

# A Worldwide Study of Strategic Branding Within High-Technology Firms

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**February 2003**

*In 1997, a major research effort was undertaken to understand the “global state of branding” in the high-technology industry. Now, five years later, this study has been repeated to determine what if anything has changed and how high-tech companies now define and approach branding as a corporate initiative.*

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**A Joint Project Conducted By**

**Nelson & Company**



Nelson & Company  
(408) 209-1210  
[www.nelsonbranding.com](http://www.nelsonbranding.com)

**Socratic Technologies**



Socratic Technologies  
(415) 430-2200  
[www.sotech.com](http://www.sotech.com)

and

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## Background and Objectives

### Overview

- ◆ Five years ago, a major research effort was undertaken to understand the “global state of branding” in high-technology companies. This research was conducted as part of a worldwide assessment of the role of corporate, product, and service brand activity in high-technology marketing strategies.
- ◆ In late 2002, a second wave of this research was conducted to follow up and to focus on the role of brand equity in the marketing of high-technology products and services and to profile current technology industry branding practices.
- ◆ Socratic Technologies and Nelson & Company conducted both waves of research to help increase the marketing community’s understanding of this important topic.
  - Specifically, we wished to confirm anecdotal and published observations that high-technology companies are rapidly adopting branding techniques aimed at establishing global brands. This study is the second wave of a study originally conducted in October 1997 and is designed to understand the current state of global branding and any changes since the initial, baseline study.

### Study Objectives

The specific objectives of this research are to:

- ◆ Determine where strategic branding decisions are made within high-technology firms;
- ◆ Measure the attitudes toward the use and support of branding and brand management systems within these companies;
- ◆ Ascertain what types of communication messages are most prevalent for these companies, and to what extent these messages are supported by internal senior management;
- ◆ Determine whether the geographic markets and industries served by high-technology companies influence branding strategies;
- ◆ Collect basic firmographic information and analyze the finding by these data; and
- ◆ Compare and contrast the results from 1997 to 2002.

## Methodology

### Sampling Methodology

- ◆ Overall the **sample proportions for both waves of this research had similar characteristics.**
- ◆ Recruitment was done from sites frequented by high-technology decision-makers and communities built from visitors to those sites. For example:
  - Tom's Hardware Guide English language site attracts millions of monthly visitors, 98% of whom are male and 90% of whom are between 18-54 years of age. Site visits during Quarter 4, 2002 (the time period within which the branding research was conducted), amounted to more than 40 million.
    - Two and one-half million of those visits were unique visits.
  - Sixty percent of visitors to the English language site represent North America, 25% represent Europe, 7% represent Asia, 6% represent the Oceanic region and the remaining 3% represent other areas.
  - More than half of site visitors work for companies who employ a staff of 200 or more, and 20% work in software or hardware development and/or manufacturing,
- ◆ All respondents were screened to ensure they personally participate in the marketing of and/ or business management of products and services in the high-technology industry.
  - Because the majority of the members of the desired target audience are Web users, the Socratic Web Survey<sup>SM</sup> online research technology was used in this study.
- ◆ Visitors to Tom's Hardware ([www.tomshardware.com](http://www.tomshardware.com)) were invited to participate in the survey via an interstitial pop-up. All potential respondents who clicked on the survey link within the pop-up were directed to a unique, unpublished survey URL.

## Methodology (continued)

### Sampling Methodology (continued)

- ◆ In total, **1089 qualified and completed the survey between October 24 and November 7, 2002**. Of the 14274 potential respondents (i.e., Tom's Hardware site visitors who clicked on the survey link within the pop-up), 2253 qualified – a **15.8% qualification rate**. Of the 2253 site visitors who qualified, 1089 completed the survey – a **48.3% completion rate**.
- ◆ The approximate length of these interviews was 15 minutes.
- ◆ A greater number of surveys were completed in Wave II compared to Wave I. Efforts were made to collect additional data in the second wave of research in order to conduct more extensive subgroup analysis both with the Wave II data and in the wave-to-wave trend analysis. While 20 countries were represented in the Wave I (1997) research, the Wave II sample is much more robust in terms of its worldwide breakdown, representing 74 countries. There has been a significant boost in participation across countries in the Asia-Pacific region (i.e., Asia and Australia/New Zealand).
- ◆ In addition, the sample had the following characteristics:

<b>Respondent Location</b>	<b>2002</b>	<b>1997</b>
North America	702	273
Europe	223	85
<b>NET: Asia-Pacific</b>	<b>133</b>	<b>N/A*</b>
Asia	82	14
Australia/New Zealand	51	N/A*
Other	31	N/A*

*\*Due to small sample size (n=14), the 1997 results are combined for Asia, Australia/New Zealand, and Other geographical regions/countries.*

<b>Types of Markets Served</b>	<b>2002</b>	<b>1997</b>
Business*	800	231
Consumer**	630	163
Government*	420	93
Educational*	382	109
Other	242	89

*\*In 1997, these market titles were followed by the word "Applications".*

*\*\*In 1997, the market title used was "Consumer High Tech".*

*Respondents serve more than one market.*

# Worldwide Branding Research

## Methodology (continued)

A screen shot of the survey pop-up appears below:

<b>Company Size</b>	<b>2002</b>	<b>1997</b>
<b>NET: 100 employees or less</b>	<b>563</b>	<b>142</b>
10 employees or less	291	60
11-100 employees	272	82
101-500 employees	145	66
<b>NET: 501 or more employees</b>	<b>381</b>	<b>164</b>
501-5000 employees	135	84
More than 5000 employees	246	80

<b>Number of Years in Business</b>	<b>2002</b>	<b>1997</b>
<b>NET: 3 years or less</b>	<b>212</b>	<b>65</b>
1 year or less	59	22
2-3 years	153	43
<b>NET: 4-10 years</b>	<b>301</b>	<b>74</b>
4-5 years	126	27
6-10 years	175	47
<b>NET: 11-20 years</b>	<b>213</b>	<b>86</b>
11-15 years	133	59
16-20 years	80	27
<b>More than 20 years</b>	<b>363</b>	<b>146</b>



## Worldwide Branding Research

### Methodology (continued)

<i>Company Headquarters</i>	<i>2002</i>	<i>1997</i>	<i>Company Headquarters</i>	<i>2002</i>	<i>1997</i>
United States	596	264	Korea	3	--
Canada	93	13	Philippines	3	--
United Kingdom	45	42	Puerto Rico	3	--
Australia	37	2	Spain	3	--
Sweden	26	2	American Samoa	2	--
Germany	19	7	Antigua and Barbuda	2	--
Netherlands	19	18	Bangladesh	2	--
Denmark	14	--	Bulgaria	2	--
New Zealand	14	1	Croatia (Hrvatska)	2	--
Taiwan	13	1	Pakistan	2	1
France	12	7	Paraguay	2	--
Norway	11	--	Slovenia	2	--
China (Hong Kong SAR)	10	--	Venezuela	2	--
Italy	9	--	Algeria	1	--
Belgium	8	--	Armenia	1	--
Finland	8	--	Belarus	1	--
Japan	8	2	Belize	1	--
Malaysia	8	1	Cayman Islands	1	--
Mexico	7	--	Chile	1	--
Brazil	6	--	Cyprus	1	--
China	6	3	Djibouti	1	--
Romania	6	--	Dominican Republic	1	--
South Africa	6	1	Egypt	1	--
Switzerland	6	1	Greece	1	--
Afghanistan	5	--	Hungary	1	--
Poland	5	--	Ireland	1	1
Estonia	4	--	Latvia	1	--
Indonesia	4	3	Lithuania	1	--
Portugal	4	--	Luxembourg	1	--
Singapore	4	--	Macedonia, Former		
Thailand	4	--	Yugoslav Republic	1	--
Albania	3	--	Malta	1	--
Argentina	3	--	Panama	1	1
Colombia	3	--	Russia	1	--
Iceland	3	--	Saudi Arabia	1	--
India	3	--	Trinidad and Tobago	1	--
Israel	3	1	Turkey	1	--
			United States Minor		
			Outlying Islands	1	--

## Methodology (continued)

### Questionnaire

- ◆ **Socratic Technologies developed the survey instrument in close conjunction with Nelson & Company. The survey instrument can be found in the appendix of this report.**
  - For purposes of trend analysis, the majority of survey questions remained the same to those in the baseline study. Any changes made in Wave II are denoted within this report.
- ◆ **Socratic programmed all questionnaires, screeners and other research materials for online survey administration.**

Example screen shots from the online survey appear below:

World Wide Study of Branding Practices: Focus on High Technology

Thank you for your participation in this study. This research is being conducted as a part of a worldwide assessment of the role of corporate, product and service brand equity in marketing strategies internationally branding practices within high technology firms.

The results of this survey will be published on Tom's Hardware Guide's Web site and presented at the Silicon Valley Branding Forum and other professional marketing conferences. The study will focus on branding practices and the role of brand equity in the marketing of high technology products and services. In addition, everyone who participates will be sent the Internet address where the full report can be downloaded without cost.

**All Information Will Remain Confidential**  
Your answers will be kept strictly confidential. Your name will not be given, sold, or traded to anyone, and no information about you will be released to anyone. Your answers will be combined with hundreds of other people's answers and only reported in total. We are simply interested in hearing your opinions.

**How to Complete the Survey**  
To record your responses, either type your answer in the space provided or select/click on the box (using your mouse) that corresponds to your answer choice. When the answer choices have a box next to them, you may "check" all that apply. When the answer choices have round buttons next to them, you will only be able to select one answer. Other questions require you to type a number or a text response into the space provided.

**Whom to Contact with Questions**  
If at any point you have questions about the survey, please contact the Project Director, Maria Flores, at Socratic. Maria's email address is [maria.flores@al.sotech.com](mailto:maria.flores@al.sotech.com). When responding, please refer to the project number 999-042.

We hope that you enjoy the survey!

World Wide Study of Branding Practices: Focus on High Technology

Traditionally, there are several ways in which a company can structure its communications messages:

**Brand Messages**, which emphasize the company's name, identity and the positioning of its brands.

**Feature Messages**, which emphasize the specific services.

**Technology Messages**, which emphasize the benefits products and services are based.

☑ **Within your company, which of the following tend to be most important to your potential customers?**

Please select only one.

Brand Messages  
 Feature Messages  
 Technology Messages  
 Some or All Used Equally  
 Other

World Wide Study of Branding Practices: Focus on High Technology

☑ Please indicate the degree to which you agree that the following statement describes brand management at your company...

Please select only one for each item.

	Strongly Agree	Somewhat Agree	Neither Agree nor Disagree	Somewhat Disagree	Strongly Disagree
Branding issues are not as important to my company as they might be in consumer-related markets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
In my company, brand issues are becoming more important	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
It is difficult to assess the impact of brand on financial performance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Brand management in my company involves many departments working together	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Our company spends a lot of money on brand identity	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
In my company, the marketing department takes care of all branding issues	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Decisions regarding branding issues are usually made very quickly	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
In my company, the communications department takes care of all branding issues	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Brand management is viewed as an essential practice of my company's overall strategy	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
There is a "brand culture" at my company through which knowledge of brand strategy permeates all levels of company	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Next

**Research Notes**

**Statistical Testing**

- ◆ The responses of select sub-segments have been examined in order to detect statistically significant differences with regard to key issues.
- ◆ Differences in responses on categorical items have been assessed using the Z-test for proportions. Differences in responses on the 5-point scale items have been assessed using the T-test for means.
- ◆ In order to display group differences in tables, each subgroup has been given a lower-case letter as a group identifier. Differences in the responses between groups are noted by the letter of the group from which they differ.
- ◆ All statistically relevant findings are presented in this report.

<b>Types of Markets Served</b> <i>(Sample Size)</i>	<b>2002</b> <i>(n=1089)</i>	<b>1997</b> <i>(n=372)</i>
	% <i>(a)</i>	% <i>(b)</i>
Business	73 b	62
Consumer	58 b	44
Government	39 b	25
Educational	35 b	29
Other	22	24

Number of Responses

Group Identifier

Indicates that this group is significantly different from group "b". (By default, indicators of group difference are placed next to the largest value).

## Executive Summary and Conclusions

### The Meaning of “Brand”

- ◆ **Brand is equated with "name/identity only" for one-third of respondents.**
- ◆ "Quality, reliability and performance" are also associated with the concept, but the broader definitions of brand, which encompasses the entire customer experience, is evident in only a minority of high tech companies.

### Brand Identity Strategy

- ◆ **Only 60% of the companies included in this research have a brand identity strategy in place. Significantly fewer Wave II respondents have a brand identity strategy in place, compared to Wave I.**
  - *Younger companies, which also tend to be smaller, are much less likely to have developed a long-term, integrated branding strategy. "Brand" as a core asset, is much less likely to have permeated the corporate culture of the younger firms.*
  - *As might be expected, the longer the company has been in business, the more likely the company is to have a long-term brand strategy in place.*

### Communications Messages

- ◆ **One-third of those surveyed use a combination of different messaging communications. "Feature messages only" are used by more than one-third of those surveyed.**
- ◆ **Exclusive use of "brand messaging" is more likely among companies that have been around for at least 21 years.**
  - *Larger, more established companies may be in a better position to apply investment spending toward brand-building.*
  - *Older, more established companies are also more likely to use a combination of messaging strategies.*
- ◆ **The use of "feature messaging only" as a means of communications has increased significantly since Wave I.**
  - *This may be due to perceptions that feature messaging is less risky – especially for smaller, younger companies who may be taking what they perceive to be a safer, more cautious approach to branding in the current economic environment.*

### Brand-Building

- ◆ **The majority of respondents report that branding decisions are made by company CEOs and Presidents.**
  - *This finding, once again, is more prevalent in the younger, smaller companies in which a "division of marketing labor" has not yet occurred.*

## Executive Summary and Conclusions (continued)

### Brand-Building (continued)

- ◆ Decision-making authority around company branding among CEOs and Presidents has increased significantly since Wave I.
  - All types of high-tech firms (old/young, large/small, etc.) seem to be exhibiting this trend. *Senior management is driving more brand decisions and activities than five years ago.*
  - This may also be a result of many marketing departments having been downsized or eliminated, creating a shift in responsibilities.
- ◆ While 69% report that branding strategies/expenditures are supported by **senior management, support has declined since Wave I.**
  - The economic slowdown may have impacted this downward shift. Available investment capital is likely being used toward short-term goals and survival during economic crisis. Branding efforts may be viewed as a luxury in hard times.
- ◆ While perceptions about branding's unimportance have declined since Wave I, mention of **lack of capital and resources as key reasons for senior management's lack of enthusiasm** has increased significantly since Wave I.
- ◆ **Two-thirds of respondents feel that senior management does not understand branding "completely".** This is more apparent with the younger companies.
- ◆ Senior managers in large companies and well-established companies are more likely to be perceived as knowledgeable about branding.
  - One-third of companies represented feel that they have global "reach". Barriers to becoming global are small company size and lack of capital.

### Brand Equity

- ◆ Despite the economic slowdown, half of all respondents feel that their firm's **brand is "much" or "somewhat stronger" than the competitions'**. Perceptions of this nature have **remained the same** since 1997 although **significantly more 2002 respondents rate their company's brand as "much stronger"** than those in Wave I (1997).
  - Brand confidence is more likely to be displayed by large companies, companies that have been in business for a long time and companies with a global reach.
  - The younger companies are less certain of their brand's competitive position. Their general attitudes towards branding activities suggest that "brand as a distinctive competency" is a lower priority for these organizations.

## Executive Summary and Conclusions (continued)

### Return on Investment

- ◆ **Sixty-two (62%) percent** of companies included in this research **do not measure the Return on Investment (ROI)** of branding activities.
- ◆ Those with a long-term brand strategy in place are more likely to use branding activities to measure ROI.
  - *Increase in sales* is the most commonly used metric for assessing brand activities ROI, especially among small companies to whom bottom-line performance is key.

### Brand Scope

- ◆ Companies with local brand reach are more likely to have branding decisions made by CEOs/Presidents.
- ◆ Although companies that have been in business for at least 11 years are still seeing senior management more involved, they more likely to allow senior marketing staff to make some strategic branding decisions. (These companies tend to be the ones that still have marketing personnel on staff.)
- ◆ There is **significantly less collaboration** among different departments with regard to branding efforts this wave, compared to last.
- ◆ There are significantly fewer firms who report that marketing departments are "solely responsible for making branding decisions".
  - *Lack of collaboration and marketing departments' lack of sole decision-making responsibility for branding activities may once again be attributable to cuts in staff.*
  - *But no matter what the explanation, the balance of decision-making power is shifting to the senior levels of the firm.*

### Brand Resources

- ◆ **Companies consult with outside sources** for advice about branding issues – ad agencies, PR firms and marketing communications agencies are most frequently consulted.
- ◆ Within the past 5 years, there has been **a significant increase in the use of management consulting firms** as resources for branding, likely due to the establishment of branding practices within those firms.

## Detailed Findings

### The Meaning of “Brand”

#### Definition of “Brand” as a Concept<sup>1</sup>

- ◆ When respondents were asked to explain the concept of “brand” in their own words, more than half (52%) of respondents primarily identified brand as a variation of name, identity, symbol, logo, and recognition or as “nothing.”
- ◆ Thirty-one percent mentioned “name/identity” and 23% indicated “level of quality/reliability/ performance”.
  - More respondents from North America and Australia/New Zealand (35% and 39%, respectively) defined “brand” as representing the “name/identity” of a product/company/ manufacturer – significantly more than those from Europe (22%) and Asia (21%).

<b>Meaning of "Brand"</b>	<b>2002</b>
<i>(Sample Size)</i>	<i>(n=1023)</i>
	%
Name/identity	31
Level of quality/reliability/performance	23
Well-known/established/popular	11
Image/reputation	10
Recognition/name/product recognition	10
Positive perception/high-end/superior quality	9
Symbol/logo/label	8
Nothing/very little/don't judge based on brand	3

*Only items with at least 3% mention are shown.*

#### Sample verbatim comments include:

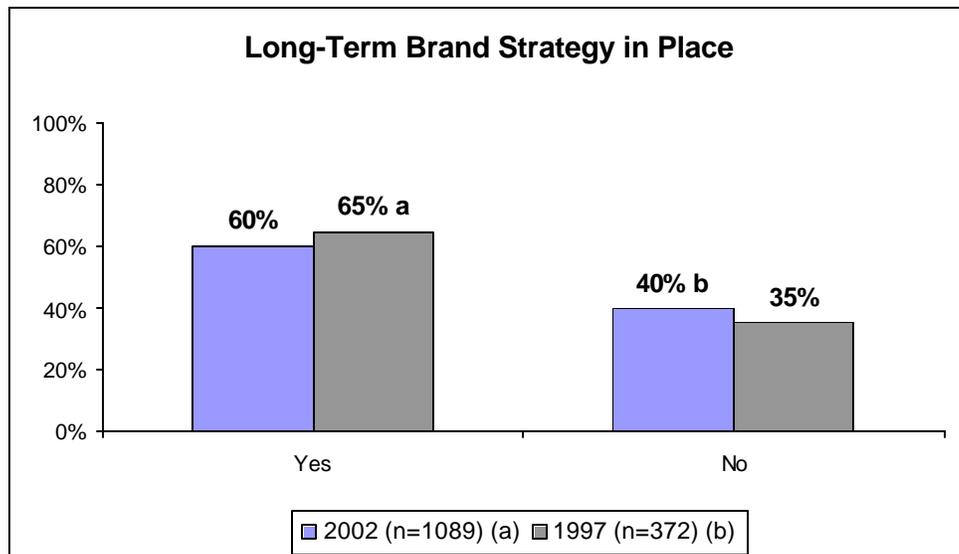
- “A «brand» is a marketing concept aimed at creating an easy identification of an object or service to be sold/marketed in order to attach a symbolic value to it and thus enhance its desirability to the buyers.”
- “A brand is a name of a vendor that should have a consistent level of quality in their products.”
- “A brand name is a universal symbol of the measure of quality, reliability, support and company practices.”
- “A manufacturer or vendor name attached to a product or service.”
- “A meaning attached to a name”
- “A name easily identified with a product or product line and said product(s) features, benefits, quality and reliability.”
- “A unique identifier that people relate to quality, value, and low risk.”
- “An easily identified symbol or representation (verbal, graphical, etc.) of a company and/or its products.”
- “Brand means an instant association with product type, function and quality”
- “Brand.... brand to me means a well known name or logo, one you can link with quality, reliability and performance”
- “Every thing is in a Name”
- “Easy identification of product type and quality”
- “A certain name, a backing of quality.”

<sup>1</sup> Q3 What does the concept of "brand" mean to you? [NEW QUESTION IN 2002]

## Brand Identity Strategy

### Long-Term Brand Identity Strategy<sup>2</sup>

- ◆ Only three in five respondents confirmed that their respective companies have a long-term brand identity strategy in place.
  - This number has **decreased significantly** since 1997 from 65% to 60%.
- ◆ Large companies and those that have been in business for at least 21 years are more likely to have an established brand strategy in place.



Long-Term Brand Strategy (Sample Size)	100 or Less Employees (n=563)	101-500 Employees (n=145)	501+ Employees (n=381)
	(a) %	(b) %	(c) %
Yes	43	66 a	84 ab
No	57 bc	34 c	16

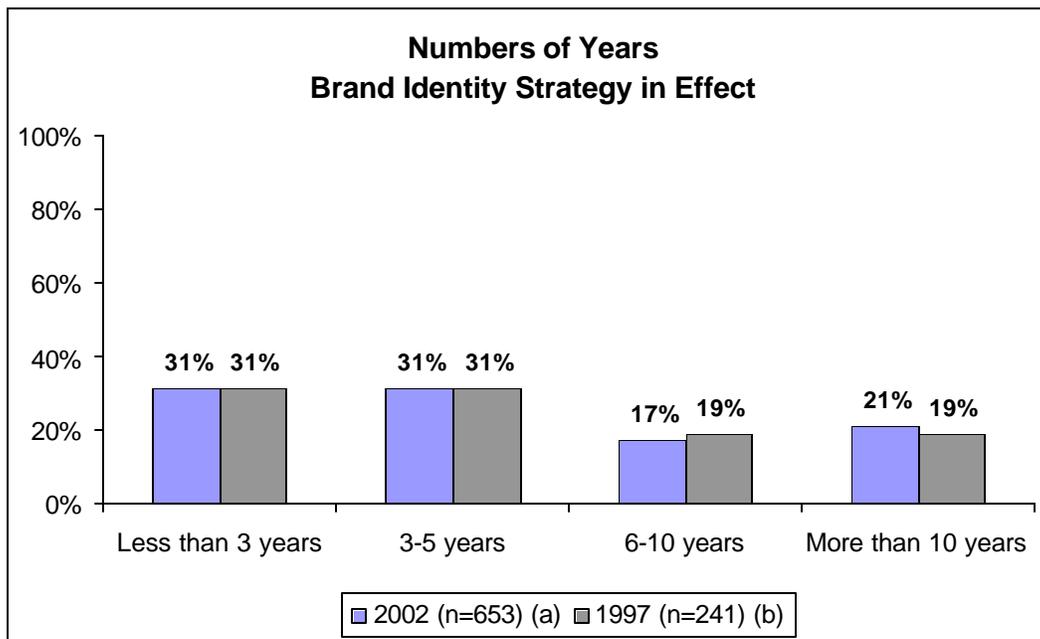
Long-Term Brand Strategy (Sample Size)	3 Yrs. or Less in Business (n=212)	4-10 Yrs. in Business (n=301)	11-20 Yrs. in Business (n=213)	21+ Yrs. in Business (n=363)
	(a) %	(b) %	(c) %	(d) %
Yes	39	52 a	62 ab	79 abc
No	61 bcd	48 cd	38 d	21

<sup>2</sup> Q5 Does your company have a long-term brand identity strategy in place?

## Brand Identity Strategy (continued)

### Number of Years Brand Identity Strategy in Effect<sup>3</sup>

- ◆ Companies participating in the 2002 research, who have a brand strategy in place, implemented it an average of 10.2 years ago. Year 1997 respondents indicated their brand strategies had been in place for an average of 6.4 years.
- ◆ Wave to wave comparisons demonstrate that just over one-third of companies have had strategies implemented for at least 6 years (38% in Wave II; 38% in Wave I).
- ◆ As may be expected, mid-sized (defined as 101-500 employees) to large companies (501+ employees) have typically had a brand strategy in place for a significantly longer period of time than small companies.
- ◆ Companies with a global brand are significantly more likely to have had their strategy in place longer than companies whose reach is less extensive.



2002 Mean = 10.2 years

1997 Mean = 6.4 years

Note: Tables are shown on the following page...

<sup>3</sup> Q6 How long ago was the strategy implemented?

**Brand Identity Strategy (continued)**

**Number of  
Years Brand  
Identity Strategy  
in Effect**

◆ Continued

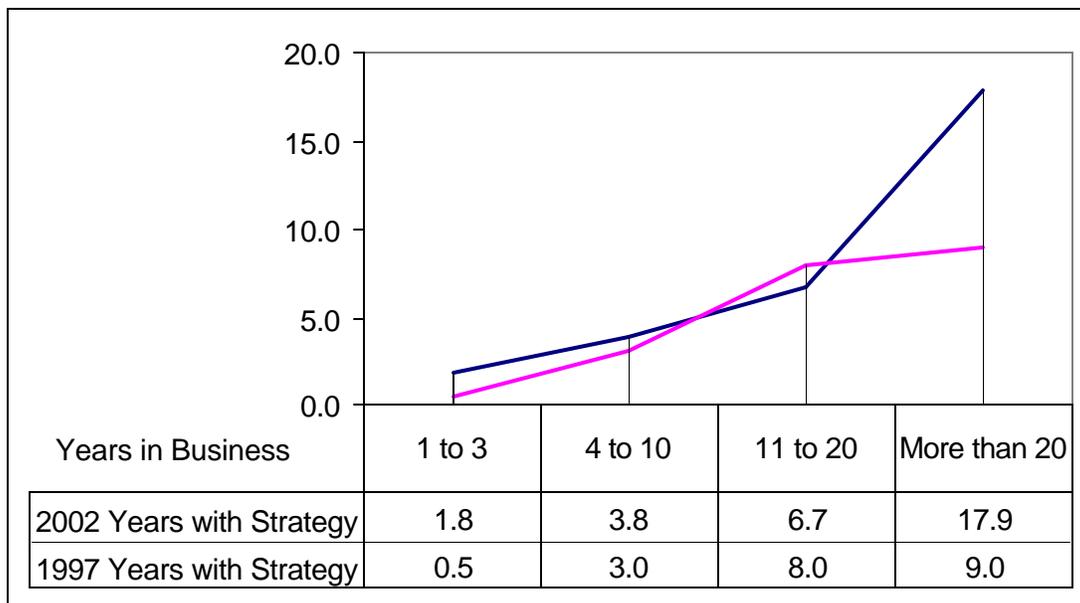
<b>Years Brand Strategy in Place</b> <i>(Sample Size)</i> <i>Base: Companies with Long-Term Brand Strategy in Place</i>	<b>100 or Less Employees</b> <i>(n=241)</i>	<b>101-500 Employees</b> <i>(n=95)</i>	<b>501+ Employees</b> <i>(n=317)</i>
	<i>(a)</i>	<i>(b)</i>	<i>(c)</i>
	<i>%</i>	<i>%</i>	<i>%</i>
3 years or less	59 ab	36	33
4-10 years	33	45 a	36
11-20 years	3	9	15 a
More than 20 years	5	9	16 a

<b>Years Brand Strategy in Place</b> <i>(Sample Size)</i> <i>Base: Companies with Long-Term Brand Strategy in Place</i>	<b>3 Yrs. or Less in Business</b> <i>(n=82)</i>	<b>4-10 Yrs. in Business</b> <i>(n=156)</i>	<b>11-20 Yrs. in Business</b> <i>(n=133)</i>	<b>21+ Yrs. in Business</b> <i>(n=282)</i>
	<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(d)</i>
	<i>%</i>	<i>%</i>	<i>%</i>	<i>%</i>
3 years or less	100 bcd	49 cd	32	28
4-10 years	--	51 d	51 d	32
11-20 years	--	--	17	15
More than 20 years	--	--	--	25

## Brand Identity Strategy (continued)

### Years in Business versus Years of Strategy<sup>4</sup>

- ◆ Over the 5-year period that lapsed between waves of research, there has been a significant shift in companies' years in business versus the number of years for which their brand identity strategies have been in place.
- ◆ While significantly fewer Wave II respondents indicate their company has a long-term brand strategy in place, compared to Wave I, there has been a dramatic increase in the amount of time these strategies have been in effect for those firms that do.
- ◆ Shifts over time are greatest for companies new to the marketplace (1-3 years in business) and those that are very well established (more than 20 years of service).
  - 1997 results demonstrate that even companies that have been in business for more than 20 years have only had their brand strategies implemented for an average of 9 years. In contrast, companies of the same age in Wave II claim to have had their brand strategies in place for an average of 18 years.



<sup>4</sup> Q5 Does your company have a long-term brand identity strategy in place?  
 Q6 How long ago was the strategy implemented?

## Dominant Communications Messages

### Communications Messages<sup>5</sup>

- ◆ Only one-third of companies use a *variety* of communications messages\* to promote themselves, a finding that is consistent with Wave I results.
- ◆ Use of **"feature messages only" as a means of communication messaging has increased significantly** since Wave I, and has taken the lead as the most frequently used form of messaging. This shift may be due, in part, to perceptions that feature messaging is less risky than brand messaging or other types of communication messaging.
  - A significantly greater number of organizations with a local brand reach emphasize feature messages in their communications with customers/potential customers, when compared to those with a wider reach.
  - Companies that have been in business 3 years or less are significantly more likely to employ the use of feature messaging than more established companies.
  - Businesses with a company history of at least 11 years and those with long-term brand strategies in place are more likely to report using a combination of communications messages.
  - Companies that have been in business for at least 21 years are more likely than those newer to the marketplace to rely solely on the use of brand messages.
  - Companies employing 100 employees or less are more likely than larger companies to rely solely on the use of feature messages.
    - Companies with more than 500 employees are more likely than smaller ones to use brand messaging as their primary means of communications messaging.

**\*Brand messages**—  
*emphasize company name, image, and positioning;*

**Feature messages**—  
*emphasize specific capabilities, functions, and benefits of company's products and services;*

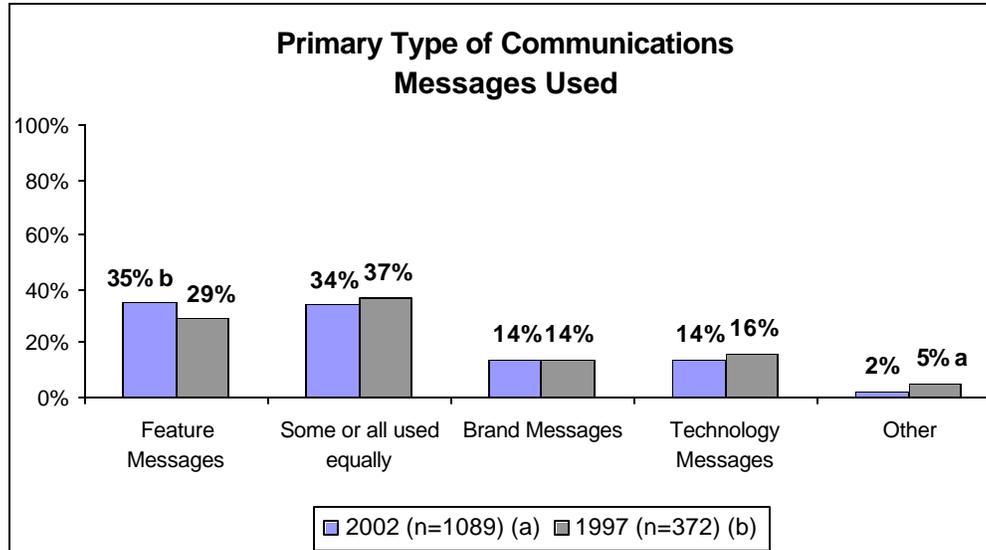
**Technology messages**—  
*emphasize the benefits of the larger technological platform on which company's products or services are based.*

*Note: Charts and tables are shown on the following page...*

<sup>5</sup> Q4 Within your company, which of the following tends to dominate your communications messages to customers and/or potential customers?

**Dominant Communications Messages (continued)**

**Communications Messages** ♦ Continued



Primary Communication Types (Sample Size)	100 or Less Employees (n=563)	101-500 Employees (n=145)	501+ Employees (n=381)
	(a) %	(b) %	(c) %
Feature Messages	43 bc	32	25
Some or all used equally	30	36	39 a
Brand Messages	10	14	21 ab
Technology Messages	14	17	13
Other	2	2	2

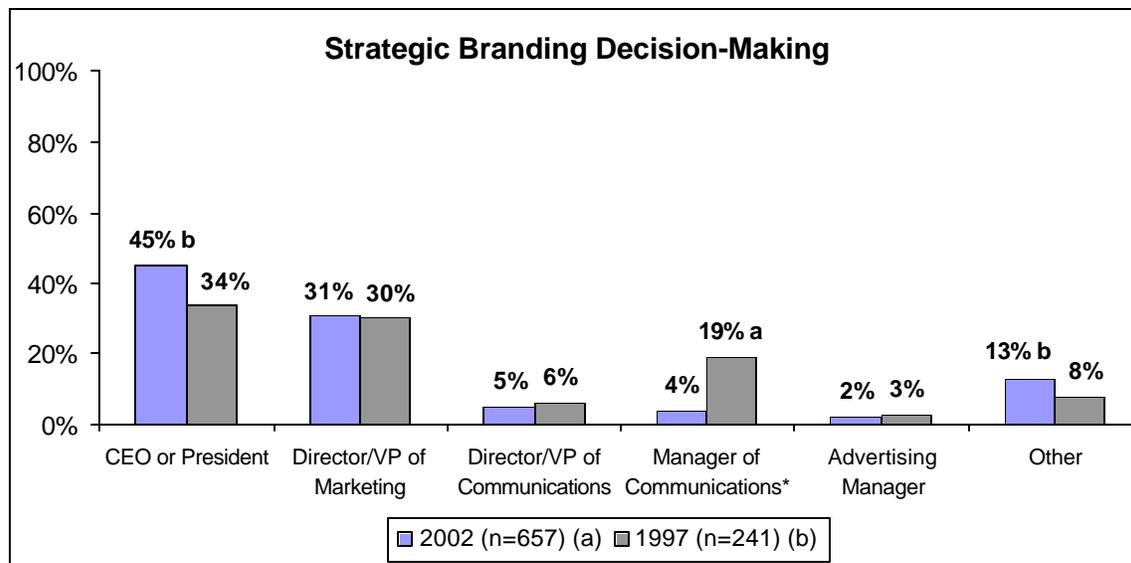
Primary Communication Types (Sample Size)	3 Yrs. or Less in Business (n=212)	4-10 Yrs. in Business (n=301)	11-20 Yrs. in Business (n=213)	21+ Yrs. in Business (n=363)
	(a) %	(b) %	(c) %	(d) %
Feature Messages	50 bcd	36	32	29
Some or all used equally	25	32	38 a	39 a
Brand Messages	11	12	13	19 abc
Technology Messages	11	18 ad	17 d	10
Other	3	2	*	3 c

\*Indicates less than .05% mentions

## Brand-Building

### Strategic Branding Decisions<sup>6</sup>

- ◆ Those in the highest positions of power, namely company **CEOs and Presidents, now control more companies' branding decisions.**
  - Decision-making authority around company branding among CEOs and Presidents has increased significantly since Wave I. This shift is likely attributable to recession and lay offs and subsequent shifts in responsibility. Marketing departments may have been eliminated altogether, forcing the decision making upon company CEOs and Presidents.
  - Companies employing 100 or less, who may or may not have an employee/group of employees dedicated exclusively to marketing, are more likely than larger companies to rely on CEOs and company Presidents to make strategic branding decisions.
- ◆ Companies with local brand reach are more likely than those with more extensive brand reach to have their branding strategies decided at the CEO level, while **companies with broader reach are more likely to entrust such decisions to Directors/Vice Presidents of Marketing.**
- ◆ Directors and Vice Presidents of Marketing are the primary source of strategic branding decision-making in only 31% of firms polled.



\*In 1997, this attribute was labeled, "Marketing Communications Manager or Director"

Note: Tables are shown on the following page...

<sup>6</sup> Q7 At what level in your organization do strategic branding decisions take place?

## Worldwide Branding Research

### Brand-Building (continued)

#### Strategic Branding Decisions

◆ Continued

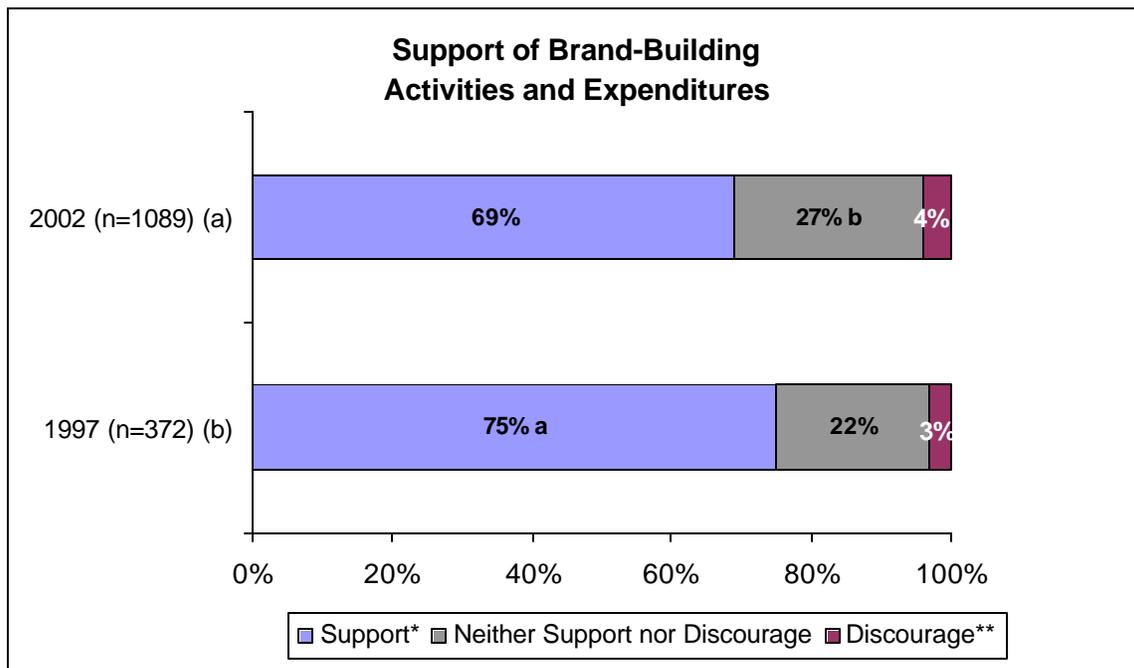
<b>Strategic Branding Decision Making</b> (Sample Size) <i>Base: Companies with Long-Term Brand Strategy in Place</i>	<b>100 or Less Employees</b> (n=241)	<b>101-501 Employees</b> (n=96)	<b>501+ Employees</b> (n=320)
	(a) %	(b) %	(c) %
CEO or President	59 ab	36	38
Director/VP of Marketing	20	31 a	40 a
Director/VP of Communications	3	8 a	5
Manager of Communications	2	5	4
Advertising Manager	2	3	2
Other	15	16	12

<b>Strategic Branding Decision Making</b> (Sample Size) <i>Base: Companies with Long-Term Brand Strategy in Place</i>	<b>3 Yrs. or Less in Business</b> (n=82)	<b>4-10 Yrs. in Business</b> (n=156)	<b>11-20 Yrs. in Business</b> (n=133)	<b>21+ Yrs. in Business</b> (n=286)
	(a) %	(b) %	(c) %	(d) %
CEO or President	51 d	60 cd	42	37
Director/VP of Marketing	22	21	37 ab	37 ab
Director/VP of Communications	2	4	6	5
Manager of Communications	4	3	2	5
Advertising Manager	4	3	2	1
Other	17	10	11	15

## Brand-Building (continued)

### Support for Brand-Building Decisions<sup>7</sup>

- ◆ While senior management has the upper hand with regards to branding decisions, **only two-thirds of senior managers support brand-building activities and expenditures.**
- ◆ Top Two Box support (“strongly” or “moderately” support) of such activities and expenditures has **dropped significantly (from 75% to 69%) since Wave I.**
- ◆ **More than one-quarter** of Wave II respondents (significantly greater than Wave I) **are ambivalent** to brand-building activities and expenditures.
- ◆ Senior managers in **large companies** (those with 501+ employees) are significantly more likely to support brand-building activities, while those with 100 employees or less are more likely to have senior management that is indifferent to brand-building.
- ◆ **Company longevity** also plays a key role with regards to the support of such activities, as the senior management of those companies that have been in business for **21+ years are significantly more likely to be perceived as supportive** of brand activities than are those in similar positions at less established companies.



\*Support = strongly support + moderately support brand activities

\*\*Discourage = moderately discourage + strongly discourage brand activities

Note: Tables are shown on the following page...

<sup>7</sup> Q8 When considering just the brand-related messages, to what degree does your company's senior management support brand-building activities and expenditures?

**Brand-Building (continued)**

**Support for Brand-Building Decisions**

◆ Continued

<b>Support of Brand-Building Activities and Expenditures</b> <i>(Sample Size)</i>	<b>100 or Less Employees</b> <i>(n=563)</i> <i>(a)</i> %	<b>101-501 Employees</b> <i>(n=145)</i> <i>(b)</i> %	<b>501+ Employees</b> <i>(n=381)</i> <i>(c)</i> %
<b>Top Two Box</b>	<b>61</b>	<b>70 a</b>	<b>79 a</b>
Strongly Support	22	31 a	42 ab
Moderately Support	39	39	37
Neither Support nor Discourage	34 bc	26	19
Moderately Discourage	3	1	2
Strongly Discourage	2	3	1
<b>Bottom Two Box</b>	<b>5</b>	<b>4</b>	<b>3</b>
<i>Mean</i>	<i>3.77</i>	<i>3.94 a</i>	<i>4.17 ab</i>

<b>Support of Brand-Building Activities and Expenditures</b> <i>(Sample Size)</i>	<b>3 Yrs. or Less in Business</b> <i>(n=212)</i> <i>(a)</i> %	<b>4-10 Yrs. in Business</b> <i>(n=301)</i> <i>(b)</i> %	<b>11-20 Yrs. in Business</b> <i>(n=213)</i> <i>(c)</i> %	<b>21+ Yrs. In Business</b> <i>(n=363)</i> <i>(d)</i> %
<b>Top Two Box</b>	<b>63</b>	<b>66</b>	<b>65</b>	<b>76 abc</b>
Strongly Support	26	24	28	39 abc
Moderately Support	36	43	37	37
Neither Support nor Discourage	35 d	27 d	33 d	20
Moderately Discourage	2	4	2	2
Strongly Discourage	*	2	*	2
<b>Bottom Two Box</b>	<b>2</b>	<b>6 ac</b>	<b>2</b>	<b>4</b>
<i>Mean</i>	<i>3.86</i>	<i>3.82</i>	<i>3.9</i>	<i>4.09 abc</i>

\*Indicates less than .05% mentions

## Brand-Building (continued)

### Key Reasons for not Supporting Brand-Building Activities and Expenditures<sup>8</sup>

- ◆ As in Wave I, the **most common reason** for which senior management lacks enthusiasm about brand-related activities is their **tendency not to see the value of branding** and/or their **focus on other things** (24% Wave I; 22% Wave II).
  - There has been a significant decrease in the proportion of respondents who believe there is no need for branding, but a **significant increase in respondents who believe features/quality/technology are more important than "brand" per se** and that a lack of money, time, and resources are impacting the amount of support being applied to brand-building activities/expenditures.
- ◆ In addition, **lack of knowledge around branding/branding concepts** may contribute its importance being undervalued.
- ◆ While perceptions that branding is not necessary have decreased since Wave I, concerns about lack of capital and resources have grown, creating a dichotomy.
  - In tough economic times, brand may be viewed as a luxury.

<i>Reasons for Lack of Enthusiasm about Brand-Related Activities</i> (Sample Size)	2002 (n=321) % (a)	1997 (n=87) % (b)
Company focus is elsewhere/value of branding is not perceived as important/ <i>helpful/effective</i>	22	24
Features/ <i>quality/technology</i> is more is more important/brand niche is too limiting	21 b	8
Not enough money/ <i>time/lack of resources</i>	17 b	8
Perceive there is no need for branding/not relevant/ <i>already have an established name/customer base</i>	8	17 a
Company too small/ <i>new company</i>	7	6
Management lacks understanding/ <i>knowledge/doesn't care</i>	6	10
Perceive customers want better pricing/ <i>value</i> than brand recognition/customers don't buy on brand	4	10
Government agency doesn't allow/government related issues	1	5
<i>Market/technology changes too rapidly</i>	2	--
Other	10 b	3
Don't know	4	--
Nothing/no comment	3	--

*Italics signify changes/enhancements made to the coded data since 1997.*

*Note: Sample verbatim comments are shown on the following page...*

<sup>8</sup> Q9 What would you say are the key reasons that senior management isn't more enthusiastic about brand-related activities?

## Brand-Building (continued)

### Key Reasons for not Supporting Brand-Building Activities and Expenditures ♦ Continued

#### Sample verbatim comments include:

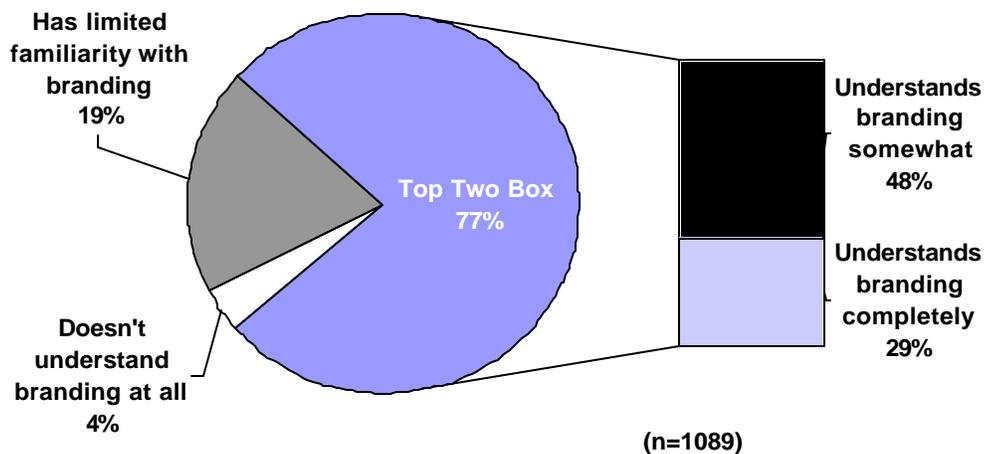
- *"Because they try to get features consumers ask for rather than brand"*
- *"Brand isn't everything. In today's economy it takes more than brand to suit the consumers needs."*
- *"Focusing on a "Brand" and trying to sell your product based on your "Brand" can either make a company or break it, by removing the customer's focus from your product and placing it on a "Brand" you are more vulnerable to feelings and impressions of your company rather than the quality of your product alone."*
- *"Just because there is a BRAND does not ALWAYS mean that that brand is the best. The point should be to get the correct and best piece not get the BRAND piece."*
- *"Time is spent on more important things at the moment."*
- *"Because feature related activities pay off much more in our business (providing services, reverse logistics and repair etc.) Our customers are with us because they know we perform well"*
- *"Product capabilities are more important, and can be the deciding factor for the brand name."*

## Brand-Building (continued)

### Senior Management's Understanding of Branding Techniques and Activities<sup>9</sup>

- ◆ **No significant changes in the perception regarding senior management's understanding of branding techniques/ activities surrounding brand have occurred since Wave I; data from both years are similar.**
- ◆ **An astonishingly small proportion (29%) of respondents feel that senior management understands branding completely.**
  - While the bulk of respondents feel that their companies' senior management understands branding somewhat, **nearly one-fourth believe that senior managers have limited or no understanding of branding.**
- ◆ **Respondents working in large companies, as well as those working for older companies (at least 21 years in business) are more likely than others to indicate that the senior management team completely understands branding.**
- ◆ **Senior managers at firms with a global reach, too, are more likely to be perceived as having a complete understanding of branding than are those without a global reach.**

Level of Understanding Branding Techniques and Activities

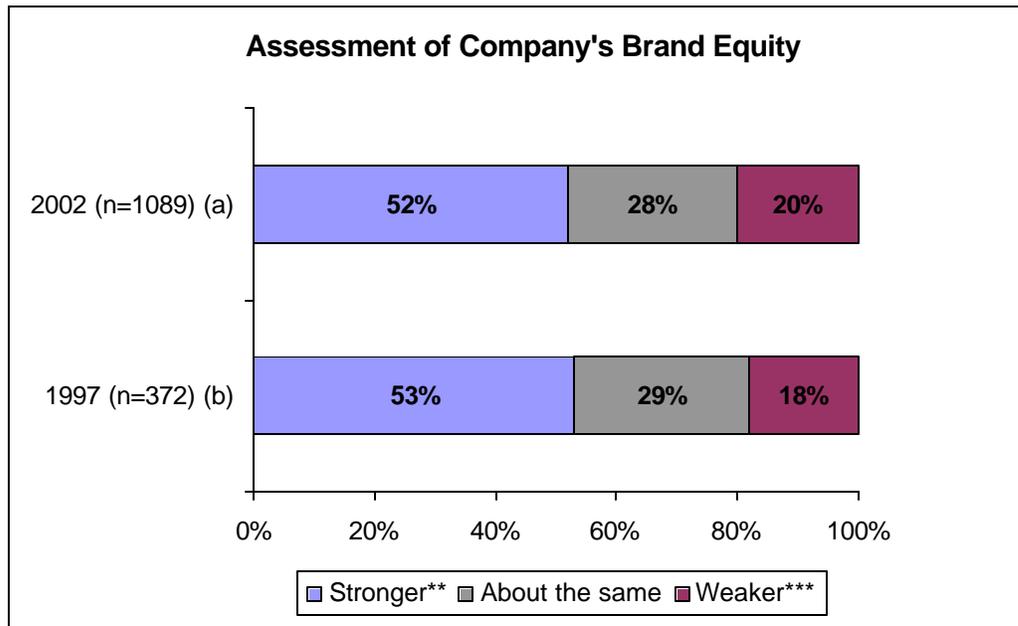


<sup>9</sup> Q14 When considering brand-related issues versus technological issues, to what degree would you say your senior management team understands branding techniques and the activities surrounding the support of the company's brand(s)?

## Brand Equity

### Perceived Brand Equity<sup>10</sup>

- ◆ Top Two Box results remain the same across waves with half of respondents believing their company's brand equity\* is "much" or "somewhat" stronger than the competition (52% in Wave II; 53% in Wave I).
  - Research participants in Wave II are more likely than Wave I respondents to perceive their company brand as "much stronger" than the competition (21% vs. 16%).
- ◆ As expected, companies with a global reach are more likely than those with narrower reach to believe their brand equity is stronger than the competition.
- ◆ As would be expected, large companies and those that have been in the marketplace for a long time are more likely than others to feel their brand is stronger than their competition.



**\*Brand equity**—  
the degree to which your brand is recognized and well thought-of versus other competitive brands in the market.

\*\*Stronger = much stronger + somewhat stronger than the competition

\*\*\*Weaker = somewhat weaker + much weaker than the competition

Note: Tables are shown on the following page...

<sup>10</sup> Q10 How would you assess the level of "brand equity" your company enjoys? (Brand equity is the degree to which your brand is recognized and well thought-of versus other competitive brands in the market.) Is your brand equity...

## Worldwide Branding Research

### Brand Equity (continued)

#### Perceived Brand Equity ♦ Continued

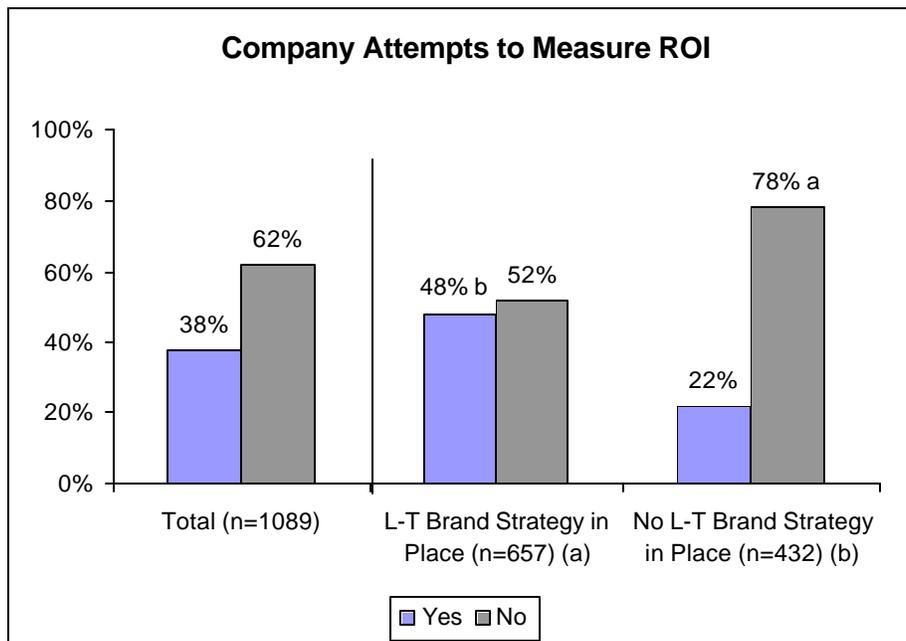
<i>Assessment of Company's Brand Equity</i> <i>(Sample Size)</i>	<b>100 or Less</b> <b>Employees</b> <i>(n=563)</i> <i>(a)</i> %	<b>101-501</b> <b>Employees</b> <i>(n=145)</i> <i>(b)</i> %	<b>501+</b> <b>Employees</b> <i>(n=381)</i> <i>(c)</i> %
<b>Top Two Box</b>	<b>41</b>	<b>50</b>	<b>68 ab</b>
Much stronger than the competition	13	17	34 ab
Somewhat stronger than the competition	28	34	34
About the same as the competition	32 c	29	21
Somewhat weaker than the competition	17 c	15 c	8
Much weaker than the competition	10 c	6	4
<b>Bottom Two Box</b>	<b>26 c</b>	<b>21 c</b>	<b>12</b>
<i>Mean</i>	<i>3.19</i>	<i>3.41 a</i>	<i>3.86 ab</i>

<i>Assessment of Company's Brand Equity</i> <i>(Sample Size)</i>	<b>3 Yrs. or Less</b> <b>in Business</b> <i>(n=212)</i> <i>(a)</i> %	<b>4-10 Yrs. in</b> <b>Business</b> <i>(n=301)</i> <i>(b)</i> %	<b>11-20 Yrs. in</b> <b>Business</b> <i>(n=213)</i> <i>(c)</i> %	<b>21+ Yrs. in</b> <b>Business</b> <i>(n=363)</i> <i>(d)</i> %
<b>Top Two Box</b>	<b>31</b>	<b>45 a</b>	<b>54 ab</b>	<b>69 abc</b>
Much stronger than the competition	12	15	20 a	33 abc
Somewhat stronger than the competition	19	30 a	34 a	36 a
About the same as the competition	33 d	32 d	28	21
Somewhat weaker than the competition	21 d	17 d	15 d	5
Much weaker than the competition	16 bcd	7	4	4
<b>Bottom Two Box</b>	<b>36 bcd</b>	<b>24 d</b>	<b>19 d</b>	<b>9</b>
<i>Mean</i>	<i>2.91</i>	<i>3.29 a</i>	<i>3.50 ab</i>	<i>3.88 abc</i>

## Return on Investment

### ROI and Branding Activities<sup>11</sup>

- ◆ Sixty-two (62%) percent of companies included in this research do not attempt to measure branding activities return on investment (ROI).
- ◆ **Less than half of those who have a long-term brand strategy already in place use “monies spent on branding activities” in order to measure ROI.**
- ◆ Large companies and companies that have been in business for a long time are more likely to use some measure ROI from monies spent on branding activities.

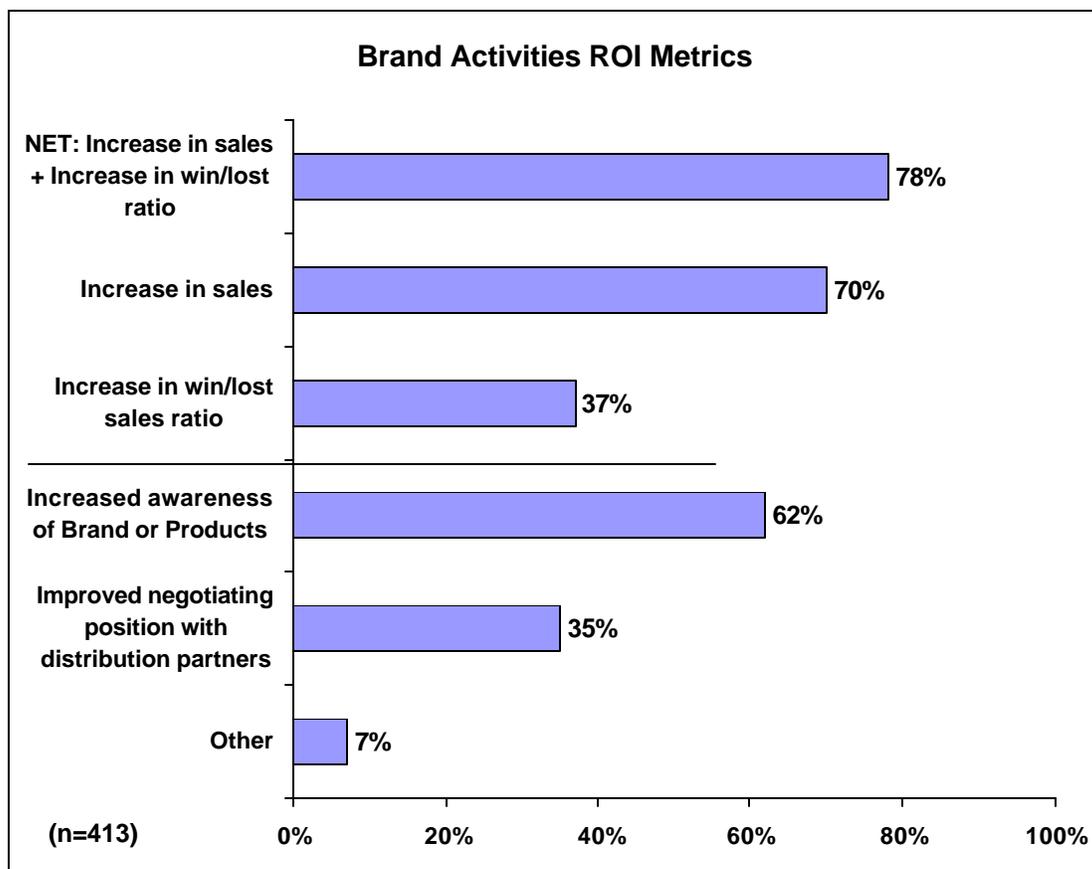


<sup>11</sup> Q12 Does your company attempt to measure the ROI from monies spent on branding activities? [NEW QUESTION IN 2002]

## Return on Investment (continued)

### Company's Measurement of ROI<sup>12</sup>

- ◆ The majority of those who do measure the ROI from branding activities use **“increased sales”** and/or **“increased product/brand awareness”** as a gauge.
- ◆ **Small companies**, whose bottom-line survival is a main focus, are more likely to measure ROI based on an **“increase in sales,”** than are larger companies.
- ◆ **“Increase in win/lost ratio”** is more likely to be used as a measurement of ROI by **larger companies** and among companies with an already implemented long-term brand strategy.
  - Companies that have been in business for 11 years or more are more likely than younger companies to use increase win/lost sales ratio as a brand activity ROI metric.



Note: Tables are shown on following page...

<sup>12</sup> Q13 What metrics for brand activities ROI do you use? [NEW QUESTION IN 2002]

**Return on Investment (continued)**

**Company's Measurement of ROI** ♦ Continued

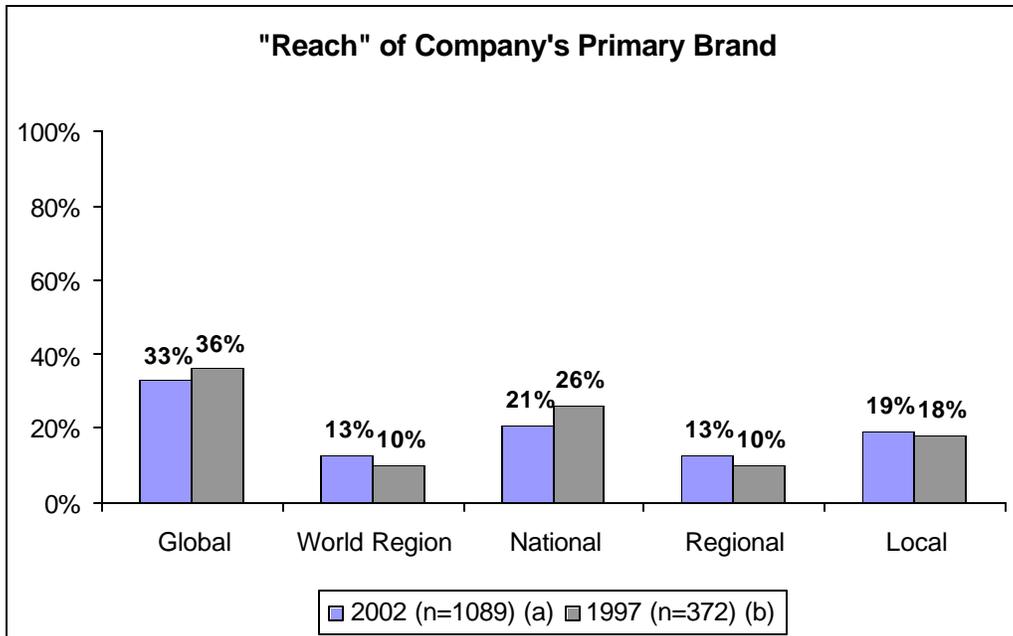
<b>Brand Activities ROI Metrics</b> <i>(Sample Size)</i> <i>Base: Companies Measuring ROI</i>	<b>100 or Less Employees</b> <i>(n=150)</i> <i>(a)</i> %	<b>101-500 Employees</b> <i>(n=50)</i> <i>(b)</i> %	<b>501+ Employees</b> <i>(n=213)</i> <i>(c)</i> %
<b>NET: Increase in sales + Increase in win/lost ratio</b>	<b>83 b</b>	<b>64</b>	<b>78</b>
Increase in sales	78 bc	60	68
Increase in win/lost sales ratio	29	26	46 ab
Increased awareness of Brand or Products	49	66 a	69 a
Improved negotiating position with distribution partners	30	38	38
Other	5	8	8

<b>Brand Activities ROI Metrics</b> <i>(Sample Size)</i> <i>Base: Companies Measuring ROI</i>	<b>3 Yrs. or Less in Business</b> <i>(n=67)</i> <i>(a)</i> %	<b>4-10 Yrs. in Business</b> <i>(n=90)</i> <i>(b)</i> %	<b>11-20 Yrs. in Business</b> <i>(n=81)</i> <i>(c)</i> %	<b>21+ Yrs. in Business</b> <i>(n=175)</i> <i>(d)</i> %
<b>NET: Increase in sales + Increase in win/lost ratio</b>	<b>79</b>	<b>74</b>	<b>84</b>	<b>77</b>
Increase in sales	78 d	71	80 d	63
Increase in win/lost sales ratio	24	24	41 ab	47 ab
Increased awareness of Brand or Products	60	56	69	62
Improved negotiating position with distribution partners	24	31	38	39 a
Other	4	6	5	9

## Brand Scope

### “Reach” of Company’s Primary Brand<sup>13</sup>

- ◆ One-third of respondents believe their primary brand reach is global in scope.
  - Those who have a long-term strategy in place, work for a large company, and who work for a company that has been in business for more than two decades are more likely to believe their reach extends globally.



**Global Brand**—worldwide recognition of brand  
**World Region Brand**—brand is recognized in North America, Asia, etc.  
**National Brand**—recognition within a country  
**Regional Brand**—recognition within a region within a country  
**Local Brand**—local recognition only

Note: Tables are shown on following page...

<sup>13</sup> Q15 Which of the following statements best describes the "reach" of your company's key brand?

## Worldwide Branding Research

### Brand Scope (continued)

#### “Reach” of Company’s Primary Brand ◆ Continued

<i>“Reach” of Company’s Key Brand</i> <i>(Sample Size)</i>	<b>100 or Less Employees</b> <i>(n=563)</i> <i>(a)</i> %	<b>101-500 Employees</b> <i>(n=145)</i> <i>(b)</i> %	<b>501+ Employees</b> <i>(n=381)</i> <i>(c)</i> %
Global	18	30 a	58 ab
World Region	11	15	15
National	19	31 ac	19
Regional	19 c	17 c	4
Local	33 bc	7	4

<i>“Reach” of Company’s Key Brand</i> <i>(Sample Size)</i>	<b>3 Yrs. or Less in Business</b> <i>(n=212)</i> <i>(a)</i> %	<b>4-10 Yrs. in Business</b> <i>(n=301)</i> <i>(b)</i> %	<b>11-20 Yrs. in Business</b> <i>(n=213)</i> <i>(c)</i> %	<b>21+ Yrs. in Business</b> <i>(n=363)</i> <i>(d)</i> %
Global	13	22 a	37 ab	53 abc
World Region	12	11	15	13
National	20	25 d	21	18
Regional	18 d	17 d	14 d	8
Local	36 bcd	26 cd	13	8

## Brand Scope (continued)

### Barriers to Becoming a Global Brand<sup>14</sup>

- ◆ The most frequently mentioned **barrier to extending brand reach to a global level is company size and lack of capital.**
  - Mentions of these barriers have increased significantly since the baseline study (1997).
- ◆ **Company organizational structure and the existence of too many local market differences are also barriers mentioned by one-fifth of all respondents.**

<b>Barriers to Primary Brand Going Global</b>	<b>2002</b>	<b>1997</b>
<i>(Sample Size)</i>	<i>(n=725)</i>	<i>(n=234)</i>
<i>Base: Companies without Global Key Brand</i>	<i>%</i>	<i>%</i>
	<i>(a)</i>	<i>(b)</i>
Company not large enough/not enough money	61 b	38
Company organizational structure prohibits	20 b	13
Too many local market differences	19 b	13
International business too complicated	18 b	12
Internal management does not support expansion	13 b	8
Bad experience in the past	7 b	3
<b>NET: Other*</b>	13	14
Geographically restricted/bound by regional/local laws	3	--
No need/no interest/locally focused	2	--
Starting to/working towards becoming global	1	--
We are a new company	1	--
None	1	--
All other comments	5	--

\*The option to specify an "other" response was added to the 2002 survey.

#### Sample verbatim comments include:

- "Company is controlled by parent company"
- "Internal Disputes"
- "Cost"
- "We are small and local, not global"

<sup>14</sup> Q16 Which of the following reasons have acted as barriers to your company's key brand from becoming a "global" brand?

## Brand Scope (continued)

### Brand Management Attitudes<sup>15</sup>

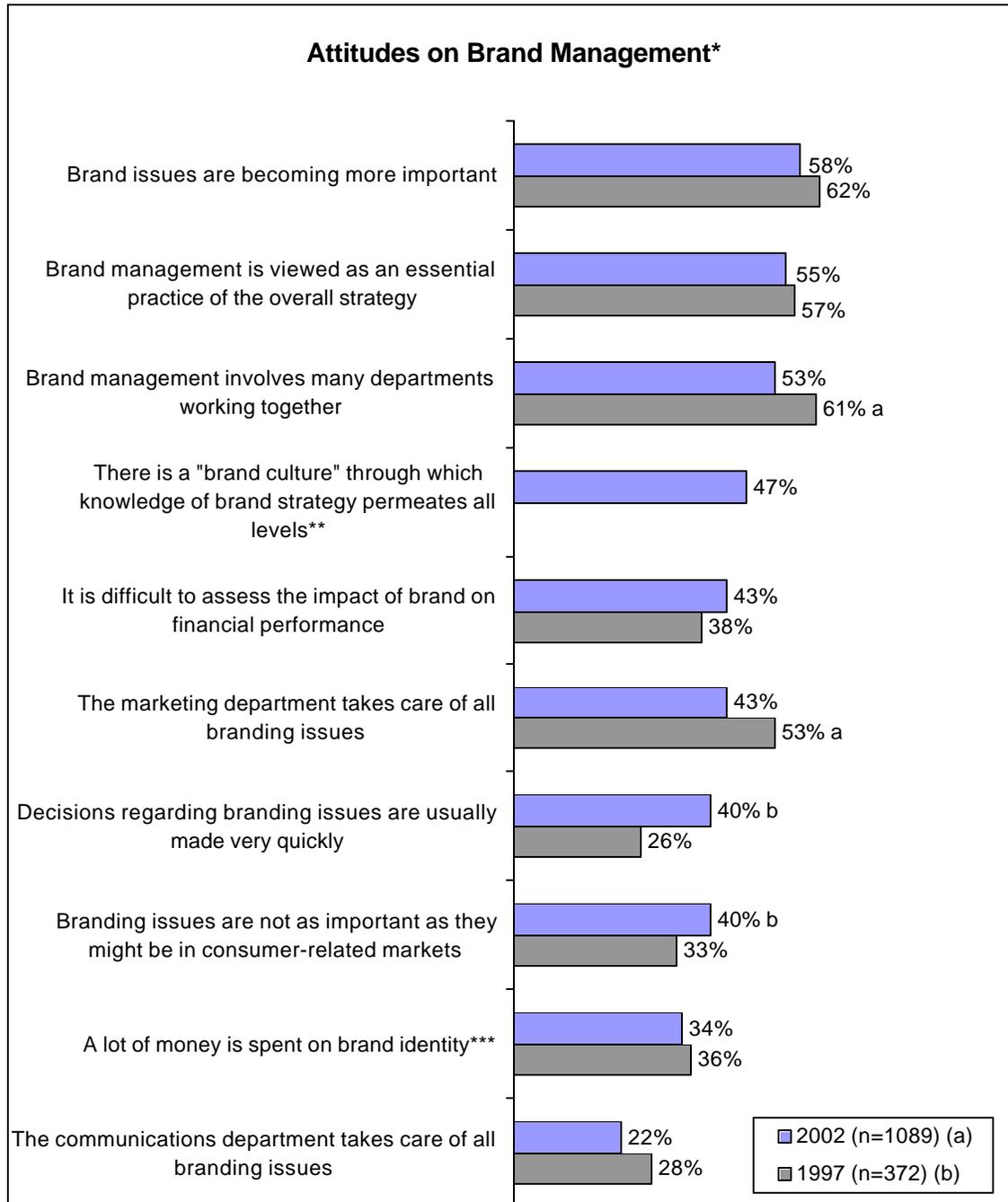
- ◆ **Only one-fifth of respondents “strongly agree” that brand issues are becoming more important.**
  - Unfortunately, results for Wave II are quite similar to Wave I, with no significant improvement with regards to this issue.
- ◆ **Collaboration efforts among different company departments working together on branding issues have decreased significantly since Wave I.**
- ◆ **Responsibilities regarding branding issues have shifted since Wave I, in that there has been a significant decline in the percentage of communications and marketing departments acting solely to make branding decisions.**
- ◆ **When compared to Wave I, a significantly greater proportion of Wave II respondents agree that branding issues are being decided upon quickly.**
- ◆ **Those with a long-term brand identity strategy in place are more likely to agree that...**
  - brand issues are becoming more important within their company;
  - brand management is viewed as an essential practice of company strategy and involves many departments working together;
  - there is a “brand culture” that permeates the company;
  - the marketing department takes care of branding issues; and
  - their company spends a lot of money on brand identity.
- ◆ **Representatives from companies that employ a large number of people and older companies (in business for at least 21 years) are significantly more likely to view brand management as an essential practice of company strategy and one that involves many departments working together.**

*Note: Chart is shown on the following page...*

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<sup>15</sup> Q11 Please indicate the degree to which you agree that the following statement describes brand management at your company...

## Brand Scope (continued)



\*Strongly agree + somewhat agree that the statement describes brand management at company

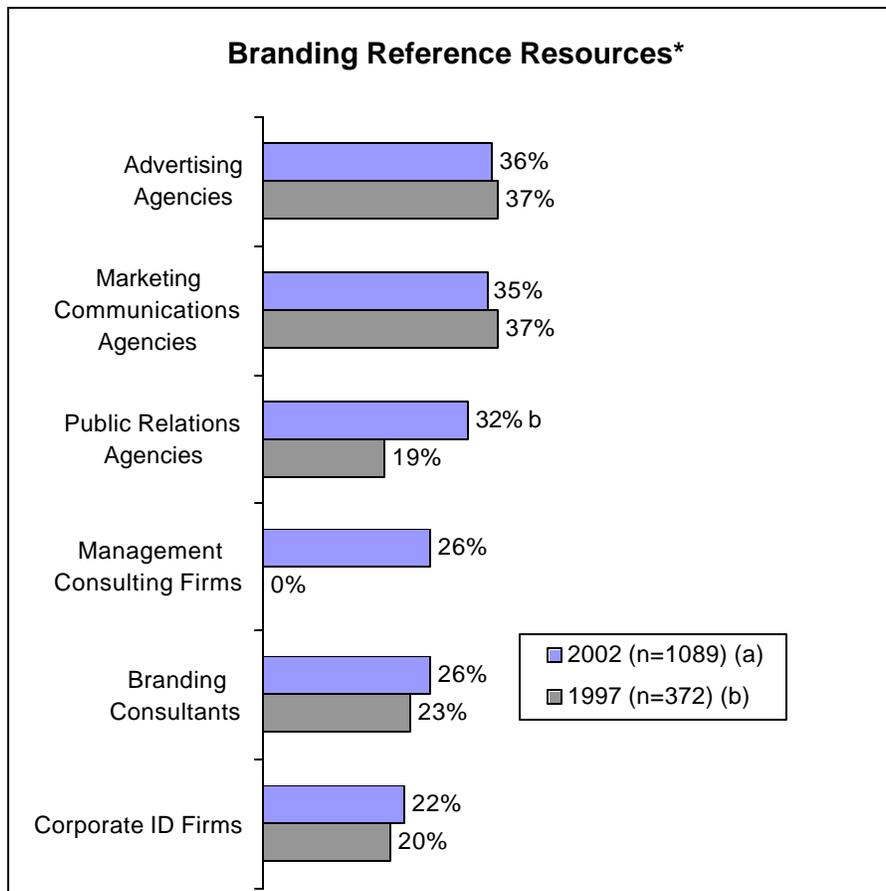
\*\*Attribute was added in Wave II (2002).

\*\*\*Slight attribute wording change across waves: "brand image" in 1997; "brand identity" in 2002.

## Brand Resources

### Importance of External Resource Consulting to Branding Issues<sup>16</sup>

- ◆ Advertising agencies, marketing communications agencies and public relations agencies are all valued by at least one-third of 2002 respondents.
  - Importance of public relations agencies as a resource on branding issues has increased significantly since Wave I. Public relations firms have prevailed in tough economic times.
  - Management consulting firms, too, who were not used as branding reference resources by Wave I respondents, have grown significantly to become a source for one-quarter of those surveyed in Wave II, likely due to the establishment of branding practices within select management consulting groups.



\*Important = extremely important + very important

<sup>16</sup> Q17 When considering sources of information and/or advice on branding issues, how important are the following reference resources?

## Firmographics

### Markets Served<sup>17</sup>

- ◆ The majority of companies participating in this research serve business applications and/or consumer markets.
- ◆ There has been a significant increase in the average number of markets served by each firm (1.8 markets per firm in 1997, 2.3 in 2003).

<b>Types of Markets Served</b> (Sample Size)	<b>2002</b> (n=1089) % (a)	<b>1997</b> (n=372) % (b)
Business*	73 b	62
Consumer**	58 b	44
Government*	39 b	25
Educational*	35 b	29
Other	22	24

\*In 1997, these market titles were followed by the word "Applications".

\*\*In 1997, the market title used was "Consumer High Tech".

Respondents serve more than one market.

<sup>17</sup> Q2 For what types of markets does your company produce technology products or services?

## Firmographics (continued)

### Industries Targeted<sup>18</sup>

- ◆ As may be expected, the most heavily populated "high technology" industry is the computer industry.
  - The proportion of respondent companies targeting this market has increased significantly since Wave I.

<b>Industries Targeted</b> (Sample Size)	<b>2002</b> (n=1089) % (a)	<b>1997</b> (n=372) % (b)
Computers/All Computer-related products/services	64 b	55
Telecommunications	35	33
Government	32	30
Business Services (Accounting, Bookkeeping, etc.)	30	27
Wholesale/Retail	28	27
Professional Services (Medical, Dental, Legal, etc.)	27	22
Manufacturing	26	25
Financial Services (Banking, Insurance, Real Estate, etc.)	26	23
Transportation	20	N/A*
Utilities	18	N/A*
Agriculture/Mining/Construction	16	16
Personal Services (Laundry, Hairdresser, Tailor)	11	9
Other	22	25

\*Transportation and utilities were combined in 1997. Combined percentage was 19%.

<sup>18</sup> Q19 To which of the following industries does your company target its products and/or services?

## Firmographics

### Other Business Offices/Facilities<sup>19</sup>

- ◆ Nearly three-quarters of respondents' companies have other office locations in North America.
  - Results from both waves remained fairly constant, with the exception of a significant decline in the number of companies with office location in Western Europe.

<b>Locations of Other Offices/Facilities</b>	<b>2002</b>	<b>1997</b>
<i>(Sample Size)</i>	<i>(n=1089)</i>	<i>(n=372)</i>
	%	%
	(a)	(b)
North America	74	78
Western Europe	40	51 a
Australia/New Zealand	24	25
Eastern Europe	24	23
Southeast Asia	22	23
Japan	21	26 a
South America	21	22
China	20	18
Central America	19	21
Taiwan	17	15
Middle East	16	18
India	16	13
Korea	14	15
Southern Africa	13	13
Caribbean	12	9
Northern Africa	11	11
Pacific Islands	10	10

<sup>19</sup> Q21 In which regions of the world does your business have offices or other facilities?

## Appendix: Questionnaire

[ALL DIRECTIONS IN CAPITAL LETTERS ARE PROGRAMMING AND LOGIC INSTRUCTIONS. THESE WILL NOT BE VISIBLE TO SURVEY RESPONDENTS]

[FORCE ALL QUESTIONS UNLESS OTHERWISE NOTED]

**SURVEY NAME TO APPEAR ON ALL SCREENS:** World Wide Study of Branding Practices:  
Focus on High-technology

**QUOTA (MONITORED AT Q22):**  
**NORTH AMERICA=250**  
**EUROPE=100**  
**ASIA=100**

### POP-UP TEXT

**POP-UP TEXT:**

You're invited to participate in a short survey on the topic of international branding of high-technology products and services.

The results of this survey will be published on Tom's Hardware Guide's Web site and presented at the Silicon Valley Branding Forum and other professional marketing conferences.

If you have a few minutes to spare, we'd really like to know what you think!

[BUTTON TEXT: "Yes. Take me to the survey"; **PROCEED TO SCREENING QUESTIONS**]

[BUTTON TEXT: "No. Close this window"; **CLOSE WINDOW**]

[SET COOKIE TO PREVENT MULTIPLE SUBMISSIONS]

-----SCREEN BREAK-----

### INTRODUCTION

Thank you for your participation in this study. This research is being conducted as a part of a worldwide assessment of the role of corporate, product and service brand equity in marketing strategies internationally branding practices within high-technology firms.

The results of this survey will be published on Tom's Hardware Guide's Web site and presented at the Silicon Valley Branding Forum and other professional marketing conferences. The study will focus on branding practices and the role of brand equity in the marketing of high-technology products and services. In addition, everyone who participates will be sent the Internet address where the full report can be downloaded without cost.

**All Information Will Remain Confidential**

Your answers will be kept strictly confidential. Your name will not be given, sold, or traded to anyone, and no information about you will be released to anyone. Your answers will be combined with hundreds of other people's answers and only reported in total. We are simply interested in hearing your opinions.

# Worldwide Branding Research

## How to Complete the Survey

To record your responses, either type your answer in the space provided or select/click on the box (using your mouse) that corresponds to your answer choice. When the answer choices have a box next to them, you may “check” all that apply. When the answer choices have round buttons next to them, you will only be able to select one answer. Other questions require you to type a number or a text response into the space provided.

## Whom to Contact with Questions

If at any point you have questions about the survey, please contact the Project Director, Maria Flores, at Socratic. Maria’s email address is [maria.flores@al.sotech.com](mailto:maria.flores@al.sotech.com). When responding, please refer to the project number 999-042.

We hope that you enjoy the survey!

Begin the survey and record your participation by entering your email address.

Email: [INSERT TEXT BOX]

**[SOCRATIC TO COOKIE RESPONDENTS ON FIRST PAGE OF SURVEY. PERFORM COOKIE CHECK TO DETERMINE IF RESPONDENTS HAS TAKEN SURVEY. IF COOKIE IS DETECTED, GO TO "TERM-COOKIE" SCREEN.]**

-----[Screen Break]-----



# Worldwide Branding Research

## QUESTIONNAIRE

Q1 First of all, do you personally participate in the marketing of and/or business management of products or services in the high-technology industry (including high-technology consumer products as well as business-to-business markets)?

*Please select only one.*

Yes .....1  
No .....2

**[IF Q1=2, THEN TERMINATE; ELSE CONTINUE]**

-----[Screen Break]-----

Q2 For what types of markets does your company produce technology products or services?

*Please select all that apply.*

- \_1 Consumer
- \_2 Business
- \_3 Government
- \_4 Educational
- \_5 Other

-----[Screen Break]-----

Q3 What does the concept of "brand" mean to you?

*Enter your response in the space below; please be as specific as possible.*

**[TEXT BOX]**

-----[Screen Break]-----

Traditionally, there are several ways in which a company can structure its communications messages:

**Brand Messages**, which emphasize the company's name, identity and the positioning of its brands.

**Feature Messages**, which emphasize the specific capabilities, functions and benefits of the company's products and services.

**Technology Messages**, which emphasize the benefits of the larger technological platform on which the company's products and services are based.

# Worldwide Branding Research

Q4 Within your company, which of the following tends to dominate your communications messages to customers and/or potential customers?

*Please select only one.*

- Brand Messages .....1
- Feature Messages .....2
- Technology Messages .....3
- Some or All Used Equally.....4
- Other .....99

-----[Screen Break]-----

Q5 Does your company have a long-term brand strategy in place?

- Yes .....1
- No .....2

**[IF Q5=2, THEN SKIP TO Q8; ELSE CONTINUE]**

-----[Screen Break]-----

Q6 How long ago was the brand strategy implemented?

*Please type in your answer to the nearest number of years.*

**[TEXT BOX; FORCE; ALLOW ONLY POSITIVE NUMBERS]years**

-----[Screen Break]-----

Q7 At what level in your organization do strategic branding decisions take place?

*Please select only one.*

- CEO or President .....1
- Director/Vice President of Marketing .....2
- Director/Vice President of Communications .....3
- Manager of Communications .....4
- Advertising Manager .....5
- Other .....99

-----[Screen Break]-----

# Worldwide Branding Research

Q8 When considering just the brand-related messages (e.g., company/product/service name, identity, positioning, etc.), to what degree does your company's senior management support brand-building activities and expenditures (versus concentrating on feature or technology issues)?

*Please select only one.*

- Strongly support brand activities .....5
- Moderately support brand activities .....4
- Neither support nor discourage brand activities .....3
- Moderately discourage brand activities .....2
- Strongly discourage brand activities .....1

**[IF Q8=4 OR 5, THEN SKIP TO Q10; ELSE CONTINUE]**

-----[Screen Break]-----

Q9 What would you say are the key reasons that senior management isn't more enthusiastic about brand-related activities?

*Enter your response in the space below; please be as specific as possible.*

**[TEXT BOX]**

-----[Screen Break]-----

Q10 How would you assess the level of "brand equity" your company enjoys? (Brand equity is the degree to which your brand is recognized and well thought-of versus other competitive brands in the market.) Is your brand equity...

*Please select only one.*

- Much stronger than the competition .....5
- Somewhat stronger than the competition.....4
- About the same as the competition .....3
- Somewhat weaker than the competition .....2
- Much weaker than the competition .....1

-----[Screen Break]-----

# Worldwide Branding Research

Q11 Please indicate the degree to which you agree that the following statement describes brand management at your company...

*Please select only one for each item.*

**[DO NOT SHOW SCALE VALUES; RANDOMIZE STATEMENTS]**

Strongly Agree	Somewhat Agree	Neither Agree nor Disagree	Somewhat Disagree	Strongly Disagree
<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>

- \_1 In my company, the marketing department takes care of all branding issues
- \_2 Brand management in my company involves many departments working together
- \_3 Brand management is viewed as an essential practice of my company's overall strategy
- \_4 In my company, brand issues are becoming more important
- \_5 Branding issues are not as important to my company as they might be in consumer-related markets
- \_6 Decisions regarding branding issues are usually made very quickly
- \_7 Our company spends a lot of money on brand identity
- \_8 In my company, the communications department takes care of all branding issues
- \_9 It is difficult to assess the impact of brand on financial performance
- \_10 There is a "brand culture" at my company through which knowledge of brand strategy permeates all levels of company

-----[Screen Break]-----

Q12 Does your company attempt to measure the ROI from monies spent on branding activities?

*Please select only one.*

- Yes .....1
- No .....2

**[IF Q12=2, THEN SKIP TO Q14; ELSE CONTINUE]**

-----[Screen Break]-----

Q13 What metrics for brand activities ROI do you use?

*Please select all that apply.*

- \_1 Increased awareness of Company's Brand or Products
- \_2 Increase in sales
- \_3 Increase in win/lost sales ratio
- \_4 Improved negotiating position with distribution partners
- \_5 Other, please specify **[TEXT BOX]**

-----[Screen Break]-----

# Worldwide Branding Research

Q14 When considering brand-related issues versus technological issues, to what degree would you say your senior management team understands branding techniques and the activities surrounding the support of the company's brand(s)?

*Please select only one.*

- Understands branding completely .....4
- Understands branding somewhat .....3
- Has limited familiarity with branding .....2
- Doesn't understand branding at all .....1

-----[Screen Break]-----

Q15 Which of the following statements best describes the "reach" of your company's key brand?

*Please select only one.*

- Global Brand .....1
- World Region Brand (e.g., North American, Asian, etc.) .....2
- National Brand .....3
- Regional Brand within a Country .....4
- Local Brand .....5

**[IF Q15=1, THEN SKIP TO Q17; ELSE CONTINUE]**

-----[Screen Break]-----

Q16 Which of the following reasons have acted as barriers to your company's key brand from becoming a "global" brand?

**[RANDOMIZE; ALWAYS KEEP \_7 AT BOTTOM]**

*Please select all that apply.*

- \_1 Company is not large enough / not enough money
- \_2 Internal management doesn't support expansion
- \_3 Company organizational structure (i.e., too centralized, too decentralized)
- \_4 Too many local market differences
- \_5 International business too complicated
- \_6 Bad experiences in past
- \_99 Other, please specify **[TEXT BOX]**

-----[Screen Break]-----

## Worldwide Branding Research

Q17 When considering sources of information and/or advice on branding issues, how important are the following reference resources?

*Please select only one for each item.*

**[DO NOT SHOW SCALE VALUES; RANDOMIZE STATEMENTS]**

Extremely Important	Very Important	Somewhat Important	Not Very Important	Not at all Important
<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>

- \_1 Branding Consultants
- \_2 Corporate ID Firms
- \_3 Marketing Communications Agencies
- \_4 Public Relations Agencies
- \_5 Advertising Agencies
- \_6 Management Consulting Firm

-----[Screen Break]-----

Q18 How many employees are there who work for your company?

*Please select only one.*

- 10 or fewer people .....1
- 11 - 100 people .....2
- 101 - 500 people.....3
- 501 - 5000 people.....4
- 5001 or more people .....5

-----[Screen Break]-----

Q19 To which of the following industries does your company target its products and/or services?

*Please select all that apply.*

- \_1 Agriculture, Mining, Construction
- \_2 Business services (accounting, bookkeeping, etc.)
- \_3 Computers or computer-related hardware, Software or services
- \_4 Financial services (banking, insurance, investments, real estate)
- \_5 Government
- \_6 Manufacturing
- \_7 Personal services (laundry, hairdresser, tailor)
- \_8 Professional services (medical, dental, legal, etc.)
- \_9 Telecommunications
- \_10 Transportation, Shipping, Distribution
- \_11 Utilities
- \_12 Wholesale, Retail
- \_13 Other

-----[Screen Break]-----

# Worldwide Branding Research

Q20 How many years has your company been in business?

*Please select only one.*

- 1 year or less.....1
- 2-3 years .....2
- 4-5 years .....3
- 6-10 years .....4
- 11-15 years .....5
- 16 -20 years .....6
- More than 20 years .....7

-----[Screen Break]-----

Q21 In which regions of the world does your business have offices or other facilities?

*Please select all that apply.*

- \_1 North America
- \_2 Central America
- \_3 Caribbean
- \_4 South America
- \_5 Western Europe
- \_6 Eastern Europe
- \_7 Northern Africa
- \_8 Southern Africa
- \_9 Middle East
- \_10 India
- \_11 Southeast Asia
- \_12 China
- \_13 Taiwan
- \_14 Korea
- \_15 Japan
- \_16 Australia/New Zealand
- \_17 Pacific Islands

-----[Screen Break]-----

Q22 In what country is your company headquartered?

*Please select one from the drop-down list below.*

**[PULL DOWN LIST]**

- Afghanistan .....1
- Albania .....2
- Algeria .....3
- American Samoa .....4
- Andorra .....5
- Angola .....6
- Antigua And Barbuda .....7
- Argentina .....8
- Armenia .....9
- Aruba.....10
- Australia .....11
- Austria .....12

## Worldwide Branding Research

Azerbaijan .....	13
Bahamas The .....	14
Bahrain .....	15
Bangladesh .....	16
Barbados .....	17
Belarus .....	18
Belgium.....	19
Belize.....	20
Benin .....	21
Bermuda .....	22
Bhutan .....	23
Bolivia.....	24
Bosnia and Herzegovina .....	25
Botswana.....	26
Brazil .....	27
British Indian Ocean Territory .....	28
Brunei .....	29
Bulgaria .....	30
Burkina Faso.....	31
Burundi .....	32
Cambodia .....	33
Cameroon .....	34
Canada.....	35
Cape Verde .....	36
Cayman Islands .....	37
Central African Republic.....	38
Chad.....	39
Chile .....	40
China.....	41
China (Hong Kong SAR) .....	42
Colombia.....	43
Congo .....	44
Cook Islands .....	45
Costa Rica .....	46
Cote D'Ivoire (Ivory Coast) .....	47
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Cuba.....	49
Cyprus .....	50
Czech Republic .....	51
Denmark .....	52
Djibouti.....	53
Dominica.....	54
Dominican Republic.....	55
East Timor.....	56
Ecuador .....	57
Egypt .....	58
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Eritrea .....	61
Estonia.....	62
Ethiopia.....	63
Falkland Islands (Islas Malvinas) .....	64
Faroe Islands .....	65
Fiji Islands .....	66
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French Polynesia.....	70
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Greenland.....	75
Grenada.....	76
Guadeloupe.....	77
Guam.....	78
Guatemala.....	79
Guinea.....	80
Haiti.....	81
Honduras.....	82
Hungary.....	83
Iceland.....	84
India.....	85
Indonesia.....	86
Iran.....	87
Iraq.....	88
Ireland.....	89
Israel.....	90
Italy.....	91
Jamaica.....	92
Japan.....	93
Jordan.....	94
Kazakhstan.....	95
Kenya.....	96
Korea.....	97
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Kuwait.....	99
Kyrgyzstan.....	100
Laos.....	101
Latvia.....	102
Lebanon.....	103
Liberia.....	104
Libya.....	105
Liechtenstein.....	106
Lithuania.....	107
Luxembourg.....	108
Macedonia, Former Yugoslav Republic of.....	109
Madagascar.....	110
Malaysia.....	111
Maldives.....	112
Mali.....	113
Malta.....	114
Marshall Islands.....	115
Martinique.....	116
Mauritania.....	117
Mexico.....	118
Micronesia.....	119
Moldova.....	120
Monaco.....	121
Mongolia.....	122
Morocco.....	123
Mozambique.....	124

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Namibia .....	126
Nepal .....	127
Netherlands, The .....	128
New Zealand.....	129
Nicaragua .....	130
Niger.....	131
Nigeria .....	132
Norway .....	133
Oman.....	134
Pakistan.....	135
Panama .....	136
Papua new Guinea .....	137
Paraguay .....	138
Peru.....	139
Philippines .....	140
Poland.....	141
Portugal .....	142
Puerto Rico.....	143
Qatar .....	144
Romania .....	145
Russia .....	146
Rwanda .....	147
Saint Vincent And The Grenadines .....	148
Samoa .....	149
San Marino.....	150
Saudi Arabia.....	151
Senegal .....	152
Sierra Leone.....	153
Singapore .....	154
Slovakia .....	155
Slovenia .....	156
Solomon Islands .....	157
Somalia.....	158
South Africa .....	159
Spain .....	160
Sri Lanka.....	161
Sudan.....	162
Suriname .....	163
Swaziland .....	164
Sweden.....	165
Switzerland .....	166
Syria .....	167
Taiwan .....	168
Tajikistan.....	169
Tanzania.....	170
Thailand .....	171
Togo .....	172
Tonga.....	173
Trinidad And Tobago .....	174
Tunisia .....	175
Turkey .....	176
Turkmenistan .....	177
Uganda.....	178
Ukraine .....	179
United Arab Emirates .....	180

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United Kingdom .....	181
United States .....	182
United States Minor Outlying Islands .....	183
Uruguay .....	184
Uzbekistan .....	185
Venezuela .....	186
Vietnam .....	187
Virgin Islands (British) .....	188
Virgin Islands (US) .....	189
Western Sahara .....	190
Yemen .....	191
Yugoslavia .....	192
Zambia .....	193
Zimbabwe .....	194
West Indies .....	195
Other .....	196

-----[Screen Break]-----

Q23 Thank you for your time in responding to this survey. Your participation in this survey is now complete and we appreciate your input. Would you like to be notified when the results of this study are available?

*Please select one.*

Yes .....1      **GO TO CONFIRM EMAIL**  
No .....2

-----[Screen Break]-----

**IF Q23=1, ASK Q24. ELSE GO TO CLOSING SCREEN.**

In order for us to notify you when the study results are available, please provide the following information. Remember, this information will be kept strictly confidential.

Name: [TEXT BOX]

Email: [TEXT BOX; SHOW EMAIL FROM INTRO SCREEN, ALLOW EDITS]

Confirm Email: [TEXT BOX]

**[NEXT BUTTON GOES TO SURVEY SATISFACTION QUESTIONS (999-041)]**

-----[Screen Break]-----

**[RETURN TO THIS PAGE AFTER RESPONDENTS COMPLETE SURVEY SATISFACTION QUESTIONS (999-041)]**

Would you be interested in participating in other surveys?  
In addition to conducting surveys such as this, we also maintain a panel of IT professionals, industry influencers, and decision-makers who have agreed to give feedback on a variety of technology related topics. The name of the panel is Tom's Advisory Panel.

## Worldwide Branding Research

Tom's Advisory Panel members receive periodic invitations to express their opinions via participation in Web-based surveys. In many cases, this gives our panelists the opportunity to give direct feedback to leading technology companies as they develop new products and services.

We make it worthwhile

We realize our members' time is valuable. For every survey offered, panelists will have opportunities to receive cash and/or technology-related gifts as a "thank-you." The typical incentive offered ranges from \$10 to \$25 US dollars per survey.

It's easy to become a Tom's Advisory Panel member. To start, simply click the "Yes" button below. You'll be directed to another short survey that will take about 10 minutes of your time to complete. After that, all it will take is minutes of your time to periodically respond to surveys similar to the one you took today.

Q24 Would you like to join the Tom's Advisory Panel?

Yes ..... 1

**[LINK TO 998-018]**

No ..... 2

**[LINK TO [www.tomshardware.com](http://www.tomshardware.com)]**

I'm already a Tom's Advisory Panel Member ..... 3

**[LINK TO [www.tomshardware.com](http://www.tomshardware.com)]**

-----[Screen Break]-----

# Worldwide Branding Research

## **TERMINATE COOKIE SCREEN:**

Thank you for your willingness to participate. However, our records indicate that you've already completed this survey.

Thank you for your time!

**[INSERT LINK TO: [www.tomshardware.com](http://www.tomshardware.com)]**

**[CLOSE BROWSER WINDOW]**

## **TERMINATE SCREEN:**

Thank you for your interest in responding to this survey. At this time we have completed our sample of people matching your description. We appreciate your time and hope you will participate in future surveys of this nature.

Would you be interested in participating in other surveys?

In addition to conducting surveys such as this, we also maintain a panel of IT professionals, industry influencers, and decision-makers who have agreed to give feedback on a variety of technology related topics. The name of the panel is Tom's Advisory Panel.

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Q24 Would you like to join the Tom's Advisory Panel?

- Yes ..... 1  
**[LINK TO 998-018]**
- No ..... 2  
**[LINK TO [www.tomshardware.com](http://www.tomshardware.com)]**
- I'm already a Tom's Advisory Panel Member ..... 3  
**[LINK TO [www.tomshardware.com](http://www.tomshardware.com)]**

-----[Screen Break]-----

# Worldwide Branding Research

## **SURVEY DOWN SCREEN:**

Thank you for your interest in this study, however, we have already reached our goal for the number of responses required. We appreciate your willingness to share your opinions with us.

Would you be interested in participating in other surveys?

In addition to conducting surveys such as this, we also maintain a panel of IT professionals, industry influencers, and decision-makers who have agreed to give feedback on a variety of technology related topics. The name of the panel is Tom's Advisory Panel.

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Q24 Would you like to join the Tom's Advisory Panel?

- Yes ..... 1  
**[LINK TO 998-018]**
- No ..... 2  
**[LINK TO [www.tomshardware.com](http://www.tomshardware.com)]**
- I'm already a Tom's Advisory Panel Member ..... 3  
**[LINK TO [www.tomshardware.com](http://www.tomshardware.com)]**