applicable solutions. Instead, it offers real-life lessons from which scholars and future entrepreneurs can learn. In that respect, the study fulfils one of qualitative research's objective: extracting the truth from in-depth study of specific situations.

Another limitation of case study research consists in the relevance of cases taken into consideration since it is difficult to assess the relevance of one case compared with other possible ones (Ryan, 2012 via Crasnow, 2011).

The thesis aimed to offer an image about branding in SMEs context. Because the area of the study is rather large, it had to be focused towards certain companies in a specific region, thus offering an account about branding attitudes and practices employed by firms from the Oulu area that produce and sell under own brand. That fact is a limitation, because the study refers to a relatively small number of companies (six) from a rather small and economically insignificant part of the world. It also covers a limited time area, that is characterized by rather special economic and social circumstances. Consequently, it can hardly be stated that the results can be generalized to all SMEs. Keeping in mind the huge variety of SMEs and the diversity of contexts in which they operate, there is no such study that can offer generally applied data and solutions for branding in SMEs context. Instead, there is a multitude of studies that cover particular aspects and from there a broad opinion can be formed. Perhaps this study is just a pixel in the big picture of the SMEs field and its findings contribute a bit to the general knowledge about the subject.

6.4 Further Research Suggestions

The present study noted a change in attitude and knowledge towards branding among SMEs managers. Further studies might be necessary to assess if this is an isolated phenomenon or it is present in other regions and types of companies.

The research revealed means of promotion (own concepts sold under own name as ways to create a reputation) that were not mentioned in other studies. This topic also needs further investigation to reach valid conclusions.

An aspect that was also noticed by Juntunen et al. (2010), resides in the fact that SMEs owners are more and more aware of the role played by company employees in creating and maintaining the brand. Because there are few papers that cover this topic, additional research might be necessary.

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8 APPENDIX 1. INTERVIEW QUESTIONS

(Interview source: Bresciani, 2014)

Phone or personal semi-structured interview with the founder or communication manager.

5 sections with 24 questions and 1 table

Section 1: confirmation of collected data

1. Company business, foundation year, number of employees, legal form, CEO identification

Section 2: Brand visual identity

2. How were the name and logo chosen and why?
3. Are you now satisfied with them and what are the main problems?
4. Legal dimension: did you protect the brand name, logo, claim, and in which countries?

Section 3: Brand strategy

5. What is the main purpose of your branding activities?
6. What are your brand building activities (Advertising, PR, Events, Sponsoring)?
7. What are your on-line marketing activities (affiliate programs, corporate blogs, SEO, AdWords...)?
8. Did you reserve an internet domain with the same name?
9. Who is responsible of communication and branding in your company? (department, how many people)
10. What approach does the company have regarding branding activities? (top-down, CEO endorsement?)
11. Did you use the support of external experts for your branding activities?
12. How did you manage the brand during the company's growth? (need to change, limitations)
13. From your point of view, how do you feel branding contributes to the development of your company?

Section 4: Putting the brand to work

14. What is your brand architecture/portfolio?
15. Do you consider brand extension, internationalization, licensing, franchising?
16. How do you choose your co-workers: do you have a structured recruitment process? (criteria, aligned with brand values)
17. Do you have communication rules or policies?
18. How do you communicate the brand internally?

Section 5: general

19. Did you take branding into consideration when the company started? (documented brand idea)
20. Looking back, which were the main mistakes regarding branding and communication?
21. Did you use any institutional support (e.g.: state, college, association, organization, incubator) for the establishment of the company?
22. What relevance do you think branding activities have in the early phase of a new company?
23. How did the entrepreneurial idea develop (main motivations)?
24. Founder's education

Newsletter Music/Jingle Videos Packaging, product design Gadgets Uniform/branded clothes Brand measurement Knowledge visualization Brand extension Corporate Design book Building logo and interiors Vision, Mission Positioning Core values	
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