Obstacles To Top Management Assuming Brand Leadership -
A Case Study of UPC Broadband (Subsidiary of Liberty Global plc)

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St. Gallen, October 24, 2016

The President:

Prof. Dr. Thomas Bieger
"Courage is what it takes to stand up and speak; courage is also what it takes to sit down and listen."

Winston Churchill
I  Acknowledgements

Being admitted to the PhD program of the University of St. Gallen was a great pleasure and a distinct honor. Returning to the lecture theatre, twelve years after my graduation from the Vienna University of Economics and Business, was also a fabulous adventure. The first seminar I chose was titled: “Epistemological and Methodological Foundations of Qualitative Research”. At the time I wasn’t even sure if I had spelled the word “epistemology” correctly. Going back to the roots of an academic assignment after having collected some work experience is something I can truly recommend. It keeps you on your toes and gives you a profound reality-check about how companies truly work.

Let me express my gratitude first and foremost to my supervisor, Prof. Dr. Torsten Tomczak, for accepting my application and for guiding me in the development of my dissertation. Not coming directly from an academic environment, I’m keenly aware of the challenges posed by working with an external student like myself. Prof. Dr. Tomczak’s confidence in my proposition, his inspiring suggestions and willingness to look deeply into my topic, and finally his great sense of humor, really motivated me to aim for great rather than good. He made every encounter over the past years a pleasure, and I will miss our sessions very much. Furthermore I would like to thank Prof. Dr. Marcus Schögel, my co-supervisor. It was his comments during the defense audition of the research proposal, which shaped the final direction and research question of my dissertation.

Without UPC this dissertation would not exist. I want to express my special gratitude to Diederik Karsten (Executive Vice President and Chief Commercial Officer of Liberty Global) and Peter Dorr (Commercial Director ZIGGO, A Liberty Global Company) for allowing this dissertation to be written, providing me with critical company research material, and finally for helping me to arrange interviews with the MDs of the company.
I feel very grateful for my work experience and the support of my colleagues, which helped me to grow as both a professional and a person in the nearly ten years I spent with Liberty Global/UPC. I’m especially appreciative of the five years I spent working in the European headquarters in the Netherlands, which created my desire to look more deeply into the issues and opportunities of the UPC brand, and that ultimately led to this dissertation. A cordial thanks to my old colleague Eric Forsthoefel for challenging me every single minute during the repositioning and rebranding project of UPC, and my former boss Brad Gunn for the courage to hire Philip Kotler himself to discuss our brand engagement and leadership issues in a marketing conference and private brand tête-à-tête. This was a lifelong unforgettable experience. May the “bloom” live forever!

I dedicate this dissertation to my family - my fabulous husband Markus and my two daughters, Katharina and Emilia, who were both born in the midst of my Ph.D. program. Markus, your incredible, active support and understanding allowed me to challenge myself and my brain during the past years. As part of developing this dissertation I spent quite some time abroad in the UPC countries, as well as alone behind my desk. Thank you so much for allowing me to do so with a quiet conscience.

Thanks also to all the helpers I have around me, my parents Brigitte and Günther, my sister Petra for her moral support, Monika, my mother-in-law and Sonja for allowing me to manage a job, a family, taxi services for ballet classes, cheerleading violin audition tasks, an obsessive-compulsive household-tidying-up-disorder and a dissertation simultaneously.

Lovely, Katharina and Emilia, as I write this, you are both suffering from the chickenpox. I promise that in the next months there will be more homemade mango ice cream and less frozen pizza on our menu.

Dornbirn, March 2016
Michaela Adami-Schrott
II Prologue

Liberty Global plc. is the biggest international cable company worldwide, with 38,000 employees, 27 million customers and a revenue of 18.3 billion USD in 2015. In Europe it has operations in twelve countries, in ten of which it was traded under the UPC brand during the period of this dissertation or at least brand elements (e.g. logo) in recent years. Since “[...] superior organic growth, opportunistic M&A and a commitment to equity returns [...]” (http://www.libertyglobal.com/about-us.html, 27th of January 2016) is embedded in the core business strategy of Liberty Global, brands and companies both join the Liberty family and are also discontinued within this process.

In 2007, when the majority of the European cable business of Liberty Global was still bundled within a corporate holding company, UPC Broadband in the Netherlands, the company launched a profound rebranding and repositioning project with the aim of bringing the brand into the present age and making it future proof.

The aim of the new positioning was to open up the digital world to everybody and make it as accessible as possible. A customer’s technical knowledge and interest should not play any role in their access. Low-end products should be as easy to use and enjoy as high-end packages. Simplicity should be the key driver of the development. Simple offers, packages, language, contracts and simplicity at every touch point with the consumer should be able to differentiate UPC in a market that is still very technocratic. The aim of simplicity and taking into account the needs of human beings as the central driver for all developments in the company can be described as "digital inclusivity".

It was my task as Vice President for Marketing Communications Europe at UPC to develop this positioning, with my team, as well as to coordinate and support its implementation in nine UPC markets.
Discussing the needs and advantages of a brand-centric company strategy and approach with the board of a company with technocratic roots turned out to be a challenging task. The key stakeholders in the decision-making process were the Executive Board of UPC and Liberty Global (the holding company of UPC), the Managing Director layer of UPC Corporate, and the Managing Directors of the 10 UPC countries at that time.

The main resistance I experienced was first and foremost a lack of conviction regarding plausible proof of, and thus belief, in, the added value for a brand-centric positioning approach over an approach focused solely on product superiority. The hesitation seemed to be rooted in a belief held by the majority of stakeholders that customers followed a rationalized decision-making process, driven merely by price and the performance of the product itself. The demand of the parent company that short time equity returns create immediate shareholder value meant that the approval of all projects with a payback period of over two years was under very close supervision.

The product centric view also created the doubly binding nature of the project. It was the aim of the repositioning to go far beyond a merely visual change. In some markets the rebranding even had to wait until operations could deliver what the brand promised. The discussion, however, got tougher as soon as substantial funds and resources had to be allocated for purposes beyond pure visual change (to the logo) in order that UPC’s products and processes could deliver on the new brand promise: even after the brand positioning had been approved and signed off by the Executive Board, the support, and especially the accepted leadership role, of every individual managing director in the process varied greatly!
This led me to the conclusion that leadership in the repositioning process was one of the decisive factors in successful brand management. My dissertation is therefore driven by an in-depth interest and passion in finding explanations for potential obstacles to senior management engagement in the leadership driving the brand.

According to Tomczak’s claim for reality-oriented marketing science (Tomczak, 1992), may successors find scientifically tenable answers to issues similar to those I faced and be a step ahead in asking the right questions, hence using the right methods from the start. On the 16th of February 2016 Liberty Global announced that it would merge its Dutch operations with Vodafone. I am curious to see what the branding process will look like!

The one thing I learned in the past years of doing field work for the dissertation is the importance of listening. Listening without an agenda of having to convince, having to succeed, having to persuade. Listening just for the sake of hearing.

I should have done that earlier.
III Abstract

Imagine yourself surfing the Internet to find a new provider for your TV, Internet and telephony services, because you are moving house in a month. You start comparing the number of TV channels, the features of the Digital Video Recorder that is offered. You can watch your favorite TV station live on your mobile phone, how cool! And then your try to find out if 75 Mbit/s of speed is enough for your Internet access or if you should go for the 250 Mbit/s but then in a bundle right away? And since these services are essential for your social survival, is this a reliable provider?

A brand is a short cut in the decision making process for customers. Reputation, image, recommendation will always play a role in the decision making. It is up to the company to actively drive the brand experience in a comprehensive way and hence help the company out of the “Product Attribute Fiction Trap” (Aaker, 1996, p. 72), assuming that tangible product features and price are the sole decision criteria for users to base their judgment on.

Brand leadership has been identified as a key variable in the corporate decision making process for or against a branded approach and in the successful implementation of a holistic brand experience. The new paradigm of brand management requests the responsibility for the brand to be shifted from the marketing department to the boardroom. This dissertation strives to give an answer to the question if top managers are even aware of their responsibility and live up to it. If not, what obstacles of a conscious or unconscious nature are in their way? What can a company do to release its full brand leadership potential?

UPC Broadband, a subsidiary of Liberty Global, the largest international cable operator worldwide, builds the core of a single embedded case study. The analysis of the dense and comprehensive data, collected over more than three years, identified the general brand attitude of a top manager to be a core driver or obstacle to brand leadership and awareness. The top management brand attitude is driven by the
attitude a top manager has towards branding in general and their assessment regards the importance of brand in the decision making of the customer. Language as an expression of corporate and brand culture and the necessity to reverse engineer a brand into a company that has not been founded with a brand-centric approach in mind can be hindering, especially if opportunistic merger and acquisition (M&A) activity is part of the core company strategy. Furthermore, the set-up of the brand framework (brand vision, corporate design, corporate identity, brand promise, brand architecture) can foster or hinder brand leadership. If a top manager is convinced of a commoditized decision making process by the customer no brand leadership will be displayed. If a company is looking for a secret ingredient to propel its brand leadership potential, a transformational leadership style and top managers with a very high level of emotional intelligence could virtually be a booster.
IV Zusammenfassung

Stellen Sie sich vor, Sie sitzen an Ihrem Schreibtisch und surfen im Internet auf der Suche nach einem neuen Anbieter für TV, Internet und Ihren Telefonanschluss, da Sie in einem Monat umziehen. Sie vergleichen Anzahl der TV Kanäle, sehen sich an, was der Digitale Video Recorder so kann – Sie können Ihren Lieblingssender live am Handy ansehen - wie cool! Sind denn 75 Mbit/s genug für Ihren Internetanschluss oder sollen Sie doch lieber die 250 Mbit/s-Leitung - aber dann gleich im Paket nehmen? Da Ihr soziales Überleben von diesen Produkten abhängt, ist das auch wirklich ein zuverlässiger Anbieter?


Brand Leadership – die Führungsverantwortung für die Marke – wurde in der Literatur bereits als wichtiger Faktor in der Entscheidung für oder gegen einen markenzentrierten Ansatz des Unternehmens, sowie bei der ganzheitlichen Umsetzung des Markenerlebnisses, identifiziert. Das neue Marken-Management-Paradigma fordert die Verantwortung für die Marke von der Marketing Abteilung in die Vorstandsetage zu verlagern. Die vorliegende Arbeit soll beantworten, ob sich das Top Management seiner Führungsaufgabe für die Marke überhaupt bewusst ist und ihr gerecht wird. Falls nicht, was sind die bewussten oder unbewussten Hinderungsgründe, die im Weg stehen? Was kann ein Unternehmen tun, um sein volles Markenführungspotenzial zu entfalten?

UPC Broadband, eine Tochter von Liberty Global, dem weltweit größten, internationalen Kabelanbieter, bildet den zentralen Kern einer integrierten
Einzelfallstudie. Die Analyse der kompakten und umfassenden Daten, die über 3 Jahre hinweg erhoben wurden, identifiziert zunächst die generelle Einstellung eines Top Managers gegenüber Marken als Einflussfaktor oder Hindernis für Brand Leadership und deren Bewusstsein. Sprachmuster des Unternehmens als Element der Firmen- und Markenkultur, sowie die Notwendigkeit eine Marke rückwirkend in ein Unternehmen einzuplanzen, das nicht mit einer zentralen Markenidee gegründet wurde, sind für die Übernahme von Markenführungsverantwortung nicht förderlich, gerade wenn Firmenübernahmen und Fusionen zur Strategie des Unternehmens gehören.

Die Struktur, die für das Markenmanagement gestaltet wurde, (Markenvision, Design, Identität, Markenversprechen und Markenarchitektur) kann Brand Leadership fördern oder behindern. Wenn ein Top Manager davon überzeugt ist, dass Marke bei der Auswahl für sein Produkt keine Rolle spielt, wird er auch keine Führungsverantwortung für die Marke an den Tag legen. Auf der Suche nach der Geheimzutat, um das volle Markenführungs- potential zu entfalten, könnte ein transformativer Führungsansatz sowie ein hoher Grad an emotionaler Intelligenz des Top Management ein wirklicher Katalysator sein!
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<tr>
<td>ARPU</td>
<td>average revenue per unit</td>
</tr>
<tr>
<td>BSC</td>
<td>balanced scorecard</td>
</tr>
<tr>
<td>CC</td>
<td>customer care</td>
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<tr>
<td>CBO</td>
<td>Chief Brand Officer</td>
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<tr>
<td>CCO</td>
<td>Chief Commercial Officer</td>
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<tr>
<td>CEO</td>
<td>Chief Executive Officer</td>
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<td>CMO</td>
<td>Chief Marketing Officer</td>
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<td>CMS</td>
<td>Customer Management System</td>
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<td>COO</td>
<td>Chief Operating Officer</td>
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<tr>
<td>CTO</td>
<td>Chief Technology Officer</td>
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<tr>
<td>DVR</td>
<td>digital video recorder</td>
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<tr>
<td>e.g.</td>
<td>exempli gratia - for example</td>
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<tr>
<td>EI</td>
<td>emotional intelligence</td>
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<tr>
<td>et al.</td>
<td>et alii – and others</td>
</tr>
<tr>
<td>EVP</td>
<td>Executive Vice President</td>
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<tr>
<td>FMCG</td>
<td>fast moving consumer goods</td>
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<tr>
<td>FTTH</td>
<td>fiber to the home</td>
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<tr>
<td>HR</td>
<td>human resources</td>
</tr>
<tr>
<td>M&amp;A</td>
<td>merger and acquisition</td>
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<tr>
<td>MD</td>
<td>Managing Director</td>
</tr>
<tr>
<td>n</td>
<td>sample size</td>
</tr>
<tr>
<td>n.a.</td>
<td>not available</td>
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<tr>
<td>NPS</td>
<td>net promoter score</td>
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<tr>
<td>NPV</td>
<td>net present value</td>
</tr>
<tr>
<td>OC</td>
<td>organizational commitment</td>
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<tr>
<td>OI</td>
<td>organizational identification</td>
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<tr>
<td>P&amp;L</td>
<td>profit and loss statement</td>
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<td>p.</td>
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<td>pp.</td>
<td>pages</td>
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<tr>
<td>RGU</td>
<td>revenue generating unit</td>
</tr>
<tr>
<td>STB</td>
<td>set-top box</td>
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<tr>
<td>SVP</td>
<td>Senior Vice President</td>
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<tr>
<td>TFL</td>
<td>transformational leadership</td>
</tr>
<tr>
<td>TRL</td>
<td>transactional leadership</td>
</tr>
<tr>
<td>VP</td>
<td>Vice President</td>
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</table>
1 INTRODUCTION

1.1 PROBLEM DEFINITION AND RESEARCH GAP

In today's consumer world, prospective buyers are exposed to a plethora of similar products and services between which they can hardly differentiate. Brands serve several valuable functions. At their most basic level, brands are markers for the offerings of a firm. For customers, brands can simplify choice, promise a particular quality level, reduce risk and/or engender trust (Keller and Lehmann, 2006).

The target of branding is to accomplish a price or scale benefit for a product or service, based on customer preference (Esch, 2005). Consumers determine with their (re-)purchase, brand recommendations and loyalty behavior whether a company will gain a long-term financial benefit through its strategy. Success can be measured by brand equity, which is defined as "the incremental financial contribution per year obtained by the brand in comparison to the same product or service at the same price but with no brand-building efforts, which is consistent with the "added value" notion of brand equity" (Srinivasan, Park and Chang, 2005).

What makes a brand successful? Amongst a variety of criteria, brand leadership has been identified in the literature as a key decisive factor in brand success (e.g. Morhart, Herzog and Tomczak, 2009; Tomczak, Henkel and von Walter, 2009; Wieseke, Ahearne, Lam and van Dick, 2009; Keller and Lehmann, 2006; Low and Fullerton, 1994). Brand leadership, however, has not been clearly defined. In organizational psychology, leadership itself is seen as "the reciprocal process of mobilizing, by persons with certain motives and values, various economic, political, and other resources, in a context of competition and conflict, in order to realize
goals independently or mutually held by both leaders and followers" (Burns, 1978, p. 425). Brand leadership is therefore the aim to influence and motivate stakeholders (e.g. board members, employees) to accept and choose a brand strategy over an alternative marketing/corporate strategy, and as a consequence deliver on the chosen brand strategy and promise in a context of competition.

Literature uses the term brand leadership in two ways:

a. The tasks undertaken by leaders to take responsibility for a brand or the process of brand management.

b. The ability of a brand itself to achieve and maintain leadership over other brands (Aaker and Joachimsthaler, 2000).

The present document focuses solely on the first concept and definition.

Leadership requires the top management layer of a company (managing director/CEO level) to take responsibility for a brand. Leadership is especially crucial in two phases of the branding process:

a. The decision of a company to use a branding versus a non-branding strategy, thus coherently and consistently defining and driving a corporate brand identity (Vallaster and de Chernatony, 2006);

b. Implementing the brand strategy. It is the CEO who must deliver the message that the brand is the responsibility of every employee (Vallaster and de Chernatony, 2006; Dunn and Davis, 2004).

First of all, a company needs to decide to trust a brand vs. a generic strategy and thus allocate funds and resources in a strategic direction, which at first is considerably more expensive than a non-branding strategy and only pays off with time (Feldmann and Grözinger, 2008). Especially in financially driven, publicly listed companies with multiple, potentially international shareholders, leadership is needed to propose and present such an approach to stakeholders and unite the company so as to align all consumer-facing activities, from product offers and pricing, service design, distribution channels and shop design, to the final advertising campaign.

The most difficult part of brand leadership, however, might not be to sign off on the logo and the launch campaign: the most crucial part is to make sure that the
company delivers on the brand promise made to an existing or potential customer. “[… ] The brand experience of customers is determined both by media-based branding and behavioral branding. Behavioral branding is defined as any type of verbal and non-verbal employee behavior that directly or indirectly determines brand experience and brand equity” (Henkel, Tomczak and Wentzel, 2007, p.13). According to Dunn and Davis (2014, p. 241), it is the role of the CEO to make clear that branding is the job of every single employee in the company: “Everyone in the organization needs to understand the benefits of a brand driven approach and their individual role in bringing the brand’s promises to life”. This requires employees to be aware, convinced and inspired by a brand promise. They need to have the knowledge and the ability to translate it into the tasks of their specific job. They also need to be able and empowered to deliver on the brand promise.

Whilst research demonstrates the importance of brand leadership, the question is, will CEOs understand and live up to their task? Research indicates paradoxical behavior in that respect.

It is promoted in the literature that a CEO is the highest brand manager in a company, however reality looks very different, even in companies with reputable brands (Wentzel et al., 2008b; Vallaster and de Chernatony, 2006), “Branding is still not widely considered a strategic driver of business, despite the proven success of many brand-centric organizations” (Dunn and Davis, 2004, p. 241), and thus top management often hesitates to become engaged. Brand management is therefore very often relegated to the marketing department of a company even if a brand-centric approach has been approved, chosen, and considerable investments are being made (Esch, 2005; Dunn and Davis, 2004).

Managers are aware of the fact that brand-consistent employee behavior is a critical factor in the success of brands and thus also influences brand equity (Henkel, Tomczak and Wentzel, 2007). A survey conducted in 2007 amongst 167 managers showed that managers attribute 63.5% of brand success to mass media campaigns and 31.5% to brand-specific employee behavior (Henkel, Tomczak and Wentzel, 2007). Despite this knowledge, which seems to be held by senior management, there is evidence that living up to a brand promise, at all consumer facing touchpoints, is not paid the relevant attention in routine daily management (e.g. Esch, 2005).
Is the top management layer of a company, CEOs and MDs, really aware of their own role and importance in the (behavioral) branding management of their company? An extensive literature review did not find research answering that specific question.

Even if the top management of a company is aware of their responsibility, do they live up to their task? What potentially hinders them from engaging in the process and thus accepting and engaging in brand leadership? The extant literature makes assumptions but few studies have been carried out about why senior management may be hesitant about engaging in brand leadership. What conscious and subconscious obstacles are there to embracing and fully supporting both phases in which brand leadership is so important – the decision and defense of the concept of a brand strategy as such – and playing a leading role in implementing it in the company, when the reasons and arguments for doing so seem obvious?

The present dissertation will concentrate on examining top management awareness of the importance of brand leadership, the role of top managers in brand leadership, and the obstacles to CEOs and MDs assuming brand leadership.
1.2 CENTRAL RESEARCH QUESTIONS

The central research questions of this dissertation will consist of the following constructively linked foci:

(1) Is the top management level of an organization aware of their brand leadership role? The top management will be defined as the MD (managing director) level of a company, be it on a corporate, or in multinational companies, local level, and the CEO (chief executive officer) and CCO (chief commercial officer) level of a company.

(2) How does the top management define and live up to their job and task as brand leaders, according to their own perception?

(3) How do direct reporting employees to the top management layer (Senior Vice Presidents, Vice Presidents and Directors) experience and discern elements of brand leadership by their top management?

(4) What obstacles does top management face in assuming brand leadership according to their own opinion, their direct reporting employees and the view of brand experts working with or within the company?

Obstacles can be defined as:
- obstacles consciously realized by top management (e.g. a lack of conviction regarding branding as a strategy and thus also hesitation in applying leadership in behavioral branding efforts);
- unconscious obstacles to the top management, as identified by the direct subordinates of top management or employees further down in the hierarchy of the company (e.g. a management and communication style that does not support effective leadership in behavioral branding);
- unconscious obstacles to the top management, not identified by employees of the company (e.g. a lack of knowledge about branding as a strategy in general and behavioral branding in particular, and thus hesitation to take over leadership).

This research will mainly investigate the second phase of brand leadership, where leadership is of importance (behavioral branding) rather than the decision-making process for or against a brand-centric approach.
The dissertation will zoom in on brand leadership in international companies driven by M&A activities to maximize shareholder value. M&A activities bring a constant movement and disturbance into the brand architecture of a company, and brand leadership is even more crucial in an environment with a constantly changing brand setting. In order to analyze this setting, the author will look at corporate branding rather than line branding. For this dissertation, brand is referred to as corporate brand or single brand approach.

In order to facilitate gender-neutral language, the default use of the masculine “he” when referring to a group of persons of unspecified genders (e.g. top managers) will be replaced by the neuter “they” as third-person singular.
1.3 METHODOLOGICAL APPROACH

The construct of brand leadership has only gained attention in the past fifteen years. Academic interest has mainly increased in connection to research in the area of behavioral branding and the role that leadership plays in making sure employees are able, willing and empowered to deliver the brand promise and beyond (e.g. Morhart, Walter and Tomczak, 2009; Wieseke et al. 2009; Miles and Mangold, 2004). In contrast, adjacent and related areas such as the field of leadership have been well researched in past decades as there has been an explosion of interest in leadership as a concept (Bass and Riggio, 2006). The specific subject of obstacles to top management assuming brand leadership, however, has scarcely been covered at all in a systematic manner.

The central research questions of this study are of an explorative nature, and dominated by “how” questions. Single potential obstacles to brand leadership have been mentioned in an incoherent manner in literature. Every company however, which invests financial and human resources in a brand-centric approach must be interested in setting up their brand strategy and program in a way that is most efficient and effective. Strong brand leadership has already been identified as one of the central drivers of the inward focused part of a branding program dedicated to employees in particular. Barriers to brand leadership have not been explored, however, although they certainly exist. Brand leadership should therefore be of interest to companies as it has managerial implications, and to the academic community through its new theoretical contributions.

Following the prevalent methodology doctrine, the dissertation will therefore build on the following approaches:

- Desk research (a literature review) is used for the theoretical foundation of the construct of brand leadership and all relevant adjacent topics (e.g. leadership). The results of the literature review are presented in Chapter 2.1.

- Desk research (literature review) and expert interviews are applied to identify potentially relevant obstacle criteria. Expert interviews are especially suitable for the exploration phase of a research project for a topic that has
little theoretical structure (Bogner and Menz, 2005). The exact research steps are described in Chapter 2.2.

- Qualitative research methodology, in particular a single case study with embedded subcases, will be used for the empirical exploration of potential obstacles to brand leadership and to understand the awareness and attitude of top managers towards brand leadership. Due to the researcher’s unique access to comprehensive data and expert views, UPC Broadband will be the explorative core of the case. In order to allow for proper triangulation and comparison, additional telecommunications companies will be examined to identify patterns found in the core case that need further clarification. The methods and material used for the case study consist of expert interviews, a focus group, quantitative studies focusing on internal and external brand performance provided by UPC Broadband (checked for statistical rigor and robustness), physical artifacts (e.g. press releases, video tapes of press conferences, material used for internal branding programs) and observations made during on-site visits. The specific composition of the case study is presented in Chapter 3.3.

*Figure 1-1: Methodological Composition of the Dissertation*
1.4 STRUCTURE OF THE DISSERTATION

The dissertation is structured in the following way:

**Chapter 1** gives an introduction to the research topic in general, it examines the problem and crystallizes the central research questions, followed by a brief overview of the methodology used in this paper.

**Chapter 2** comprises the theoretical framework of the dissertation for further empirical research. It focuses on the topic of brand leadership and adjacent important issues connected with brand leadership. It also contains the derivation of potential obstacles to brand leadership and their theoretical foundation and exploration.

**Chapter 3** builds the heart of the dissertation around a single case study with embedded sub-cases. It begins by presenting case study research as a methodology and gives a rationale for the selected case of UPC Broadband. Chapter 3.3 gives a thorough review on methods and materials used for the case study. The context and environment of the case are described and the results of the case study presented in the case study report. Finally the derived hypotheses as well as a model to look at drivers and obstacles of brand leadership are presented in Chapter 3.7.

**Chapter 4** discusses the results of the case study research and dissertation as regards its theoretical and managerial contribution, notes its limitations and makes proposals for further research.
CHAPTER 1: Introduction

problem definition and identification of the research gap; deviation of central research questions and methodological approach, structure of the dissertation. pp. 1-10

CHAPTER 2: Theoretical Foundation and Conceptual Development

theoretical framework of brand leadership and conceptual development of potential obstacles to brand leadership pp. 11-81

CHAPTER 3: Empirical Case Study Research

case study methodology, case selection and study set-up; case study context and report, deviation of hypotheses and model development pp. 82-214

CHAPTER 4: Discussion

discussion of the findings for theoretical and managerial implications, limitations and future research pp. 215-233

Figure 1-2: Structure of the Dissertation
2 THEORETICAL FOUNDATION AND CONCEPTUAL DEVELOPMENT

2.1 BRAND LEADERSHIP

Little specific research has been published on the holistic concept of brand leadership without dissecting it into its components of “brand” and “leadership”, thus using one of the factors as the independent variable, driver or moderator/mediator of an outcome in a marketing management model. In many studies focusing on marketing management, the term “brand leadership” is used without defining it or differentiating it from “brand management”. These studies mostly circle around the role of top management or CEOs in brand leadership with a specifically desired branding outcome as target, be it internal (employees, organization) or external branding (existing and potential customers, external stakeholders).

The published literature can be condensed into three clusters:

a.) research that looks at brand leadership as a holistic (new) concept and differentiates it from brand management

b.) literature that analyzes the role and tasks of top management and specifically the CEO in brand leadership, partially separating “role” and “tasks”, partially mixing the terms
c.) literature that analyses leadership and its influence on branding, whilst branding is mostly limited to internal branding (behavioral branding/on-brand behavior)

Based on this classification (see Table 2-1) the following literature review will be broken down into these clusters. The second cluster will be broken down into the “roles of top management” and “tasks of top management” in brand leadership for a clearer structure, where the topic is dealt with in combination in many articles. The third cluster will be looked at from two angles: relevant leadership issues will be analyzed in connection with brand leadership and the particular role of (brand) leadership in on-brand behavior.

**FOCUS OF ANALYSIS** | **CONCEPT** | **EXEMPLARY STUDIES**
--- | --- | ---
definition of brand leadership | brand leadership as concept | • Aaker and Joachimsthaler, 2000  
• Van Gelder, 2014  
• Long-Zeng et al, 2015  

brand leadership as process or function | role and tasks of top management or CEO to create brand-driven business (content and process orientation) | • Urde, 1999  
• Low and Fullerton, 1994  
• Dunn and Davis, 2004  
• Esch et al. 2006  
• Keller and Lehmann, 2006  
• Ulrich and Smallwood, 2007  

leadership as independent variable or moderator/mediator and branding as dependent variable | role of (transactional and transformational) leadership in internal/behavioral branding | • Jeanquart-Miles and Mangold, 2004  
• Vallaster and de Chernatony, 2006  
• Henkel, Tomczak and Wentzel, 2007  
• Wieseke et al. 2009  
• Morhart, Herzog and Tomczak, 2009  
• Jentschke, 2015  
• Zullina et al. 2015

*Table 2-1: Overview of Brand Leadership Studies*
2.1.1 Brand Leadership as Concept

Van Gelder defines brand leadership as “[…] setting a context and a culture within which employees live the brand and stakeholders perceive the brand. In other words, the employees’ behavior and demeanor must be recognizable on brand” (van Gelder, 2014, p. 245). In order for a brand to create value he requires it to be embedded in the business strategy and connected to the marketing strategy of a company. He adds the concept of creativity (ability to think in a different way about familiar issues or to come up with new ideas) and leadership (creating a vision, structures, systems, trust, clarity and inspiration) to successful value creation. For van Gelder the entire brand leadership process supports the implementation of the brand into the company rather than the decision making process.

The most comprehensive view of brand leadership as a concept is presented by Aaker and Joachimsthaler. They see brand leadership as the new imperative within a paradigm shift, and place it in contrast to the classic brand management model which ruled the 1980s Procter & Gamble world (Aaker and Joachimsthaler, 2000). Due to much more demanding market complexity (emerging markets, brand and competitor intricacy), they call for a brand management system with a broader scope and a strategic, visionary, rather than tactical and reactive, brand management. In its essence they see brand management as elevated from the marketing department to the top management layer of a company. The CEO is the highest brand authority in the company. “To fill this role, the brand manager must be involved in creating the business strategy as well as implementing it” (Aaker and Joachimsthaler, 2000, p.7). This claim already sets a clear prerequisite that the brand strategy has to be part of, and derived from, the overall business strategy.

From a conceptual point of view brand leadership moves from using brand image as a tactical measurement model to brand equity measures, already defined in Chapter 1.1, building on brand awareness, perceived quality, brand associations and brand loyalty.

This approach describes a complete shift in the way brand is looked at and evaluated. Based on the brand leadership model of Aaker and Joachimsthaler the author has added “leadership style” to the model as an additional variable. The
model name of Aaker and Joachimsthaler as shifting from “management” to “leadership” indicates the necessity of examining the differentiating factors of leadership and management already.

Finally Aaker and Joachimsthaler see brand leadership as not only externally focused in terms of communication. Brand leadership is important for a company’s internal communication. Communicating only with employees, however, might not do justice to the comprehensive paradigm shift described. Behavioral branding goes far beyond internal communication. Behavioral branding or on-brand behavior makes sure that employees know and understand the brand promise and can live up to it (Tomczak et al., 2007). It was therefore added to the brand leadership model used in Table 2.2.
<table>
<thead>
<tr>
<th>From Tactical to Strategic Management</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Perspective</strong></td>
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<tr>
<td><strong>Brand Manager Status</strong></td>
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<tr>
<td><strong>Leadership Style</strong></td>
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<tr>
<td><strong>Conceptual model</strong></td>
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<tr>
<td><strong>Focus</strong></td>
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<table>
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<tr>
<th>From a Limited to a Broad Focus</th>
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</thead>
<tbody>
<tr>
<td><strong>Product-market scope</strong></td>
</tr>
<tr>
<td><strong>Brand structures</strong></td>
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<tr>
<td><strong>Number of brands</strong></td>
</tr>
<tr>
<td><strong>Country scope</strong></td>
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<tr>
<td><strong>Brand manager’s communication role</strong></td>
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<tr>
<td><strong>Communication focus</strong></td>
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</table>

<table>
<thead>
<tr>
<th>From Sales to Brand Identity as Driver of Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Driver of Strategy</strong></td>
</tr>
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</table>

*Table 2-2: Brand Leadership - The Evolving Paradigm*<br>(Based on Aaker and Joachimsthaler, 2000, page 8)*
2.1.2 Top Management Role in Brand Leadership

The literature leaves no doubt that top management needs to be involved in the branding process and to lead it one way or another. There is, however, no agreement on the depth of the executive leadership role.

<table>
<thead>
<tr>
<th>Low Involvement</th>
<th>High Involvement</th>
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<tbody>
<tr>
<td>Puppet Approach</td>
<td>Catalyst and Energizer Approach</td>
</tr>
<tr>
<td>- management to pretend a certain brand support e.g. Hovland, Irving and Kelley, 1963</td>
<td>- consistent and credible on-brand communication e.g. Vallaster and de Chernatony, 2006; Vest and Biesalski, 2008</td>
</tr>
<tr>
<td>- CEO as voice but not the soul of the brand e.g. Balmer, 2001</td>
<td></td>
</tr>
<tr>
<td>Top Down Approach</td>
<td></td>
</tr>
<tr>
<td>- brand strategy defined and implemented by top management e.g. Cyert and March, 1963; Dunn and Davis, 2004; Henkel and Ebersbach, 2008</td>
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</table>

Figure 2-1: CEO Involvement Continuum

Top Down Approach

Starting at one end of the scale, Cyert and March, for example, assume strategy to be defined only by top management (the bounded rationality concept – Cyert and March, 1963). The CEO/top management are responsible for the definition and implementation of the brand strategy in the company (e.g. Henkel and Ebersbach, 2008; Dunn and Davis, 2004). This is also the approach that Aaker and Joachimsthaler take when describing the new paradigm of brand leadership. “For organizations where there is marketing talent at the top, the brand manager can be
and often is the CEO” (Aaker and Joachimsthaler, 2000, p. 8). In some patriarchal companies the brand is even defined through the founder of the company, who leads all the branding efforts (Brexendorf and Kernstock, 2007). This is especially true for brands like Virgin or Red Bull, which are closely connected to their founders’ mentalities (Richard Branson, Dietrich Mateschitz). They are the brand personified. The role of the top management is also not only to initiate the process but to carry it out, so that all elements discussed in the following moderate brand leadership approach are also part of the top down approach, in addition to the strategy definition (communication, leading by example, creating a framework for behavioral brand management). The discussion might be about the acceptance of a brand strategy being developed merely top down by employees, but from a leadership approach it has the greatest chances of becoming embedded deeper into the DNA of a company.

Catalyst and Energizer Approach

The moderate brand leadership approach does not see a key role for top management in the determination of brand strategy, but a catalyst role as spokesperson, role model and accelerator (Vest and Biesalski, 2008). "It's the CEO who is ultimately responsible for making sure the organization embraces brand in this fashion, and it's he or she who must deliver the message that brand is the responsibility of every employee" (Dunn and Davis, 2004, p. 241). Brand strategy can thus be developed by departments within the company (strategy department, marketing department) or can develop out of the DNA and history of the company. The role of top management is in that case to represent the brand to the employees in their actions and words. Managers who really identify with the brand strategy, and internalize it, are more successful than those who do not.

Vallaster and de Chernatony postulate that “[...] leaders play an active role during the brand building process when it comes to “translating” the brands’ promise into action. Leaders not only influence the internal brand building process via verbal communication, but also through non-verbal communication, experience in their social interactions” (Vallaster and de Chernatony, 2006, p. 772).

The leader is the energizer of (internal) brand building efforts.
2.1 Brand Leadership

Puppet Approach

The lowest involvement in brand leadership sees a "puppet" role for the CEO/top management, who simply pretend a certain brand support. Illusion seems to be more important than reality (Hovland, Irving and Kelley, 1963). The CEO is clearly the voice and not the soul of the brand in this approach (Balmer, 2001), however, this approach contradicts all the literature sources, which name brand internalization and true conviction as key factors in successful brand leadership. The role described can also barely be seen as leadership.

2.1.3 Top Management Tasks in Brand Leadership

Based on a very different understanding of the role of the CEO in the brand leadership process, the tasks of brand leadership also are specified very differently in terms of scope. There are two different views of how to approach the tasks of brand leadership: a process oriented view and a view looking at brand leadership as function.

Brand Leadership as Process

Mintzberg describes structure building in organizations as a system of different flows – "[...] of authority, of work material, of information, and of decision processes" (Mintzberg, 1979, p. 35), which play together, and in the same way brand leadership tasks might in the ideal case be a well-regulated, sequential number of decisions and processes as Figure 2-2 indicates. This figure gives an overview of all tasks, which are attributed to the top management of a company in the brand management process. Whilst some sources see the highest involvement in the highest and most strategic tasks, represented through the darkest colored boxes, diminishing downwards, various sources see tasks further down in the process as specifically important for a CEO to lead (e.g. communication with employees or external stakeholders, setting up brand equity measurement etc.)
If brand leadership is defined as the process of managing a brand at a high level in the organization, the tasks are described very broadly (e.g. Esch et al., 2006; Schultz and de Chernatony, 2002; Aaker and Joachimsthaler, 2000). Aaker and Joachimsthaler, using a process oriented view, define brand leadership tasks as:

- organizational structure and processes (brand strategy, management process)
- responsibility for setting up the brand architecture (brands/sub-brands/endorsed brands, roles of brands/sub-brands)
- brand-building programs (accessing multiple media, achieving brilliance, integrating communication, measuring the results)
- brand identity/positioning (aspirational image, positioning the brand)

Aaker and Joachimsthaler see brand leadership as the new brand management paradigm, and so the tasks of a brand leader are described as a list and the process of all the tasks one would expect in a brand management process, as a
administrative system, and are not necessarily just focused towards the top management specifically (Aaker and Joachimsthaler, 2000).

**Brand Leadership as a Task**

If brand leadership is defined as a function and therefore one element in the brand management process, the tasks are sharply defined and well separated from the top management/CEO tasks compared to those of other departments in the company.

Esch et al., (2006) for example, look closely at specific top management tasks in corporate branding. They define the role of the top management as to develop a central idea in terms of content for the brand so that the individual mosaic parts can fall into place, and to make sure all departments work together rather than claiming ownership of the brand. External image and internal identity should be steered by the central brand idea. The guardrail for the process is predetermined by the corporate strategy. They claim, however, that in contrast to the comprehensive brand leadership model by Aaker and Joachimsthaler (2000), top management should only have a limited set of responsibilities.

- direct commitment to the idea and the values of the corporate brand
- exemplify the identity of the company through their own lives and work
- using the corporate brand for the strategic development of the company
- using the right mix of responsibility and delegating corporate brand management to the functional areas involved (e.g. marketing, human resource department (HR), public relations (PR), external sources (Esch et al., 2006).

Henkel et al. (2008) even limit the role of the top management to formulating a brand vision.
### Table 2-3: Framework for Organizing Corporate Brand Management

*(Based on Esch et al., 2006, p. 51)*

Whilst the classification in Table 2-3 separates the individual department responsibilities and tasks clearly, even in the function driven view, literature gives many examples of brand leaders, breaking this classification. They participate directly and personally in tasks which would normally be executed by marketing, PR or HR departments. Brexendorf et al. add “responsibility for strategic employee communication” to the key tasks of a CEO in brand leadership. The CEO must be the key implementer and enforcing power for brand behavior. “Brand Leadership must not be delegated” (Brexendorf et al., 2007, p. 324).
Being a role model for on-brand behavior, living the brand and the communication of brand values, and making sure all their own communication is on-brand, is a very specific task for the CEO, on which many sources agree (e.g. Esch et al., 2014; Harris and de Chernatony, 2001; Urde 1999). First of all the values of the brand itself need to be communicated to all members of the company. On top of that a CEO needs to be sure the messages they give are entirely on brand, both publicly outside the company and to employees, either individually or as a group. Otherwise the brand loses its credibility within the organization. Finally the top manager has to be a role model for living the brand.

Dunn and Davis suggest that only CEOs who understand the true strategic asset of a brand will also take the effort of leading branding initiatives and not delegating them to an old brand management-led paradigm.

“The CEO of 3M, for example, leads its branding efforts, supported by a brand management committee that is focused on strategy. The committee is represented by high-level, cross-functional executives, including the head of research and development, senior lawyers, and brand experts. As a result, brand involvement is extremely high throughout the organization” (Dunn and Davis, 2004, p. 242).

In summary the better part of the reviewed literature on functional brand leadership has a common denominator, and defines the following tasks of a CEO as key for successful brand leadership (see Figure 2-3):

- involvement in brand strategy development (e.g. development of the brand vision)
- leading through example
- brand communication (making sure their own communication is on brand and communicating the brand promise to internal and external stakeholders of the company).
2.1.4 **Conceptual Organizational Leadership Models Relevant to Brand Leadership**

In his review of recent developments in literature on conceptual leadership models Barker criticizes the fact that leadership as such is not even defined in these sources, especially by those who use leadership as a new paradigm in contrast to management as an old concept. In his view leadership has been reduced to slogans like “managers are people who do things right and leaders are people who do the right thing” (Bennies and Nanus, 1985, p. 21). There is no clarity in the literature, about whether leadership is a skill or ability, a role or position, an action, a weapon, a process, a function, a factor, a lifestyle or an experience (Barker, 1997).

For the sake of clarity, this paper will build on the definition given by Burns, already mentioned in Chapter 2.1. Burns defines leadership as "the reciprocal process of mobilizing, by persons with certain motives and values, various economic, political, and other resources, in a context of competition and conflict, in order to realize
goals independently or mutually held by both leaders and followers" (Burns, 1978, p. 425).

Analyzing the recent publications on organizational leadership (in contrast to ideological leadership) a number of factors suggest a common salient understanding of the newer research streams:

a.) Leadership creates change (e.g. Vallaster and de Chernatony, 2006).

b.) Leadership prevails in a context of competition, conflict or crisis (e.g. Bass and Riggio, 2006).

c.) Leadership is an enabling leader-follower relationship rather than a (personal) trait or a skill that can be learned or taught (e.g. Howell and Avolio, 1993).

d.) Charismatic leaders present an “[…] appealing, motivating vision that resolves conflicts and provides followers with meaning and direction” (Mumford and Strange, 2013, p. 128). This allows followers to take responsibility beyond their core duty.

Barker identifies the key difference between leadership and management in their respective functions for organizations and society. “The function of leadership is to create change while the function of management is to create stability. The function of management regarding change is to anticipate change and to adapt to it, but not to create it” (Barker, 1997, p. 349). Management is a rational activity in a mechanistic system that can be measured, controlled and adjusted. Management is aimed at problem solving. Leadership is consequently seen as a dynamic process that creates change. It initiates a process, but it does not control it. Leadership and management, however, must not be seen as bipolar, dualistic concepts. A leader needs to manage and a manager can be a leader. They serve different functions and targets.

The biggest revolution in leadership research does not involve looking at leadership as a skill or personal trait, but treating it as a relationship. Leaders are not necessarily automatically accepted just because of their hierarchical position. The predominant view of leadership was to be a feudal kingdom with a "man on the top", but future successful organizations are not likely to have hierarchies in the traditional sense, rather circular or linear structures (Barker, 1997). Barker suggests that future leaders might not even meet their employees, but, for example, solely receive their work electronically. How can leadership work and be
effective in such an environment? What does it take? The solution seems to be to look at leadership as a dyadic supervisor/subordinate relationship.

Leadership can be seen as:

a) An ability, attribute or skill set, which in the best case can be trained, and learned (e.g. Lindell and Rosenqvist, 1992; Kellermann, 1991);

b) or in the new paradigm – which differentiates leadership from management – as a relationship (e.g. Dansereau et al., 1995).

In the feudal view, leadership is described as one's relationship with one's king: they deserve allegiance by virtue of rank, there is a natural hierarchical difference in status, intelligence and ability and the subject's role is to serve their wishes. Moral behavior is defined by productivity (see Barker, 1997). Barker reaches the conclusion that "leadership is a dynamic social and political relationship that is based on a mutual development of purposes which may never be realized. The concept of leadership as a non-supervisory relationship is characterized by the words dynamic and mutual" (Barker, 1997, p. 351). Leaders thus need to take the convictions and reservations of their followers in to account. They need to build a long term stable relationship of trust rather than give a single top-down order.

Building a relationship also makes great demands on a leadership style. Research into specific brand leadership tries to define specific leadership styles that are successful in reaching a brand target (e.g. high on-brand behavior). In their research regarding successful brand leadership Vallaster and de Chernatony (2006) found an enabling rather than controlling management style to be of advantage. This underlines Barker's view of leadership as a relationship. His findings are supported, for example, by Wieseke, Ahearne, Lam and van Dick, who found charismatic leadership to be an important factor in employee organizational identification (Wieseke, Ahearne, Lam and van Dick, 2009). Morhart, Herzog and Tomczak, who drew on the concept of transformational versus transactional leadership, first published by Bass in 1985 (Morhart, Herzog and Tomczak, 2009), came to a similar conclusion.

Transactional leadership (TRL) builds on the idea that managers use exchanges and bargains to accomplish desired employee behavior (e.g. salary for work). Transformational leadership (TFL) instead strives to influence the employee in their values and inspire them to deliver on brand values, similarly to Vallaster and de Chernatony's ideas of enabling leadership. According to the research findings of
Morhart, Herzog and Tomczak, TFL enables employees to internalize a brand, which according to Miles and Mangold is a key factor in successful behavioral branding and thus is the more effective leadership style. The concept of transformational versus transactional leadership developed by Bass in 1985 - based on Burns’ classification of transactional and transformational political leaders - also focuses on the relationship aspect of leadership but makes an even more detailed distinction within relationship processes: transactional leadership describes a leader–follower relationship that is based on a series of exchanges or bargains between leaders and followers. Transformational leadership goes beyond exchanging inducements for the desired performance by developing, intellectually stimulating and inspiring followers to transcend their own self-interest for a higher collective purpose, mission or vision (Howell and Avolio, 1993). It is important to note that both transactional and transformational leadership behaviors can be displayed by the same leader in different amounts and intensities, while also complementing each other (Howell and Avolio, 1993).

Strong transformational leadership, combined with moderate transactional leadership elements, achieves the best results in on-brand employee behavior (Morhart, Herzog and Tomczak, 2009). This integration of both sides (transactional and transformational leadership) is also strongly promoted by Antonakis and House. They introduce the concept of Full Range Leadership Theory (FRLT), drawing on authentic transformational leadership (leaders with high moral and ethical orientation) in contrast to pseudo-authentic transformational leadership (leaders who are ethically and morally empty): they present a framework of situations in which either TFL or TRL is successful (Antonakis and House, 2013).

Successful brand leadership lights people’s fires rather than filling them with knowledge.
2.1.5  Brand Leadership as Driver for Behavioral Branding

Most of the recent published literature on brand leadership centers around the role of leadership in behavioral branding (on-brand behavior, internal branding) (e.g. Wieseke et al., 2009; Morhart, Herzog and Tomczak, 2009; Vallaster and de Chernatony, 2006; Strödter and Fischer, 2006; Henkel et al., 2006; Miles and Mangold, 2004; Esch and Mitchell, 2002).

Behavioral branding is a relatively new stream in brand research compared to analyzing brand strategy, which is purely focused on customer-facing media centered communication. Behavioral branding is seen as the most promising new development with the highest potential in branding (Esch, 2005).

A brand is not a theoretical definition on the paper of the marketing department, a logo or a powerful slogan. A brand is the sum of the experiences a customer has with a company, its products or services. Successful branding therefore means delivering on the promise a company makes to its customers. The higher the gap between the theoretical notion of a brand within a company and the experience that a consumer has with the brand - be it through advertising, service experience in a shop or via an online complaint they may file - the higher the cognitive dissonance for the customer (e.g. Mitchell, 2002). As a result the brand preference, which will culminate in (re)purchasing behavior, deciding to upgrade to a product with higher revenues for the company, brand advocacy or simply customer retention, becomes less verisimilar, especially since the customer has similar options to choose from. "Consumers try to handle the floods of exchangeable products and services by buying those goods which provide a holistic and coherent consumption experience" (Henkel, Tomczak and Wentzel, 2007, p. 13).

The concept of internal marketing and branding was first introduced in 1976 by Berry, Hensel and Burke. The central idea, in the early years of internal branding, was to offer employees a clear vision that was worth pursuing in an ongoing process rather than a singular event once per year (see Wieseke et al., 2009). The terms "internal branding" and "behavioral branding" are almost used as synonyms in the literature. Internal branding is seen as all branding efforts towards employees or the on-brand behavior of employees. Vallaster and de Chernatony
(2006) define the internal brand-building process as a "process to align staff's behavior with a corporate brand's identity". Behavioral branding is used in literature in the same way, although it sometimes is limited to consumer-facing employees: "Behavioral branding is defined as any type of verbal and non-verbal employee behavior that directly or indirectly determines brand experience and brand equity" (see Henkel, Tomczak and Wentzel, 2007, p. 13; Tomczak et al., 2005).

Brand-compliant behavior has to be built through a process, following several steps, described for example by Wentzel et al. (2005) as a funnel:

a) First of all employees need to know and understand the brand strategy.
b) Secondly, the brand strategy needs to be credible and the employee needs to commit to deliver the brand strategy.
c) Finally the employee needs to be able to deliver the brand strategy.

Only then can employees behave in a way that follows the brand strategy, and can the brand strategy can be translated to an employee's personal job and task (Wentzel et al., 2005).

The advantage of the funnel is that every step builds on the others. Every stage can be managed individually with a separate focus on provisions. The plan above to manage the funnel needs to start with a clear strategy and target definition of the behavioral branding efforts (see, for example, Tomczak, Henkel and von Walter, 2009).

- Which brand identity needs to be established?
- Which target segment outside the company has to be pursued?
- Which target segment within the company has to be established as brand ambassadors?
- Timing and intensity: which targets have to be pursued until which point in time?

In terms of instruments, top management has a range of tools available for every stage of the funnel in order to pursue a behavioral branding program, either focusing on the individual employee (e.g. workshops, company newspaper, storytelling, intranet news, personalized e-mails, performance reviews, storytelling, etc.) or structural empowerment and reward systems (Tomczak, Henkel and von Walter, 2009).
It is also important in that context to make every step in the funnel not only manageable but also measurable: has the employee understood and internalized the brand strategy? Are they now ready to defend the brand strategy and translate it for their own job? Where do they still need support? Only answering these questions will guarantee a consistent brand experience for the consumer in the end.

What role specifically does the top management play in behavioral branding? Some of the roles explained have already been treated when looking at the roles of top management in brand leadership in general (See Chapter 3.1.3.)

- Leading through example and
- communication on brand are factors which most literature sources describe as key for a successful behavioral branding program.

Additionally however top management needs to make sure that employees have a chance to actually live the brand (knowledge, commitment, ability to deliver on brand) and create an appropriate framework for brand delivery. Finally the internal conviction of the CEO and top management is decisive especially for convincing employees and for being authentic. Therefore

- delivering a framework to live the brand
- being convinced of the specific brand approach are elements which are added to the function of a CEO/top manager when analyzing behavioral branding.

Figure 2-4 shows the specific tasks of top management in behavioral branding. In red are the tasks specific to the angle of internal branding, in blue are the common brand leadership tasks, which are mentioned in the literature as key for behavioral branding as well.
brand leadership tasks specific to behavioral branding

- believe in brand-centric approach
- believe in chosen brand strategy and brand promise

- setting brand management framework in the company
- making sure all employees are able to deliver on brand

be convinced and pass on conviction
create brand delivery framework

lead through example
communicate on brand

- being a credible example to employees in one’s own brand behavior

- having all verbal and non-verbal communication internally and externally is on brand

generic brand leadership tasks which are important for successful behavioral branding (as well)

Figure 2-4: Brand Leadership Drivers for Behavioral Branding
First of all, top management needs to believe in the brand themselves and pass that conviction on to their staff.

They need to make sure all structures are in place for an employee to be able to deliver on the brand promise. Employees need to know the brand promise, need to be convinced, inspired, able and empowered to deliver on the brand. To align all the employees behind the central idea of the brand strategy has to be the first step prior to communicating a brand promise to potential customers. Otherwise the risk is to communicate a brand promise on which employees cannot deliver, which will discourage the customer and the employee equally (e.g. Wentzel, Henkel and Tomczak, 2010). "Unfortunately executives still believe that their brand strength is most heavily reliant on the marketing budget (as opposed to HR, training, research and development, or customer service)" (Dunn and Davis, 2004, p. 242). It is thus not a surprise that employees who are committed brand evangelists for their companies seem to be the exception. A Gallup study, conducted in 2005 in Germany, showed that 87% of the responding employees did not have a commitment to their company, and 55% of the respondents gave lack of information about the brand vision as a key reason. As a result the brand strategy does not make it to the base of the company (Esch, Strödter and Fischer, 2006).

The role of the CEO as an example is specifically emphasized in studies of behavioral branding. Leading through example is even more important than preaching about brand values. "Eloquently philosophizing about commitment will lead to failure ... you need to live the brand values" (Vallaster and de Chernatony, 2006). The behavior of a supervisor is one of the key factors encouraging or disheartening brand-compliant behavior. CEOs/MDs set an example for their employees to live up to the brand promise. If a CEO believes in the brand and identifies strongly with the organization, it is much more likely that employees will also show a high level of organizational identification. A high level of organizational identification will drive on-brand behavior and higher sales performance of customer-contact employees (Wieseke et al., 2009).

In addition to living the brand, top management is an important carrier of the brand message. Consistent and credible on-brand communication from supervisors and managers has been identified as a key driver of employee brand internalization. This supports them in delivering the desired brand values to the customer and thus creating a coherent brand picture for the consumer (Miles and Mangold, 2004). Building on Vallaster and de Chernatony (2006), there is evidence that constant
repetition of the brand message to employees regarding brand identity and commitment to living up to the brand promise makes a successful brand leader. Both explicitly outspoken expressions and forms of non-verbal communication count. "Leaders need a consciousness for organizational communication," (Vallaster and de Chernatony, 2006).
2.2 POTENTIAL OBSTACLES TO BRAND LEADERSHIP

2.2.1 Conceptual Development of Potential Obstacle Dimensions

As mentioned in Chapter 1.3 the central empirical methodological approach of the dissertation will be case study research. Specifically the external validity of the case study “[…] benefits from the prior development of theoretical propositions to guide data collection and analysis” (Yin, 2014, p. 17).

The conceptual development of potential obstacles was approached through two research techniques: desk research and expert interviews. “Obstacle dimensions” are obstacle constructs that are operationalized through individual obstacle items. “Obstacle dimensions” as diction is used to describe container variables to structure the approach towards all potential obstacle items to brand leadership (see Figure 2-6: the obstacle dimension “brand management issues” consist e.g. of the obstacle items “lack of brand leadership awareness”, “focus issues” and “resource issues”).

In order to obtain a comprehensive picture of all potential obstacles to brand leadership a literature review was performed first, with a focus on potential obstacles to brand leadership. In a second step the research was extended to all areas adjoining brand leadership (e.g. topics of obstacles to brand strategy and brand management, obstacles to leadership itself).

Since the literature review of key dimensions of obstacles to brand leadership had very unsatisfactory results, ten additional interviews with experts in the area of branding were conducted either personally or on the phone, one prior to the start of the study in 2008, all others in February and March of 2011. Obtaining an initial idea of any hidden and open obstacles is key to the preparation of qualitative research.
Expert interviews are recommended in the exploration phase of a research project (Bogner and Menz, 2005). It is the preferred method if a structure for further investigation is needed. An expert is no source of objective information, however.

The interviews were in-depth expert interviews of an explorative nature with one single question: “What obstacles can you imagine, do you know or have you experienced to the top management layer of a company assuming brand leadership? Top management is defined as the MD or CEO level of a company. The focus is on international, publicly listed companies.” The interviews lasted from 25 minutes to 2 hours and 38 minutes. Nine of ten interviews were telephone interviews. One interview included a personal exploration and discussion prior to the exact shaping of the research questions. The discussion brought many insights and ideas from the vast experience of the discussion partner. Since it does not follow the requirements of an expert interview however (research framework defined upfront), only small parts were taken into consideration for the study.

The interviewees were university professors focusing on brand strategy, the MDs or CEOs of companies focusing on (internal) branding programs and brand specialists within companies (in alphabetical order):

1. Christoph Andexlinger – SES SPAR
2. Eric Forsthoefel – Director of Brand at UPC
3. Dr. Gereon Friederes – MD of Marketmind
4. Brad Gunn – Managing Director, Marketing and Sales, UPC
5. Prof. Philip Kotler – Kellogg School of Management
6. Dr. Karin Krobath – MD Identitäter
7. Hannes Maier – CEO Internal Branding Academy
8. Philip Orwell – founder and CEO of Venturethree
9. Dr. Verena Priemer – MD of Marketmind
10. Prof. Dr. Andreas Strebinger – Professor at York University, Toronto

Based on the combined results a blueprint was plotted out in Figure 2-6 and condensed to five key dimensions of potential obstacles.

To start with, the interviews resulted in a classification for top managers as regards their attitude to brand in general:
A. Group 1 contains the top managers who have certain open or unconscious reasons to disbelieve in the brand strategy or the specific brand strategy/internal branding strategy of the company and therefore do not take a proactive leadership role.

B. Group 2 contains the top managers who are convinced of a brand-centric approach. They might however lack a certain skill set that is needed to bring the brand across or be hindered by external factors from taking a leadership role.

Based on a summary of the individual items mentioned, a set of five core dimensions has been identified as a structuring reference framework.
1. Unspecific Brand Rejection: Conscious or subconscious rejection of branding as a concept in general, unspecific to company (e.g. effectiveness of brand-centric approach unknown)

2. Specific Brand Structure: Issues with the brand(s) of the company the top manager is working for. (e.g. issues in the brand architecture of the brand framework)

3. Structural Company Issues (e.g. M&A activity)

4. Intrinsic Obstacles (e.g. lack of the required skill set, or attitudinal issues towards the company)

5. Brand Management Issues (e.g. no budget assigned to brand programs)

This list of reasons does not have any claim to be exhaustive or correct. It is the result of a literature review, expert interviews and assumptions. The case study will reveal whether any items need to be added, what importance they have and how they might be interlinked. It is also assumed that some variables might have a moderating or mediating character; most of them are certainly not independent.
Figure 2.6: Blueprint of Potential Brand Leadership Obstacles

1. Unspecific Brand Rejection
   - Lack of Knowledge/Conviction
     - no link of brand to company success assumed, brand as cost factor
     - brand is seen as logo
   - Measurability
     - brand is a soft factor compared to e.g. price
     - brand non-on P&L
     - distrust in measurability

2. Specific Brand Structure Issues
   - Brand strategy
     - lack of brand strategy
     - brand strategy forced upon company
     - unrealistic brand strategy
   - Internal Branding
     - neglected compared to customer focused branding
     - company cannot deliver on brand

3. Structural Company Issues
   - Company Strategy
     - brand strategy is seen in competition with/ on top of company strategy
   - M&A Activity
     - constant brand change
     - no identification with new holding company
   - Top Management is Not Accountable for Brand
     - shareholder don’t look at brand performance
     - brand performance is not part of the bonus agreement

4. Intrinsic Obstacles
   - Communication
     - lack of knowledge or skill regards organizational communication
   - Language Constraints
   - „Not invented here“

5. Brand Management Issues
   - Focus
     - operational issues
     - lack of brand importance in the day to day business
   - Lack of Commitment
     - rejection of specific brand elements
   - Resources
     - no assigned budget
     - no responsible person or team for brand assigned
     - Marketing responsible for brand but not anchored in the top management

Leadership
- does not want to lead by example
- generic leadership impairment
- general responsibility adversity

Publicly Listed Company
- quarterly reporting of KPI’s
- short pay back periods

Lack of Identification With Company

22 Potential Obstacles To Brand Leadership
2.2.2 Exploration and Description of the Potential Obstacle Items

2.2.2.1 Unspecific Brand Rejection

Unspecific brand rejection is the conscious or unconscious rejection of branding as a concept. It is not directed towards the specific brand of the company for which the CEO or top manager works. This may be the case in the first phase where brand leadership is so important - the decision making for or against a branded strategy for the company. If a brand-centric approach has already been chosen, there might be unspecific brand rejection if the CEO was not part of the decision, for example, was appointed to an existing setup, was overruled by the supervisory board or just accepted a brand-centric approach for a company however with a lack of (unconscious) belief.

Lack of Knowledge/Conviction

Top management has to understand the advantages of a brand-centric strategy in order to defend it. It has to be clear how a strong brand can contribute to the building of preference in the long term. The literature shows that members of top management, however, perceive investments in a brand as a black box. Models showing the relationship between invested funds and developed brand equity are insufficiently known to them (Dunn and Davis, 2004; Mitchell, 2002).

The difficulty is mainly the intangible nature of brands. Hard facts such as price and tangible product features are easier to compare, to understand and to manage.
For organizations that have lived in the belief that they produced and distributed products, with brands only equal to names or labels, brand orientation might likely lead to a new conception of reality. It is no longer only a question of innovative products, clear positioning, and attractive image, but also of identity, integrity, core values, and mission. The organization's values, attitudes, visions and general approach to brands make a difference - a world of difference. Learning to see intangible values and symbols as resources is a necessary step in brand orientation. We must accept the notion that a company's foremost assets can consist of something other than iron, bricks, and mortar (Urde 1999, p. 132).

The intangible nature of the brand also leads to the misunderstanding that brand first and foremost consists of its tangible assets, which are mainly the corporate design elements: a logo, a tagline, stationary, the packaging, the website. Aaker describes this as “The Brand Image Trap”: due to a lack of expertise the image
becomes the brand identity and the brand identity becomes the logo (Aaker, 1996). In the end the brand is reduced and limited to the logo.

The problem facing many organizations - and the pragmatic, bottom-line-oriented types that lead them - is that brand is such an intangible concept. Small wonder, then, that it’s often misunderstood or disregarded, since it’s equated with the more tangible marketing communications elements that are used to support it - whether advertising and advertising icons [like the Pillsbury Doughboy]; logos [like Nike’s Swoosh]; taglines [like “Where’s the beef?”]; a jingle [like Alka Seltzer’s famous “plop, plop, fizz, fizz…” theme]; or even a spokesperson (Dunn and Davis, 2004, p. 241).

The tangible assets of the brand are left in the hands of an advertising agency, which does not think in long term value creation but in terms of the next advertising campaign (Kapferer, 1992).

Many CEOs also benchmark their own strategy to the direction chosen by their competitors. A price decrease by the main competitor often leads to discounted prices from a company in order to stay competitive. If the competition does not use a brand-centric approach and the company’s own preference for a branded strategy is not formed, it is very unlikely that a CEO will choose a brand-centric approach for their own company (Shocker, Srivastava and Ruekert, 1994). It is neglected that brands can build a category of their own league, incomparable to the competitive offer unlike price and product features, much more difficult to imitate and thus stay competitive much longer and on a much more strategic level.

Many of the modern marketing tools used, be they CRM, eCR, loyalty programs, relationship marketing, customer database management, e-relationships or proximity marketing, all criticize the brand as too generic, too unspecific too intangible. Branding is thus portrayed as an imprecise, risky science which can seemingly be replaced by much more sophisticated modern marketing tools (Kapferer, 2004).

When a basic understanding of the long term strategic effectiveness of brands is lacking, brand is seen as mere cost factor. Balance sheets have to be drawn up based on the principle of precaution. Since it is not entirely clear which part of the brand is responsible for success, the brand effort is recorded entirely as an expense without the corresponding value creation on the income account.
Investments in machinery and capital expenditure, however, can be booked on the value side of the balance sheet and gradually be depreciated. This behavior leads to a very short-sighted perspective on the brand (Kapferer, 1992).

**Measurability**

For most CEOs the rule given by Müller-Stewens is still true: “If you can't measure it, you can't manage it,” (Müller-Stewens and Lechner 2001, p. 519). All items within the management set that are difficult to measure and report as progress to the financial community or the supervisory board will be looked at with suspicion.

"On average about a third of shareholder or company value can be attributed to brand assets, and there is substantial evidence that suggest that companies with strong brands outperform on the stock market with respect to risk and return" (Lindemann, 2014, p. 253). How can brand value be measured? A great variety of measurement methods exist, although even the experts are sure that they are estimates rather than measurements. Depending on the methodology used - monetary, based on consumer behavior, or mixed principles - the results can vary up to 300 percent say Kropfberger, Mödtrischer and Waiguny (1981), whilst Aaker and Joachimsthaler are convinced that even though brand value can only be
estimated rather than precisely measured, the value can be rated within 30 percent (Aaker and Joachimsthaler, 2009).

The issue with measuring brand value is that it is measured at a specific point in time, yet the value of the brand lies in its future sales, future cash flow from sales of products and services carrying the brand name discounted to reflect the value of money at today’s rates (= net present value) compared to unbranded products (Lee et al., 2015, p.40). It will therefore always remain an estimate. Yet most investments in a company are evaluated based on the calculation method of net present value and thus this is a commonly known and accepted instrument by many top managers.

Aaker gives a guidance on how brand value can be measured more precisely and thus used for top management as a steering mechanism (see Aaker, 1996b).

- First of all it should be clear what is measured and the construct measured should be named precisely. Aaker, as many other specialists, uses brand equity measurement as most comprehensive construct available (see also Lee et al., 2015; Szöcs, 2014; Das, Stenger and Ellis, 2009; Kapferer, 2004). “Theoretically, a brand’s equity reflects the way consumers think, feel and act concerning the brand; these take into account the brand’s price, market share and the profitability of the company that owns the brand” (Lee et. al., 2015, p. 41; Kotler and Keller 2009).

- All dimensions of brand equity should be measured (awareness, perceived quality, loyalty, and associations) (Aaker and Joachimsthaler, 2000).

Figure 2-9: Brand Equity Dimensions
(Source; Aaker and Joachimsthaler, 2000, p.31)
Brand awareness refers to the (unprompted) presence of the brand in the customers mind when it comes to a decision making process. This needs to be converted into action (preference and purchase). The perceived quality is directly related to the product features but it is completely subjective to the customer’s perception and not necessary correlated with the objective quality. Brand association is the aggregated emotional and informational set of experiences a customer has stored in their brain about a brand as the result of direct or indirect interaction with the brand. Brand loyalty is the preference to stick with one brand in a purchase decision over other products and brands.

- Keller and Lehmann (2006; Das, Stenger and Ellis, 2009) add to the construct, at least from a customer-based equity perspective, by adding the 5 “A” dimensions:
  - Awareness (recognition, familiarity, salience and recall)
  - Association (tangible and intangible product considerations)
  - Attitude (describing acceptability to attraction)
  - Activity (involvement, consumption and purchase)
  - Attachment (describing loyalty to additions)

- Companies should not fall into the “Product Attribute Trap” and only measure all product features that are easily comparable to competitors but look towards the sustainable brand advantages, and at the USPs (unique selling propositions) of a brand. These however need to be drivers of the business, otherwise they are irrelevant.

- “[…]The selected measures should be sensitive. When brand equity changes, the measures should detect that change. For example, if brand equity falls because of a tactical blunder or competitor action, the measures should be responsive” (Aaker, 1996b, p. 103).

- The measures should be applicable to all brands, markets and product categories researched.

So if even the experts approach the topic more as an approximation than a standardized, widely accepted and common technique that is not being used universally, how can a CEO, potentially unfamiliar with brand measurement techniques altogether, and used to hard numbers on which to base their decisions,
trust and defend the results delivered by external experts or their own brand team? A lack of knowledge or suitable means available to measure brand value, and thus to influence brand value, can be a key driver in hesitancy to take on a leadership role in what seems to be an imprecise science in the eyes of top management. As a result brand value will not be part of the success criteria of the company. Dr. Karin Krobath, head of an Austrian agency which focuses on the development and roll-out of internal branding concepts noted that: "Everyone knows that happy cows produce more and better milk, but how on earth do you measure happiness?"

Even if there were reliable numbers available and used by CEOs, for companies balancing their accounts based on European rules, it would still be legally impossible to report the immaterial value of a brand on a balance sheet in contrast to the US GAAP accounting law. The value of brands that have been acquired through purchase can be capitalized. The success of the company, especially if it is publicly listed, is measured mainly on its financial results. If a company’s strategic asset is not even listed as a factor on the balance sheet, the chances of its being valued both internally and externally are very subjectively at the disposal of the professional or personal knowledge and conviction of the analyst or CEO. Not even all brand specialists, however, vote in favor of capitalizing a brand on the balance sheet. Kapferer, for example, gives cause for concern by suggesting that other immaterial values such as know-how or employee potential would have to be capitalized as well. The circumstances and the exact time and method of capitalizing of the brand could lead to great insecurities in the market (Kapferer, 1992).

Rationalized Approach to Customer Decision Models

One reason for hesitation in taking an active role in brand leadership could be an assumption that consumers decide to purchase or keep a product based on merely its product features. Competitive edge is therefore mainly defined through product features, which are easily comparable. The consumer is assumed to make a comprehensive review and comparison of product features and thus base their purchase on a rational decision (e.g. a value for money proposition). This behavior, however, has been refuted scientifically.
Search and comparison options, especially provided through the internet, give customers easier, more accessible and comprehensive tools to compare and research products. Customers approach a purchase decision much better informed than ever before, especially if they buy online (Brashear, 2009). Communities, product rating platforms and social networks also give customers much easier ways to describe their experiences with products and seek advice. This does not diminish the importance of brands, however, as claimed by brand-critical marketers. A brand is not limited to a logo or an excellent advertising campaign: it is the sum of the experiences a customer has with a company or product. Decision making does not follow a rational process alone.

The rational model suggests that customers collect information about product attributes, adjust the information to reflect the relative importance of the attributes, and then make a reasoned judgment. The reality is that customers experience mistrust, confusion, or impatience in most contexts and that they do not (or cannot) seek out and process objective information about the brand in the category (Aaker, 1996, p. 75)
Even if the consumer thinks and believes themselves firmly to have made a rational decision, this is seldom the case and a self-delusion (Rosenbaum-Elliot, Percy and Pervan, 2011). Our brain is simply not constructed for this immense information overflow. “[...] The world is large and complex, while human brains and their information-processing capacities are highly limited in comparison. Decision making thus becomes not so much rational as a vain effort to be rational” (Mintzberg, 1998, p. 151).

Especially when it comes to high involvement products consumers claim that external information (e.g. friends and relatives, advertisements) is the main source in building a preference (Kardes, Cline and Cronley, 2011). These sources are, however, certainly no basis for purely rational decision making.

Limiting one’s own strategy to tangibles is limiting oneself to “[...]’search attributes’ [physical features and prices that are readily comparable across brand via inspection or information search]” (Aaker and Joachimsthaler, 2000, p. 15). The issue is that these attributes can easily be copied. Research on these search attributes by Aaker and Joachimsthaler show however that tangibles only play a minor part in a customer’s decision making. Decisions based solely on price are the exception. “The importance of price as a driving attribute can be overestimated. Surveys show that few customers base their purchase decision solely on price” (Aaker and Joachimsthaler, 2000, p. 15).

This “Product Attribute Fiction Trap” (Aaker, 1996 p. 72) is the failure to distinguish between product features and a brand. It is a lack of belief in the idea that a consumer decides to a great extent based on the brand or the reduction of the brand to its tangible assets. As a result the entire marketing strategy (e.g. pricing, segmentation and communication strategy) is based only on product features. This behavior can be caused by market research that is searching for tangible and measurable attributes that can be measured on a Likert Scale for the sake of easy comparison, and easy and understandable results (Aaker, 1996).

Urde, who conducted an interview with Olle Tegstam, the Senior Vice President of Nestlé, for the Coffee and Beverages Strategic Business Unit, discussed how Tegstam would define a product- and market-centric view compared to a brand-centric view, and asked Tegstam for a definition of the two:
Market orientation is on a more uncomplicated, short-term, and fundamental level. If an organization is only market-oriented, then it's still in the discussion about products and markets. Brand orientation is an additional degree of sophistication. It becomes a little bit more difficult because one has to both be market-oriented and brand-oriented. An organization can never only be brand-oriented. There have to be products that are demanded and that work together with your brand. To be brand-oriented is market orientation ‘plus’ (Urde 1999, p. 118).

It has to be clear that product performance must not be neglected and is an absolute key factor for brand experience if not THE key factor. Das, Stenger and Ellis (2009) discovered in their 2001 study, that product performance, the quality of the delivery of the service, is the most important tool for creating or enhancing brand equity.

Product performance has to absolutely meet the brand promise. The trick is not to limit oneself to the product features only. Being focused only on rationalized, product features based decision making of the customer is missing the opportunity to create a very own category. Complex brand attributes are much more difficult to copy than product features. A competitive product edge based on technology might be more easily outperformed or bypassed by competition than the market oriented plus approach described by Tegstam.

**Company Strategy versus Brand Strategy**

Critics of a brand-centric approach describe brands as sitting separately at the top of company strategy or even as being against company strategy. Creating brand strategy is thus seen as the job of the marketing department.
A brand strategy must never compete with the company strategy. Corporate brand strategy has to be used for the strategic direction of the company and be entirely linked to the company strategy (Esch et al. 2006). If brands are strong and successful, they might very well influence the chosen business segment, and thus the company strategy altogether (Belz, 2006; Tomczak and Zupancic, 2004).

A company strategy is the brand strategy, and a brand-centric approach is the company strategy.

A corporate brand is a synonym for the target and strategy system of a company (Kernstock and Brexendorf, 2006). Kropfberger verbalized it even more provocingly, stating that brands don't belong in the hands of creatives and marketing people but of strategists (Kropfberger, 1981). As a result, if the top management of a company does not decide to make the brand its very own and personal concern, a brand strategy ends with the limitations of a marketing department, which might mean with the next advertising campaign. The strategy will not be embedded deeply enough into the DNA of a company to make it successful. The brand promise might then be different from the product experience, the sales experience, and the customer care experience that the consumer receives in reality. Brand strategy can only work if it relies on a true understanding of a firm’s customers, competitors and business strategy (Aaker and Joachimsthaler, 2000).
Total Rejection of Brands

As strange as it may sound, a CEO might reject the concept of brands altogether. This attitude is not uncommon:

“In the post-modern society, consumers use and perform brand symbolism to understand and communicate complex meanings about the value, status and morality of commodity culture. These processes are especially visible in the anti-branding movements, where reflexive consumers organize to reject, protest and campaign against particular brand values, often by using other brands to devise and enact counter-brand strategies” (Østergaard, Hermansen and Fitchett, 2015, p. 60).

Figure 2-12: Reasons for Unspecific Brand Rejection due to an Anti-Brand Attitude
2.2 | Potential Obstacles To Brand Leadership

The reasons for an anti-brand attitude can be manifold: it may be based on an anti-globalization attitude. Since many of the national big players also use strong brand strategies to compete, a rejection of the fact that a few big companies are dominating the market might culminate in the rejection of brands as a symbol of market domination altogether.

Brands and brand marks are also often seen as synonyms for our consumer culture, an excrescence of the free market economy. A refusal to participate in this consumer approach or active political criticism may be expressed via a culture of commodity capitalism.

A manager might have a brand-adverse background due to their education. In a technocratic environment, for example, it seems plausible that someone who was taught to rely on clearly measurable binary systems might not trust a construct they find difficult to measure and thus to manage.

2.2.2.2 Specific Brand Structures Issues

Specific brand structure issues build the second dimension cluster of potential obstacles to brand leadership in this exploration. In contrast to unspecific brand rejection which is targeted towards brands in general, specific brand rejection is focused on a company and the brands the CEO/top management works with.

Brand Strategy Issues

A specific brand strategy might be very far from a company strategy and thus contradict the business setup of a company. This leads to an unmanageable area of conflict.
The brand strategy chosen might be unrealistic or too challenging for a company to pursue and deliver in the medium-term. The strategy might have been defined by agencies and might not have originated with the company, and therefore the chosen brand could potentially be rejected by top management and most likely also by the employees. Top management might not see a clear path to setting the necessary changes in motion. A challenging but achievable target stimulates employees, but they distance themselves from a brand promise that is very difficult to keep (Wentzel, Henkel and Tomczak, 2010).

There might be flaws in the chosen brand strategy, which, for example, does not take globalization or the expansion of the company into account. A company might retain a very local brand strategy that is simply not suitable as a corporate brand strategy for other markets (Tomczak and Zupancic, 2004). The brand strategy might be overhauled by a change in technology, or product innovation and thus not
be suitable any more (Shocker, Rajendra and Ruekert, 1994). Aaker explains one specific issue with translating the brand strategy to a brand positioning: if the brand positioning is not able to communicate a very clear advantage to the consumer, it might become simply a tagline rather than a brand identity and thus a hollow shell (Aaker, 1996).

**Internal Branding Issues**

Top management does not only need to take a leadership role in defining and defending brand strategy, its most important leadership job is to make employees understand the brand promise, be convinced of it and bring it to life. Top management might simply not know the importance of a branding program that is targeted at employees, underestimate its importance or its effectiveness may be lost with the execution.

A behavioral branding program targeted towards the employees of a company is an ongoing and systematic leadership program, initiated by senior management, “[…] rather than a speech or a letter once a year in which employees are told of the importance of customer satisfaction” (Wieseke et al., 2009, p. 123).

It is vital that the employees know the brand and are convinced of it. They need to feel pride for their company and brand and be inspired. In Japan corporate brand building efforts are often aimed primarily at current and prospective employees rather than customers (Aaker, 1996).
Finally employees need to know exactly how to translate the brand promise to their personal jobs. If top management fails to give satisfactory guidance, the internal branding program will not work at all (e.g. Henkel et al., 2008). This means the employee must have more room to maneuver, especially through direct customer contact, in order to make the customer experience unique and on-brand. There cannot be enough directives in writing to predict and prescribe every customer
interaction. This freedom is potentially not desired by the top management (Kernstock, 2008).

The biggest challenges in behavioral branding approaches, according to Mitchell (2002), are the following:

- Lack of conviction: communicating the brand strategy without making sure that employees have really internalized the brand promise, leaving the employees informed but not convinced.
- Lack of leadership: relegating the internal branding program to the HR department, who might not even have the right marketing skills to set it up.
- Impersonal communication: leaving communication to a general newsletter and memos rather than personal communication.
- Wrong moment: not finding employees ready to participate in a change management program, since the internal branding program is nothing other than a deep change management process.
- Separated internal and external approaches: employees will hear the marketing message targeted towards customers. If the message they hear internally differs significantly from the brand promise made externally, it can be confusing to employees or even threaten their perception of the integrity of the company they work for.
- Unprofessional internal campaign: if the internal campaign is not perceived as professional it will not work. If employees perceive external campaigns as professional and expensive and feel that there was cost cutting in the internal marketing they will certainly not feel like company heroes.

Targeting an internal branding program only towards customer-facing employees is also far too narrow. Whilst they are certainly the ones with direct customer contact, all other departments need to be able to bring the brand alive in their work: the legal department needs to make sure the general terms and conditions of customer contracts are on-brand, the product development needs to make sure all product features portray the brand values, the procurement department needs to be sure to partner with companies that fit the brand promise.

It should be remembered: the easiest way to kill a brand is to over-promise and under-deliver (see, for example, Wentzel and Tomczak, 2008).
Lack of Commitment

Organizational identification (OI) and organizational commitment (OC) are organization-targeted attitudes that reflect some degree of bonding with an organization (Ng, 2015).

Organizational commitment is the most commonly researched concept of psychological attachment to a company. Commitment as a concept is derived from organizational psychology and defined as the psychological binding between employee and an object, which in the case of brand commitment is the corporate brand, or the organization (Esch, Hartmann and Strödter, 2008). It is a strong emotional feeling rather than a purely rational consideration. Three different forms of commitments are distinguished (Allen and Meyer, 1990):

- **affective commitment**: positive feeling about the company/organization
- **normative commitment**: moral obligations towards the organization
- **continuance commitment**: estimated tradeoffs, costs, disadvantages for changing employers

“Organizational identification is the degree to which a member defines him- or herself by the same attributes that he or she believes define the organization,” (Dutton, Dukerich and Harquail, 1994, p. 239). A strong organizational identification often leads to a feeling of pride, however compared to organizational commitment, it is a mainly cognitive phenomenon, whilst commitment is mainly emotional construct (Ng, 2015). Lack of identification will be explored further in the examination of intrinsic obstacles.

Brand commitment is directly deviated from organizational commitment and even used as a synonym. Brand commitment is defined “[...] as the extent of psychological attachment of employees to the brand, which influences their willingness to exert extra effort towards reaching the brand goals in other words, to exert brand citizenship behavior” (Buhrmann and Zeplin, 2005, p. 284). Whilst the concepts of brand identification and brand commitment are sometimes used interchangeably (e.g. Meyer and Allen, 1991), identification can also be limited to the rational aspects of membership and commitment to the affectional aspects, similar to organizational identification and organizational commitment. Esch, Hartmann and Strödter (2008) explain that identification means a sense of belonging to a brand, whilst commitment defines the liking of the brand and thus its recommendation to friends and family (see Esch, Hardtmann and Strödter, 2008).
2.2 Potential Obstacles To Brand Leadership

Figure 2-15: Reasons for Specific Brand Rejection: Lack of Brand Commitment

The research into employee brand commitment, especially in the context of on-brand behavior, is comprehensive, but unfortunately this does not apply to top management, so one can only assume that the levers for employee brand commitment and a lack of them, are to a certain extent also true for top management.

Thomson et al. (1999) tried to find a measurement tool for the amount of intellectual and emotional buy-in by employees and senior management to the company and brand. Intellectual buy-in relates to a pure awareness and understanding of the brand’s strategy, but emotional buy-in is by definition driven by brand commitment: it is the “employees’ commitment to achieve the goals through their emotional attachment and associations” (Thomson et al., 1999, p. 825). The research was based on computer-assisted personal interviews with 350 managers and staff in British organizations employing 1000 or more people in
August 1998. The study revealed that compared to staff, senior management did not have a significantly higher level of intellectual or emotional buy-in, and that the levels were generally low. A key reason for the low level of management buy-in was directly linked to change that the managers had experienced in the past twelve months prior to the survey (e.g. M&A activity). In order to achieve an effective result for behavioral branding, a company must strive for a maximum of employees with a high intellectual and emotional buy-in, the so called “champions”, “people who are both willing and able to give their best to help their organization achieve its vision and goals, and who will act as ambassadors for their brand” (Thomson et al., 1999, 828).

Thomson et al. (1999) found almost as many champions (37%) in their study as weak links (39%) - employees who lack both intellectual and emotional buy-in, which they characterized as an alarming result. The other two categories were either emotionally committed but lacking the understanding of the brand promise (loose cannons) or were employees who would theoretically know what to do but were not ready to commit to the company and brand (bystanders).

Figure 2-16: The Intellectual and Emotional Buy-In Matrix
Source: Thomson et al., 1999, p. 828)
So, what can be done to increase emotional and intellectual commitment to a company and brand? The following levers for brand commitment have been identified by Buhrmann and Zeplin (2005):

- The natural fit of persons to a brand drives brand commitment: if there is a strong congruence between the personal values of an employee (top manager, CEO) with the values of the brand, then commitment is higher.
- Initial socialization processes (e.g. introduction event by HR in which brand is made easy to experience, mentoring programs) drive brand commitment.
- All elements one would expect in an internal branding program contribute to the building of brand commitment (creating awareness and understanding of the brand).
- Encouraging brand leadership on all levels (a CEO also has a boss) is THE key driver for brand commitment.
- Corporate culture and structures have to be in line with the brand.
- Corporate design: top management might be able to identify with the brand promise but possibly not with the execution chosen for the design elements of the brand. A CEO who really dislikes the logo of their corporate brand might find it difficult to identify and commit to this brand. A total lack of symbols also stops identification and further commitment. The brand is perceived as having no soul (Aaker, 1996).

Brand commitment is key for employees to be able to deliver on brand. If a top manager shows low brand commitment it is very likely that their employees will not be committed to the brand either. High commitment, however, drives turnover and profit (Esch, Strödter and Fischer, 2006).

**Brand Architecture Issues**

There are many traps in designing brand architecture which might make it difficult for a CEO to portray brand leadership.
2.2 | Potential Obstacles To Brand Leadership

Figure 2-17: Reasons for Specific Brand Rejection due to the Existing Brand Architecture

The main issue, however, involves the number of brands there are to manage and their intertwined relationships. It might be easier to show brand leadership with a corporate brand strategy or a monolithic brand approach. With a house of brands or a separate brand strategy for every product category, the sheer number of brands can become unmanageable and very difficult to lead (Aaker and Joachimsthaler, 2000). The strategies for combining the different approaches can become impossible to handle if every single brand requires a different marketing strategy comprised of unique marketing decisions and related practices in order to achieve superior performance (Slater and Olson, 2001).

2.2.2.3 Structural Company Issues

Structural company issues are the cluster of obstacles to brand leadership that are best researched in the literature. The build the third dimension of brand leadership obstacles on the blueprint presented on page 37. These obstacles are explained in the company strategy itself, its nature and history.
M&A Activity

Mergers and acquisitions (M&A) are the core of the business strategy of many companies, especially in this century (Esch et al., 2006b). They are probably the most disruptive processes a brand can experience. They mean adapting existing brands, launching new brands, and deleting appreciated and loved brands. In many cases M&A is not necessarily a friendly process. In the best case it is an agreement made in the boardroom by the negotiating teams of two or more companies, mostly in isolation. In the worst case a so-called “black knight” will use a weak financial situation or other imminent hardships of a company at loss for a hostile takeover. This might be the most extreme challenge for brand leadership.

Reasons for M&A activity can be (e.g. Esch et al., 2006b; Schweizer, 2005; Kapferer, 2004; Brockdorff, 2003):
- cost cutting (biggest driver, according to Ettenson and Knowles, 2006)
- synergies (e.g. marketing expenses, distribution channels, product development or research and development)
- political reasons (e.g. collaboration with foreign companies)
- territory expansion to new countries and regions in order to enable top line growth
- competitive effectiveness
- acquisition of new technologies
- filling a product gap or expanding to a new product category
- strategic reasons
- financial reasons
- brand intended M&As (see Kernstock and Brexendorf, 2012). Research shows that a company with an inferior brand image can make significant improvements to its consumer-based brand equity by acquiring a brand with a better image (Lee, Lee and Wu, 2011).
Muzellec and Lambskin (2006) analyzed all companies reported in the Financial Times that changed their name from 2001 to 2003. They found 166 companies which had changed their name and brand. Of these companies 33% changed their brand name due to M&A activity. IT, media and telecommunications companies were by far the biggest category, at 22%, followed by finance and insurance companies with 16% (Muzellec and Lambskin 2006). Brockdorff (2003) in her study about M&A activity comes to a similar conclusion; telecommunications companies are the most prone for M&A activity.

There are several strategies how to deal with the brands involved in the M&A process (Kernstock and Brexendorf, 2012; Brockdorff and Kernstock, 2001):

- dominant redeployment: one brand will be disestablished (the weaker one)
2.2 Potential Obstacles To Brand Leadership

- non-synergistic redeployment: both brands are disestablished and a new one is formed
- hybrid solutions or amalgamation:
  - a brand based on the two initial brands is formed, elements of both brands are taken
  - both brands are kept, specific brands are used for specific business segments or products

The majority of M&As, however, are not reported as successful according to their own criteria set. Studies quote a failure rate of up to 80% (see Esch et al., 2006b). Balmer and Dinnie (1999) focused on unsuccessful M&As only, and looked at the reasons for failure:

- Inadequate recognition of the impact of leadership issues on corporate identity and corporate communications during the M&A process.
- The goodwill of a range of stakeholder groups inside the company and outside the company cannot be secured.
- Naming issues are patched but not repaired.
- Integrated corporate identity and corporate communications structures are rarely in place early on in the M&A process.
- The dominant player pays little attention to cultural issues at the outset.
- Potential conflicts between individual and corporate objectives are neglected.
- Attention is paid to the brand far too late and corporate identity and communications consultants are thus brought in too late.
- Reputation can be damaged, maintained or enhanced during the merger process.

Of these eight reasons, six are very closely linked to brand strategy or brand leadership. Despite the fact that brand, including cultures, values and beliefs, is of huge importance in these merger processes, the brand questions are not seldom clarified in post-merger integration discussions (Brockdorff, 2003). Ettensen and Knowles analyzed more than 200 M&As in order to determine the roles played by the brand strategy of the companies during the process: “In nearly two-thirds of those deals, brand strategy was deemed to have low-to-moderate priority in pre-merger discussions. That lack of urgency meant that the new corporate brand that ultimately did emerge from the merger announcement was likely to be suboptimal, often reflecting a muddled process driven by short-term goals, ego or horse-trading in the final stages of the negotiations” (Ettensen and Knowles, 2006, p. 40).
Due-diligence processes look closely at tangible assets (such as property, plants, equipment and working capital) and more concrete forms of intangible assets (e.g. contract rights, products in the pipeline, patents). Intangible elements such as brands and employee knowledge are neglected (Ettensen and Knowles, 2006). As a result, brands that have nothing in common may be married (Kapferer, 1992).

Lack of brand leadership could be a result of the top management being overstrained with the brand challenge. Being inexperienced in dealing with the brand situation or missing organizational frame conditions could lead to failure. A leadership mistake commonly made is to see corporate rebranding as primarily a marketing communication exercise (Muzellec and Lambkin, 2006).

Brand commitment and identification is often extremely low amongst employees working for companies with constantly changing brands (Vallaster and de Chernatony, 2006). Hybrid brand solutions that are created to fit the egos of the negotiating partners rather than employee and consumer needs create more confusion than clarity (Kapferer, 1992). A well-known, loved and cherished small local brand might be sacrificed to an international brand with all the advantages and disadvantages this might bring. Just a new name, however, is never going to suit an existing company (Stuart and Muzellec, 2004).

Top Management is not Accountable for Brand

If a CEO will never be questioned by the supervisory board or the financial community about a brand, whether regarding strategic issues, marketing spend outside the quarterly sales campaign, or maybe even the results of the latest brand tracking, they might not feel that the brand is an important asset of the company. If a CEO feels the urge to proactively drive the brand and report the results is up to their discretion. Research shows, however, that the financial community is well aware of the potential value of brands (Earl and Waddington, 2013).
The connection of brand accomplishment or brand value and the remuneration of top management is a topic in its own right. Most top managers have a section in their salary agreement related to performance, in the form of a bonus, fringe benefits or a stock option plan (company shares or call options on the company). If delivering on brand results has no consequences for a top manager or CEO, and they need not even show the important traits for brand leadership (e.g. own on-brand behavior and communication), a brand might become merely a sideshow.

The worst case certainly occurs if there are no brand targets agreed at all between the company and its top management and CEO. Brand performance might be judged through the direct result categories of a strong brand (e.g. top line growth, profits or revenue growth, return on equity, share price appreciation). If the effectiveness of the brand model is insufficiently known, or is doubted by top management, and the link between result and brand performance cannot be made, brand will not be given the required leadership focus.
Public Listed Company

Companies listed at the stock exchange are subject to very specific rules in order to satisfy the financial community and not endanger share prices, and thus the funding of the company. The aim of shareholders is to invest in companies that will increase shareholder value during the period of them holding those shares. Shareholder value is defined as the “[…] difference between the wealth held by the shareholders at the end of a given year and the wealth they held the previous year” (Fernández, 2015 p. 32-1).

A shareholder expects a certain return on their equity, which would remunerate them accordingly to their expectations. This return on equity depends on the...
interest rates of long-term bonds plus a risk premium to the shareholder for the estimated risk they experience from investing in a company (company risk premium). “A company creates value for the shareholder when the shareholder return exceeds the required return to equity. In other words, a company creates value in one year for a shareholder when it outperforms shareholder requirements” (Fernández, 2015, p. 32-6).

Investments are expected to drive earnings accordingly on the balance sheet at the end of the accounting cycle, which is keenly viewed by the financial community (shareholders, analysts, rating agencies). Investments are only made if the net present value of a project – the standard method for using the time value of money to appraise long-term projects – is within the accepted limits of an organization.

These short pay-back periods result in the maximization of short-term business results and get in the way of a meaningful brand strategy (Kapferer, 1992). The accepted amortization period might be too short, especially when the brand is newly introduced or its positioning has changed. It might be a very challenging task for a CEO/MD to defend a brand-centric strategy, especially if the strategy cannot be expressed sufficiently in the terminology of the decision makers. “Brand managers may be subject to the whims of skittish investors devoted to a quarterly earnings statement” (Shocker, Srivastava and Ruekert, 1994, p. 153).

This behavior can cause very myopic brand management. “Often the strategies that enhance long-term performance, and are essential for long-term competitiveness, diminish current-term earnings. In the absence of convincing indicators of long-term performance, managers may be reluctant to undertake activities that adversely affect current-term financial measures” (Aaker and Jacobson, 1994 p. 192). Instead a company - in its striving to produce short term cash flows to meet the debt coverage - will focus on all elements that can produce predictable, steady short term growth, such as product sales, or if in need simply cut spending on advertising and rely on trade discounts. Quality strategies, especially based on intangible assets, are much more difficult to defend to shareholders.
2.2.4 Intrinsic Obstacles

Intrinsic obstacles build the fourth cluster of potential brand leadership obstacles. They include all brand leadership issues that are embedded within a person themselves, are not specific to any kind of brand rejection but are more part of the personality traits and skillset of a CEO and top manager.

Communication Issues

A manager might have a general lack of knowledge or skills regarding the necessities of good organizational communication, which is needed to put the brand message across and thus also strengthen an (internal) branding program.

![Figure 2-21: Reasons for Lack of Brand Leadership due to Communication Issues](image-url)
Communication is a key lever for effective brand leadership. This has particularly been researched in connection with successful behavioral branding. “The employee socialization process is largely driven by the messages organization’s leaders and managers transmit to employees” (Miles and Mangold, 2004, p. 76).

Verbal communication plays an important role, and it is not only mass communication that explains the brand promise. Personal communication is key. It is one-on-one personal communication with key members of the organization in order to turn them into brand ambassadors (Henkel et al., 2008). “In working relationships leaders represent the personal visualization of the otherwise abstract, impersonal existence of the organization” (Wieseke et al., 2009).

Apart from the spoken message, a lack of brand commitment can also be revealed through body language and non-verbal communication. “Leaders not only influence the internal brand building process via verbal communication, but also through non-verbal communication, experienced in their social interactions” (Vallaster, de Chernatony, 2006, p. 772).

The message a CEO gives to their employees about brand must absolutely match the message given to all external stakeholders (press, shareholders, customers).

Communication issues can manifest themselves, therefore, in the message given itself, in the way the message is given or in the lack of frequency and consistency. The more heterogeneous a team gets, the more difficult communication with the team (Harris and de Chernatony, 2001).

Finally, feedback is an important tool of communication to the individual. Employees need to understand whether their behavior is on-brand or not. Brand leaders need to be far more than acceptable communicators. The better the communication (personal, emotional, frequent, structured, on-brand) and the better the vehicles of communication are used, the more successful the internal branding will be (e.g. Aaker and Joachimsthaler, 2000).
Leadership Issues

Having flawed leadership skills can also influence the brand leadership of a CEO or top manager.

The CEO/top manager is a role model for their employees: their leadership is only credible if they not only “talk the talk” but also “walk the walk” (Henkel et al., 2008; Esch et al., 2006). This can be extremely limiting and arduous. Making sure that one’s own behavior is constantly on brand might restrict a CEO dramatically and be inconvenient. They might therefore choose not to obey their own rules themselves which is directly counterproductive for the success of behavioral branding (Henkel, Tomczak and Wentzel, 2007).
A CEO might be careful about their name standing in for the brand. They might fear the failure with the branding program and thus not give it a leadership focus. A CEO makes themselves very vulnerable personally and might pay for the impatience of an international financial community with their job and name. If the probability of success is not measurable or plausible they might choose an option which is less risky (Lee, 1971). Being risk averse might be a reason not to engage in a brand leadership role.

As described in Chapter 2.1.4 and 2.1.5 transformational leadership has been identified as ideal to stimulate behavior that is on brand and empowering enough to go beyond expectations (Morhart, Herzog and Tomczak, 2009). Especially in times of crisis and change has transformational leadership been proven to be the most effective way of leadership compared to stable times, where transactional leadership has proven to have its merits. When rapid and directive decisions are needed, leaders must be able “to rise above what their followers see as their mediate needs and appropriate reactions” (Bass and Riggio, 2006, p. 75). Employees sense whether leadership is seen only as a job, with no emotional connection. Effective transformational leaders have to show their emotions (Bass and Riggio, 2006).

Great leaders do not always use their talent for good causes. Their underlying motives can be what Judge, Piccolo and Kosalka (2009) call “The Dark Side of Leadership”: leadership can be driven by narcissism, hubris, Machiavellism and social dominance. Whilst the leadership attempt stays effective, the relationship between the leader and their subordinates might not be used towards the brand. Leadership might be abused and used to fulfil an appetite for power. Transformational leadership can be authentic or inauthentic (pseudo-transformational). Inauthentic transformational leaders do not try to use their leadership power for good causes. This “personalized charismatic leadership” is analyzed by Bass and Riggio (2006, p.13) as based on personal dominance and authoritarian behavior. Such behavior is self-aggrandizing, serves self-interest, and is exploitative of others. “Personalized leaders rely heavily on manipulation, threat, and punishment and show disregard for the established institutional procedures and for the right and feeling of others. They are impulsive, aggressive, narcissist and impetuous” (Bass and Riggio, 2006, p. 13). Brand leadership can only work with socialized leaders, who put their own interests fully behind the brand’s interest.
Lack of Identification with the Company

The concept of organizational identification (OI) has already been described in Chapter 2.2.2.2. Organizations have collective identities, consisting of the beliefs that members share as distinctive, central and enduring. The greater the intersection of shared self-defining attributes with the beliefs of the company, the higher the identification of an individual (Dutton, Dukerich and Harquail, 1994).

A lack of identification of top managers with the company has a strong and direct result on the behavior and identification of employees. “When the BU [business unit] manager identified strongly with the organization, frontline salespeople also exhibited a high level of OI” (Wieseke et al., 2009, p. 319). A higher level of OI leads directly to a higher level of sales.

The reasons for a lack of identity can be manifold, and peak in what is called an “inner notice” - a CEO or top manager might have already decided to leave a company but not spoken about their termination of contract. The manager themselves might be convinced about the brand but no longer believe in the company, and thus not engage themselves actively in a brand leadership role.
Language Constraints

English has been adopted as the corporate language in the vast majority of international companies. This has advantages (Neeley, 2012):

- Competitive pressure: 1.75 billion people worldwide speak English. Distribution and supplier markets are dominated by the English language and due to the globalization of online purchase, English is the most commonly used language.
- Internationalization: international companies have units all over the world, which need to communicate and work together. A common language denominator has to be found, which is normally English.
- M&A activity: negotiations for M&As are complicated enough, so it is better if all involved parties share at least a common language platform.

![Figure 2-24: Reasons for Lack of Brand Leadership due to Language Constraints](image)

International companies tend to put more emphasis on local business unit managers sharing the common beliefs and visions of a company rather than on their local language skills.

These two facts might lead to two language constraints on brand leadership:

- The local manager does not speak the native language of their employees and thus might not be familiar with the language and cultural nuances of the country they are responsible for. Their brand message thus might get lost in
translation and not reach the employees with the same finesse a native language speaker would do. This can lead to a certain feeling of distance and foreignness.

- The employees are forced to understand a complex brand message in a language they are not totally familiar with. It might be difficult to understand the words and hence even the concept. They might not be adept enough in English to make themselves understood, or express themselves to communicate their concerns and proposals.

“Not Invented Here” Syndrome

In international companies a certain internal rivalry as regards the tasks, responsibilities and duties of corporate and local parts of the company and country units is not uncommon. In order to find global synergies and save costs, corporate programs are developed centrally and rolled out to other countries in a similar fashion. Lessons from one country are transferred to other markets (best practice solutions). Additionally, some investments only pay off if made on a corporate level and then carried out by more markets. Being good is sometimes not enough, especially if competitive pressure increases, and companies need to strive for an excellent program: local markets might not be able to afford these resources, so the corporate office is involved as the central carrier.

Every local manager believes their situation is unique, and that corporate best practices and consumer insights should not apply to them. Rolling out corporate programs threatens their self esteem and local authority (Aaker and Joachimsthaler, 2000).

Especially in hostile M&A situations, very little emphasis is put on personal feelings, and if not absolutely necessary for local acceptance, political reasons or knowledge gaps, the former management will be exchanged. If kept in place, brand leadership of the new brand will be almost impossible. If a brand strategy was not developed, and if it is not even supported by the manager, they might find it difficult to represent it. This phenomenon is colloquially known as the "not invented here syndrome".
2.2.2.5 Brand Management Issues

Brand management issues build the fifth and last dimension of the obstacle blueprint. This cluster of obstacles refers to the framework that is set up in a company in order to manage the brand on a daily basis.

Focus Rivalry

A manager might have to make a trade off about where to put their focus, if too many issues require their attention under pressure and they have a basic lack of time. Brand might simply be deleted from the agenda altogether. Studies show that top management does normally not identify brand leadership as a key priority.
(Tomczak and Zupancic, 2004). This is connected to individual assessment of the importance of branding/internal branding.

Operational (e.g. the company cannot deliver on basic product features) or financial challenges might cause a brand to be given a less important role temporarily. There might be a general lack of importance placed on the brand throughout the company, communicated or lived by the owners/shareholders of the company or the manager’s superiors. In this case, a continuous focus on brand leadership will be neglected by top management.

**Resource Issues**

The brand management in a company might not be organized sufficiently at an operational level, and whilst there could be attempts at brand leadership, they might be derailed by not finding a structured, organized program and responsibility that can be carried further within an organization.

The most important resource is a team or person, in the best case a brand team or CBO (chief brand officer), who feels responsible for the brand within the company.
In 2001, the very high-profile Toshiba Corporation created a new and hitherto non-existing vice-president post: VP Brand. Significantly, the appointee was the existing VP of Research and Development. The fact that the world number one in laptops and a major player in the television, hi-fi and lo-fi sectors should create such a post demonstrates a strong awareness of an infilled gap (Kapferer, 2004, p. 49).

**Figure 2-27: Reasons for Lack of Brand Leadership due to Resource Issues**

The second important resource that needs to be appointed to a brand is simply the correlating budget. Launching, maintaining, living and researching a brand with a continuous adjunct improvement process, costs money. If cost savings are needed in order to meet an operational business target, all programs which do not have a firm budget attached to them might no longer receive funds anymore in the business cycle, and even with firm budget commitment, cost savings in the area of branding and marketing are an easy and unfortunately common practice (Baker, 2014).

**Lack of Awareness**

The last potential obstacle to brand leadership is also the most important one. Top managers might not be aware of the key role they play in making a brand successful in their company. To the author’s best knowledge no explicit study has been published which analyses the awareness level of top managers and CEOs
towards their brand leadership responsibility. The importance of a brand as seen by top management in their daily management routine has been studied, and that is alarmingly low. The responsibility of managing brands is often relegated to the marketing and HR department (Rosenbaum-Elliott, Percy and Pervan, 2011; Kapferer, 2004; Aaker 1996).
2.3 SUMMARY

Brand leadership has been identified as one of the central drivers for successful branding. Top management and CEO leadership is especially important when a company makes a decision for or against a brand-centric approach. It is, however, most essential when bringing the brand to life and making sure employees are aware of the brand promise, are convinced and motivated, and finally empowered to live the brand promise in their daily jobs (Morhart, Herzog and Tomczak, 2009; Tomczak, Henkel and von Walter, 2009; Wieseke, Ahearne, Lam and van Dick, 2009; Keller and Lehmann, 2006; Low and Fullerton, 1994).

The literature treats brand leadership as either a new paradigm of brand management, as a concept or as a task.

- Brand leadership is seen as a new paradigm in brand management (Aaker and Joachimsthaler, 2000). It shifts from tactical and reactive brand management to a strategic, visionary concept, and is in essence elevated from the marketing department to the boardroom as the responsibility of top management.
- Brand leadership is seen as concept (e.g. Henkel and Ebersbach, 2008; Dunn and Davis, 2004). The discussion is mainly about which role top management should really play. Is it important that top management defines the brand strategy themselves or is it sufficient that it lives and communicates a brand promise that someone else in the company has developed?
- Brand leadership is a task (e.g. Esch et al., 2006). Most sources agree that three key tasks are important for a top manager in brand leadership: involvement in the set up and definition of the brand strategy, leading by example and communicating the brand, and finally staying on brand within and outside the company with employees, external stakeholders, and customers as the target group.

Leadership as a topic has gained much attention in academic literature in recent years. It is confined to creating change, where the function of management is to create stability (Barker, 1997). Leadership is no longer predominantly defined as a task or skill set, but as relationship (Dansereau et al., 1995). The concept of transformational leadership in particular has been proven successful in brand
leadership. It aims to inspire people and empower them to live a brand based on intrinsic motivation, rather than an exchange of transactional contracts (e.g. salary for work hours). Inner conviction about the brand promise and delivering a framework for employees to be able to live the brand promise is of importance, especially for successful behavioral branding on top of the three tasks mentioned above (Vallaster and de Chernatony, 2006).

Little has been studied and published in a coherent manner about obstacles to brand leadership. Based on expert interviews and a further literature review the following potential dimensions and obstacle variables have been identified, which build a backbone and theoretical framework for the case study analysis in Chapter 3:

a) **Unspecific Brand Rejection** is the conscious or unconscious rejection of brand as a concept in principle. The following items may cause unspecific brand rejection:

   a. Lack of knowledge or conviction of brand effectiveness could be an underlying reason for rejecting brand leadership.
   
   b. There are different published means of measuring brand equity, which all deliver an estimate rather than an exact number (Aaker and Joachimsthaler, 2009). This could potentially alienate decision makers.
   
   c. Conviction about the rational decision making of consumers based on purely comparable product features could make a brand obsolete in the eyes of top managers. This is called the “Product Attribute Fiction Trap” (Aaker, 1996 p. 72).
   
   d. If brand strategy is seen as sitting separately to the company strategy it might be relegated to the marketing department.
   
   e. Anti-brand, anti-consumption and anti-globalization movements (Østergaard, Hermansen and Fitchett, 2015, p. 60) can influence readiness to accept brand leadership

b) **Specific Brand Structure Issues** – The set up of the specific brand, where leadership is required, could suffer from issues that make leadership difficult:

   a. The brand strategy itself could be unrealistic or too challenging to deliver on, or simply contradict the company strategy.
b. The behavioral branding program could be missing altogether, be unprofessional, lacking the conviction of top management or a framework to deliver on brand.

c. Brand commitment is passed on directly from top management to the employees. If a top manager shows low brand commitment it is very likely that their employees will not be committed to the brand either (Esch, Strödter and Fischer, 2006).

d. The brand architecture of the company could be too complex to portray leadership towards a specific, or the corporate, brand.

c) **Structural issues** inherent to the company could make brand leadership difficult:

a. M&A activity brings a huge amount of change and restlessness to the brand strategy of a company since it constantly needs to adapt to new situations. Brand is a criteria in or prior to the decision making process in few M&A activities. Identification with the brand, especially for the employees and management of the acquired company, is difficult (Kernstock and Brexendorf, 2012).

b. If top management is not accountable for the brand to their supervisors and brand performance is not anchored in the salary system or reward system of a company, it is less likely that top managers will take brand leadership seriously.

c. If the company is publicly listed, the rules of quarterly financial reporting make all investments in a concept with a pay back period of around two years difficult, and thus also investment in the brand (Kapferer, 1992).

d) **Intrinsic Obstacles** are issues inherent to the CEO or top manager themselves.

a. Problems in communication style or frequency could hinder successful brand leadership.

b. Living the brand personally and being an example for the brand could be limiting and restricting. A CEO could have their own leadership issues that also influence brand leadership.

c. A top manager might already have decided to leave the company and thus not identify any longer with the company and brand.

d. If the mother tongue of a CEO is different from that of their employees the message could literally be lost in translation.
e. Local managers tend to believe that their situation is unique and that corporate best practices and consumer insights therefore don’t apply, meaning that there is resistance to accepting corporate programs (Aaker and Joachimsthaler, 2000).

e) **Brand Management Issues** are issues set in the day-to-day brand management of a top manager.

a. If imminent and urgent operational challenges are keeping the organization on its toes, brand leadership might be eclipsed.

b. A lack of a clearly assigned budget or responsibility might hinder the brand program of a company substantially, and make brand leadership difficult.

c. Finally the most important reason is that a CEO could potentially not be aware of the importance they play, with their personal leadership, in the success of the brand.
The main task of the empirical part of this dissertation is to explore why the top management of a company might not take a leadership role. Five potential obstacle dimensions with 20 potential obstacle items in total have been identified by means of expert interviews and a literature review. They do not, however, claim to be complete or correct, because the underlying motives and coherences are undiscovered and undocumented so far. The items and dimensions serve as a framework and conceptual backbone for the empirical task at hand.

The central research questions that dominate this dissertation are dominated by "how" questions. Little has been published on the specific research dilemma, so explorative techniques will build the center of the investigation. Correlations need to be found, and theory generated rather than measured and quantified. The central methodology of this dissertation will therefore build on qualitative research, and in particular a single case study with embedded subcases (Schögel and Tomczak, 2009; Eisenhardt, 1989).

In German market research, quantitative research based on deductive-nomological methods seems to be the preferred approach, and is also regarded as the more enduring approach in the marketing research community. Qualitative research based on empiric-inductive methods is seen as "outlaw marketing research" (Tomczak, 1992). In his plea in 1992 Tomczak explained how important it is to treat qualitative and quantitative research equally in their right to exist, depending on the needs of the research question to be investigated. The central research question should be the only criterion on which the research methodology and instruments are chosen (Schögel and Tomczak, 2009; Noor, 2008).
3.1 CASE STUDY AS RESEARCH METHODOLOGY

3.1.1 Definition, Application and Limitations

Case study research (normally) is a qualitative research methodology, although it is common to use both quantitative and qualitative research methods in the process.

Yin defines a case study as “an empirical enquiry that

- investigates a contemporary phenomenon [the ‘case’] in depth and within its real-world context, especially when
- the boundaries between phenomenon and context might not be clearly evident,” (Yin, 2014, p. 15).

The features of a case study mean that phenomenon and context are not always sharply distinguishable in real-world situations.

A case study inquiry therefore

- “copes with the technically distinctive situation in which there will be many more variables of interest than data points, and as one result
- relies on multiple sources of evidence, with data needing to converge in a triangulation fashion, and as another result
- benefits from the prior development of theoretical proposition to guide data collection and analysis” (Yin, 2014, pp. 16).

The advantage of case study research is the rich and comprehensive data it generates, which few other methods can produce. This data can lead to true insights since it provides a greater depth than can be found through other research designs. It is thus the ideal basis (but not its exclusive determination) to generate novel hypotheses for further testing.
An (explorative) case study is the appropriate research method:
- if the form of questions addressed in the central research field are dominated by “how” and “why”,
- when it is not important that the researcher has control over the behavioral events
- if the focus is on contemporary events and not historical events,
- the state of research for the specific topic is dominated by a low theoretical state of knowledge and the scientific object should be strongly influenced by human behavior (Schögel and Tomczak, 2009, Yin, 2014, Eisenhardt, 1989).

The main criticisms of case study research are addressed by Yin (2014): the biggest objection is the potentially insufficient level of rigor applied, mainly because there are many reported cases of unsystematic procedure or the biased interpretation of the results. The quality criteria for empirical work must be applied to case study research as well (and beyond), and are described in Chapter 3.1.2.

The claim of being able to generalize the findings is a common concern. “[…] Case studies like experiments are generalizable to theoretical propositions and not to populations or universe,” (Yin, 2014, p.21). The target is not to build a representative sample but to create an insight, which can further be quantified if required. With the appropriate rigor, however, it is possible to generate theory from case studies, and this will be addressed in Chapter 3.1.3.

Finally the level of effort connected with case study research is criticized due to the duration and complexity of the field phase to collect enough rich and thick data to finally lead to the desired insights. A case study can also be a challenge for readers since case study reports are often “massive, unreadable documents,” (Yin, 2014, p. 21). There are, however, techniques to make both the research and the narrative sticky and to the point, by orienting a case study report to the needs of the audience (e.g. using metaphors or compelling formats such as suspense structures).

Single and multiple case study designs are distinguished based on the number of cases analyzed. Single case studies are especially relevant if that very case is “[…] critical, unusual, common, revelatory or longitudinal […]” (Yin, 2014, p. 51; Schögel and Tomczak, 2009). When different subunits of a case are analyzed within the single case study (e.g. subsidiaries of a company), an embedded case
study design is used. The analysis of more than one case is called a multiple case
design, and multiple cases have to follow the methodological rigor of a single case
study and not be confused with the sampling design of quantitative methods.

![Diagram showing single case design vs. multiple case design]

Figure 3-1: Basic Types of Designs for Case Studies
(Based on: Yin, 2014, p. 50)

Whilst case studies are “one of the best [if not the best] of the bridges from rich
qualitative evidence to mainstream, deductive research” (Eisenhardt and
Graebner, 2007, p. 25), they are not only appropriate for the exploratory phase of
research. Case studies can also be descriptive and explanatory (Yin, 2014) and
thus not only sit hierarchically at the beginning of an investigation that will later on
be tested quantitatively (Flyvbjerg, 2006).
3.1.2  **Addressing Rigor and Quality Assurance**

In order to apply the requirements for any empirical social research, the following criteria should be met for case study research in particular, especially based on the critique of the methodology concerning rigor by the scientific community (Yin, 2014; Mariotto et al. 2014; Dul and Hak, 2008; Stake, 2000).

**Construct validity:** tries to avoid systematic mistakes in the way the concept is measured. This is the degree to which a method really measures what it claims to measure. In case study research this can be increased firstly by putting one's own findings in relation to existing theories (Schögel and Tomczak, 2009), by using multiple sources of evidence to minimize subjectivity and bias, by establishing a clear chain of evidence and by playing a first draft of the findings back to the informants and having it verified by them.

**Internal validity:** is only applicable to studies which try to find a causal relationship, whereby one or more variables/conditions lead to other conditions, cleaned of interferences (spurious effects). Internal validity can be maximized in case study research by using a clear research framework with emphasis on relationships between variables and outcomes (Mariotto et al., 2014), by pattern matching (searching for similarities or finding competitive patterns in the various cases, subcases or triangulation material), explanation building, which can lead to the verbalization of narrative hypotheses, by addressing rival explanations and by using a logic step-by-step model (one insight leads to another finding till a conclusion can be made).

**External validity:** allows induction, defining the extent to which the observations and findings made in the case study research can be generalized. External validity is enhanced by using different methods and sources for triangulation purposes (e.g. quantitative and qualitative data, documentation, archive material, interviews, observation and physical artifacts). Additionally the same application of logic is needed for all cases when conducting a multiple-case study. External validity in single cases can be maximized by matching the findings to existing theoretical knowledge.
Reliability: allows for a study to be repeated by a third person with the same result as found by the researcher if conducted in the same way. It is important that case study research is neatly documented, for example using a case study protocol and a case study database that makes the approach used understandable, comprehensible and reproducible. The approach and results need to be fully transparent.

3.1.3 Generating New Theory from Case Study Research

Case studies can be a research methodology to generate new theory when the execution follows certain quality criteria and processes (Flyvberg, 2006; Eisenhardt, 1989). Grounded theory is a methodology for generating new theory from data as opposed to testing existing theory. The beginning of grounded theory is assigned to the late 1960s and 1970s, to Barney Glaser and Anselm Strauss, two US sociologists. Rather than a single method it is an interweaving of various techniques. The revolutionarily epistemological contribution was to introduce and demand a systematic approach, which follows certain quality criteria in order to obtain new knowledge. Grounded theory starts with questions or simple curiosity, in contrast to the existing theoretical frameworks of positivist research (Charmaz, 2014; Birks and Mills, 2011).

Eisenhardt (1989) proposes the following framework in order to be able to build theory from case study research (see Table 3-1):

<table>
<thead>
<tr>
<th>Step</th>
<th>Activity</th>
<th>Reason</th>
</tr>
</thead>
<tbody>
<tr>
<td>Getting Started</td>
<td>Definition of research question. Possibly a priori constructs</td>
<td>Focuses efforts</td>
</tr>
<tr>
<td></td>
<td>Neither theory nor hypotheses</td>
<td>Provides better grounding of construct</td>
</tr>
<tr>
<td></td>
<td></td>
<td>measures</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Retains theoretical flexibility</td>
</tr>
<tr>
<td>Selecting Cases</td>
<td>Specified population</td>
<td>Constraints extraneous variation</td>
</tr>
<tr>
<td></td>
<td>Theoretical, not random, sampling</td>
<td>and sharpens external validity</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Focuses efforts on theoretically useful cases - i.e., those that</td>
</tr>
<tr>
<td></td>
<td></td>
<td>replicate or extend theory by filling conceptual categories</td>
</tr>
</tbody>
</table>
### Crafting Instruments and Protocols

| Multiple data collection methods Qualitative and quantitative data combined Multiple investigators | Strengthens grounding of theory by triangulation of evidence Synergistic view of evidence Fosters divergent perspectives and strengthens grounding |

### Entering the Field

| Overlap data collection and analysis including field notes. Flexible and opportunistic data collection methods | Speed analyses and reveals helpful adjustments to data collection Allows investigators to take advantage of emergent themes and unique case features |

### Analyzing Data

| Within-case analysis Cross-case pattern search using divergent techniques | Gaines familiarity with data and preliminary theory generation Forces investigators to look beyond initial impressions and see evidence thru through multiple lenses |

### Shaping Hypotheses

| Iterative tabulation of evidence for each construct Replication, not sampling, logic across cases Search, evidence for “why” behind relationships | Sharpens construct definition, validity, and measurability Confirms, extends, and sharpens theory Builds internal validity |

### Enfolding Literature

| Comparison with conflicting literature Comparison with similar literature | Builds internal validity, raises theoretical level and sharpens construct definitions Sharpens generalizability, improves construct definition, and raises theoretical level |

### Reaching Closure

| Theoretical saturation when possible | Ends process when marginal improvement becomes small |

| **Table 3-1: Process of Building Theory from Case Study Research** *(Source: Eisenhardt, 1989, p. 533).* |

As Yin and Eisenhardt claim, even in grounded theory it is important to have an initial clear research focus to avoid being overwhelmed and getting lost in the amount of collected data. It is however important to note that the research question itself might have to be adapted during research, as the data collection and analysis overlap and are iterative processes. Hypotheses are only built during the process and not formed initially in order to avoid bias in the data collection (Yin, 2014, Eisenhardt, 1989).
A random selection of cases observed is not desirable. “[…] it makes sense to choose cases such as extreme situations and polar types in which the process of interest is ‘transparently observable’, (Eisenhardt, 1989, p. 537). Eisenhardt, however, recommends using multiple cases (four to ten) for theory building to make the results better grounded, more accurate and more generalizable (Eisenhardt and Graebner, 2007). Dyer and Wilkins criticize the use of multiple cases as trying to use almost hybrid mechanics on a qualitative tool and thus losing the essence of a case study (Dyer and Wilkins, 1991), which Eisenhardt later refuted (Eisenhardt 1991).

In order to allow for proper triangulation, it is necessary to have access to and use multiple sources of data, which have ideally been collected independently using different methods, qualitative or quantitative, for the same case. Multiple investigators have the advantage of convergent perceptions on the same topic, which enriches the results and quality of the study.

The iterative nature of theory building research recommends an overlap of data collection and analysis. Field notes can help to capture all the impression a researcher has in the field, which might not seem of importance at first, but provide new insights later in the analysis.

The analysis of cases should start within one case (within case analysis) so as not to lose an overview of the data collected or draw premature conclusions. As a next step the search for cross-case patterns for example by starting to compare pairs, can be executed. This iterative analysis is only stopped once the patterns in the case allow the building of a theory that closely fits the data, and all further investigation or adding new cases would only lead to marginal improvements. Only then can the shaping of hypotheses be approached.

As Vahlne (2010) suggests, a case study design needs to fit the research question like a good shoe in order to produce valid results. That will be the attempt of the case study used for the central research questions presented in Chapter 3.2.
3.2 CASE SELECTION

The central research questions involve four issues:

BRAND LEADERSHIP:

a. **AWARENESS**: Is the top management level of a company (local and corporate MDs, CEO, CCO) aware of their brand leadership role?

b. **DIRECT PERCEPTION**: How does top management live up to their task as brand leader according to their own perception?

c. **INDIRECT PERCEPTION**: How do direct reporting employees of the top management layer (Senior Vice Presidents, Vice Presidents and Directors) reflect the experienced and observed brand leadership?

OBSTACLES TO BRAND LEADERSHIP:

d. **EXPLORATION OF OBSTACLES**: Which obstacles does the top management face in assuming brand leadership according to their own view, their direct reports, and brand expert views, working with or within the company?

The exploration of brand leadership (a-c) is a prerequisite to addressing obstacles to brand leadership (d), since the first hidden obstacle could already be the lack of awareness regards brand leadership.

The selection of a case or multiple cases needs to fulfill the following criteria (Miles, Huberman and Saldana, 2014)

1. The phenomenon described in the research question should be likely to be, or at least possibly, found in the case selected.
2. The research plan should enhance generalizability.
3. Believable descriptions and explanations should be produced that are true to real life.
4. The sampling plan should be feasible in terms of time, money, access to people and work style.

The central research context of the case study chosen is UPC Broadband Holding B.V. (“UPC”).
UPC is an international cable company offering television, internet and telephony services. Its headquarter is in Schipol-Rijk (the Netherlands), and it had nine subsidiaries operating under the UPC brand in Europe at the time the case study was conducted. Meanwhile UPC Ireland was rebranded to Virgin Media in October 2015 and UPC Netherlands was rebranded to Ziggo.

Looking at the roots of the organization, UPC had the privilege of acting as a monopoly in the majority of its markets, as the single provider of cable TV services. It grew mainly via merger and acquisition (M&A) activity, adding cable companies throughout Europe to its portfolio. Due to the expansion of the service range by the national telecommunication providers to television offers (IPTV), more than one provider was able to offer “triple-play” packages (TV, internet, telephony) to commercial end-users. National and international telecom companies (e.g. Swisscom, Telekom Austria, KPN) can be defined as major competitors for UPC when it comes to offering complete entertainment and communication product packages for customers. This caused UPC to change its company strategy radically, which culminated in the necessary repositioning of the brand. The corporate, and thus product brands, were changed in form and content as of 2007, through all markets.

UPC is the ideal context for a case study for the following reasons:

- On the grounds of the former working relationship of the author with UPC, unique access to interviews with top and senior management and priceless access to triangulation material was allowed and approved by UPC.

- Due to the corporate/local structure of UPC, a single case study with a number of embedded cases could be conducted. Whilst this approach does not follow the claim of Eisenhardt to use a multiple-case study with at least four subcases to enhance the most robust setting, it has to be said that the ten subcases (9 UPC markets, Unitymedia, a Liberty Global company) each build a small case (3 to 6 interviews per country with individual archival and documentation material), which allows a very good comparison of each embedded case. This adds to the robustness of the case and will allow for pattern matching (Eisenhardt, 1989).
Based on changes to the UPC brand structure during the case study field phase, by reason of M&A activity and a rebranding, the most critical phase for brand leadership could be observed, incorporated and explored.

UPC is a 100% subsidiary of Liberty Global, a public listed company. It is the typical case of a company whose brand strategy rules have to obey financial community requirements, which is again a very special challenge to brand leadership.

Based on the attributes above, the case of UPC is in some dimensions extreme (frequent brand change due to M&A activity) and also typical for an internationally operating company.

The case study was done in a way that enhances the required rigor of the research (see Chapter 3.2.2).
3.3 CASE STUDY SET-UP

In order to increase the reliability of the study, the methods, material and steps taken will be explained in details. The material used for the case study analysis consists of the following methods and items:

1. 49 interviews
   - 46 core case interviews:
     - Pilot study: 6 interviews with the CCO of Liberty Global (at the time of the interview still UPC branded) and top managers at UPC Corporate directly reporting to him
     - 7 interviews with local UPC Managing Directors (MDs)
     - 29 interviews with direct reports to a local MD and Senior Managers in 8 countries (Austria, Hungary, Poland, Czech, Slovak, Switzerland, Ireland, the Netherlands)
     - 4 interviews at Unitymedia in Germany, a Liberty Global company, 1 on a MD level, 3 on a direct report level
     - This equals in total 11 interviews on a MD/CEO or CCO level (corporate and local) and 35 interviews on a VP, SVP, Director, Senior Manager interviews on a local or corporate level
   - 3 triangulation interviews with additional telecommunication companies
     - 1 telephone interview at Virgin Media, a Liberty Global company
     - 1 telephone interview at SKY
     - 1 telephone interview with the Director Brand Trust, the agency that conducted positioning workshops with 5 UPC markets
2. 1 focus group at UPC Corporate with 9 participants from UPC Corporate (Manager to Vice President level)
3. 2 direct observations (1 press conference at UPC Corporate, 1 national brand day in Hungary)
4. Documentation and archival records
5. Case study protocol and mood board with personal notes, impressions and remarks during onsite visits and interviews
6. UPC brand tracking analysis (quantitative data) for 2006 and 2012 across all UPC markets
7. UPC internal brand tracking analysis for all employees (quantitative data) for 2011 across all UPC markets

3.3.1 Interviews

3.3.1.1 Core Case Interviews

The interview phase for the case study lasted from the 24th of November 2011 (pilot case study) to the 27th of January 2016 (Virgin as triangulation interview). For the core case in total 46 interviews were conducted, 33 interview partners were men and 13 women. The higher in the hierarchy, the fewer women held top management positions. Of all managing directors interviewed only one was a woman.
The literature recommends conducting a pilot study to optimize the research questions and realize issues pre-field (Yin, 2014; Schögel and Tomczak, 2009). UPC Corporate in Schiphol-Rijk, the Netherlands, was therefore used as pilot case. It is the most complex embedded case, and brand strategy is defined on a corporate level. The occasion was used to hold informal discussions with many corporate stakeholders in the field of branding. The approach to local stakeholders was thus changed (e.g. the full purpose of the study was no longer revealed upfront so that social desirability and reactance could be reduced). Documentation and archival material was collected during the visit to the corporate head office in Schiphol-Rijk, NL. The pilot study added to the potential obstacle dimensions, which were added to the questionnaire framework.

Of the ten UPC countries, nine were visited personally. Unitymedia was added to the subcases because it has a brand linked to UPC (logo treatment) and a reporting structure to headquarters in the Netherlands. UPC Romania was not accessible for the case-study because there were potential M&A negotiations at the time and it was too sensitive to conduct interviews with the top management. The nine remaining UPC operational countries (Austria, Hungary, Poland, Czech, Slovak, Switzerland, Ireland, Czech, the Netherlands) followed in a sequence that was most convenient to the schedules of the local managing directors for practical reasons. The core case study interviews started in May 2012. It was agreed with UPC that no individual names would appear in quotes used for the case study report (see Simons, 2009). It was however approved that the names of the interview partners could be disclosed in order to guarantee reliability. The Managing Director for Sales and Marketing at UPC Corporate introduced the project in an e-mail and introduction letter to all managing directors and asked for their, and their team’s, participation. It was introduced as supporting the dissertation of the author as connected with a UPC brand topic, no more was revealed.

The researcher then arranged individual appointments with every interview partner in their local country, where all interviews for one local country team were conducted from one to three days in a row in order to minimize travel costs. In a few cases it took multiple attempts (up to 6 months) to get an appointment with the top management. 45 interviews were conducted personally, face to face, one interview was conducted on the phone, one personal interview was followed up with a telephone interview. One Managing Director cancelled his interview appointment at short notice and it was not possible to obtain a new appointment.
The fact that most of the interviews were conducted personally onsite and the
dependence on the agenda and calendar of the local teams is the main reason for
the long field phase. Additionally 3 triangulation interviews were conducted on the
phone.

Due to changes in the company, some protagonists changed their jobs and now
hold new appointments in newly acquired or merged companies. This provided the
opportunity to interview them twice and allow for a comparison of brand leadership
in different subgroups of the same company. Due to the long field phase many
structures, responsibilities and responsible persons within the company changed.
This has, however, never hindered data collection, on the contrary, it made the
case study even richer in data and information.

The interviews were conducted as semi-structured interviews in a very
conversational tone of voice (Simons, 2009). Obstacles to brand leadership that
might relate to personal convictions, that are not supported by the company
strategy, or even problems with management style or communication behavior will
probably not be admitted openly through direct questions, which may only lead to
socially desirable answers. A very indirect questioning technique, which does not
follow the logical structure of a potential model, but instead the psychological
assurance of the interviewee, was thus needed.

The questions were open questions of an explorative nature and were only used
as the backbone of the interview: if the interview partner had already treated the
topic without being prompted, a question was not asked. If the topic was not
covered in the natural flow of the exploration, the questions were asked. The
questions covered one of the four central research questions. The twenty potential
obstacle items developed in Chapter 2.2 were particularly discussed, some in a
direct, and some in an indirect way to avoid reactance. The framework for obstacle
items was only used after the interview partner had the time and opportunity to
freely explore, in an unprompted way, all obstacle dimensions to brand leadership
that they had experienced or assumed. The full interview template is attached in
the Appendix.

The interviews took between 24 minutes and 2.5 hours. They were recorded with
permission (Yin, 2016) and transcribed. If the interview partner was a native
German speaker, the interview was conducted in German and then translated for
the case study protocol. All other interviews were conducted in English.
3.3.1.2 Triangulation Interviews

Three triangulation interviews were conducted.

- Virgin Media
- SKY
- Brand Trust

Virgin is a Liberty Global Company only recently acquired and not reporting to the headquarters of UPC but directly to Denver. The former Director of Marketing of UPC Ireland transferred from UPC to Virgin in London. A direct comparison between UPC and Virgin was thus possible. SKY was added to the case because it has an excellent industry reputation as having a comprehensive behavioral branding program. The program was explained in depth by SKY’s brand controller and results were shared. Finally Brand Trust was added to the triangulation interviews: Brand Trust was assigned by the corporate UPC Marketing and Sales team to hold local positioning workshops in order to find the local positioning essence of the brand and add it as a value to the brand platform. All three interviews were telephone interviews. 2 interview partners were men, one a woman. The interviews lasted from 38 minutes to 1:23 hours.

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### 3.3.2 Focus Group

In November 2011 a focus group was set up at the UPC Corporate Head Office in Schiphol-Rijk. The group discussion was led by the researcher and filmed by a UPC employee. The following UPC corporate employees attended the focus group:

- Monique Nanninga - Director Marketing Communications
- Casper Eisma - Web Design Manager
- Ken Carroll - Director Technology Labs
- Joelle Verkooyen - Document Specialist
- Thera Duijndam - Senior Internal Communication Manager
- Anna Czura - Facilities Manager
3.3 Case Study Set-Up

- Eric Forsthoefel - Director Brand
- Martijn Rodijk - Director Product Development
- Bert Holtkamp - VP Corporate Communications

The aim of the attendant sample was to create a dual group consisting of employees who are heavily involved in the development and brand development of the behavioral branding program of UPC, and employees who are exposed to the UPC behavioral branding program and brand leadership by their supervisors on a daily basis. The UPC brand, behavioral branding program and brand leadership were discussed. The focus group lasted for 2 hours and 15 minutes.

3.3.3 Direct Observations

Two direct observations were added to the triangulation material.

During the launch of the new UPC brand, a press conference was held at UPC Headquarters. The CEO of UPC revealed the logo to the public and explained the brand promise to the journalists. The press conference was taped and parts of it were broadcast the same day on a UPC channel. The full conference was analyzed as regards the verbal and non-verbal communication patterns of the CEO and the audience.

The second observation was the national “UPC brand day” in Hungary on the 19th of April 2013. The MD of UPC Hungary was participating in an internal branding program and greeted all employees in the morning personally, as they entered the building, with information about the new brand positioning. He distributed branded UPC promotion material and had many informal chats with employees about the brand. Since the conversations were held in English, it was possible to take notes as a silent observer. Individual observations were added to the case-study mood board, which could be used for further analysis. It was possible to obtain a picture of the site and to study the way in which the culture was lived in the company (see Simons, 2009, p. 55).
3.3.4 Documentation and Archival Records

Not all obstacles to assuming leadership in the behavioral branding process will be obvious and evident to the top management; some might be obvious, but will not be admitted. Good triangulation across several sources of information and several layers of employees will be needed to find the respective causes of obstacles to brand leadership.

To obtain rich and in depth data, triangulation material was collected at UPC Headquarters and in most of the UPC countries in order to increase the external validity of the case study as far as possible (see Eisenhardt, 1989). A plethora of local and corporate company brand documentation, films, press releases, corporate, books covering UPC, Liberty Global or key protagonists, local behavioral branding material, Liberty Global fact sheets, company brochures, local and corporate company websites, investor relations material such as webcasts, and annual and quarterly reports, was collected and analyzed. Whilst the sheer amount of material and data was overwhelming on first sight, a thorough structuring helped to remove all material that did not help with explanation building or pattern matching.

3.3.5 Case Study Protocol, Case Study Database and Case Study Diary

A case study protocol was created in order to increase the reliability of the case study (Yin, 2016, p. 107). A case study database was also established in which all case study evidence and material was collected, stored and structured. All of the interviews were recorded and later transcribed. That left enough opportunity and time for a case study diary (see Yin, 2016, p. 183), where salient events from the site visits, such as body language, were noted. The information was added to the case study database directly after a visit in a transcribed form.
3.3.6  **Quantitative Studies**

Two quantitative studies were added to the case study for triangulation and time series purposes. Please find the table with all results of the respective numbers in the Appendix.

### 3.3.6.1 UPC Brand Tracking

UPC’s Brand Tracking is a quantitative study that has been centrally conducted by Marketmind on a yearly basis since 2005, a market research and consulting agency for all UPC markets based in Austria. The sample size in 2006 was n=7834 interviews for 12 markets, in 2012 it was n=7149 interviews for 10 European UPC markets plus Unitymedia in Germany (Unity Media was added to the sample.). The sample consists of UPC customers (with at least one UPC product) and non-customers, representative of the UPC market share in the researched footprint. The sample is weighted to be representative of the UPC customer structure per country in terms of product (combination) in use. The survey uses a computer assisted personal interview (CAPI). Only two variables in the study are of interest for the case study:

a.) **Brand impression** (What is your general impression of the following suppliers or brands on a 10 - point scale from 1="I have a very negative impression" to 10="I have a very positive impression").

b.) **Prompted image attributes** (How well do the following criteria apply to these brands? Please give your rating on a 10-point scale from 1="does not apply at all" to 10="applies completely").

The aim is to look for patterns when analyzing the subcases as regards conspicuities and also for a time series analysis: how has the external brand image of the UPC markets changed from prior to the rebranding to at least two to five years after the rebranding?

### 3.3.6.2 UPC Brand Engagement Survey

The brand engagement survey was conducted from 2007 to 2011 amongst UPC employees and contractors working for UPC. It was also carried out by Marketmind, using a self-administered online survey. The employees were
3.3 | Case Study Set-Up

informed by their MDs about the survey, two days later an invitation e-mail containing the link to the survey was sent out. External contractors were also asked to participate in this survey either via a dedicated link or a general one for those with limited access to email. Two e-mail reminders were sent out during the course of the fieldwork. The surveys were closed after two weeks.

Two variables in this study are of interest.

- Employees were asked to express the **UPC vision in their own words**. The answers were categorized to see if elements of the vision could be repeated ("In your own words, please explain the new vision and its meaning as you understand it").

- A company **Net Promoter Score** (NPS) was calculated. The Net Promoter Score (NPS) is a commonly used indicator in customer satisfaction studies and draws its main advantage from only having to rely on a small set of questions to gain insights into important drivers and barriers among the customer base (Reichheld, 2003). Whilst the empirical scrutiny of the concept has been criticized, and there has been particular objection to the claim by Reichheld, that the NPS value is the only number a company needs to know as regards customer satisfaction (Grisaffe, 2007), the method still enjoys increasing practical popularity. The usual organization includes one scale question (e.g. "How likely would you be to recommend our products to a friend or colleague?") and one open ended question where the respondent is asked to give the most important reasons for recommending or not recommending the company’s product. Based on these responses, the customers are categorized as Promoters, Passives and Detractors and the NPS is calculated by subtracting the percentage of Detractors from the percentage of Promoters. If the number of Detractors is greater than the number of Promoters, the NPS will be negative. Promoters should be viewed as a valuable asset, while Detractors can become a liability. The ultimate goal would be to have a clearly positive NPS.

While the NPS method is traditionally applied when dealing with customers, it has more recently also been used (and is seen as a growing trend) in employee surveys within the NPS community. As internal employee studies are not commonly published by the companies conducting the surveys, benchmarks are scarce and therefore employee NPS scores are usually
tracked over time, within the respective companies only (as opposed to customer NPS where there is a rich reservoir of publicized benchmarks). The NPS of UPC employees as regards UPC as a place to work was measured including the open question category.

Critique of the method can be avoided by using only two variables as a result of the NPS tracking

- awareness level of the vision, which was tracked in the NPS study
- the results of the open question as qualitative triangulation material and looking at frequencies of items mentioned and their relationship to brand leadership.

The 2011 results will be used. The study was conducted in eight UPC markets and at UPC Corporate. UPC Romania was not included in the results because it is not part of the case study.

The participation level was as follows:

- Corporate: 1126 invitations with a participation rate of n=464 (41.2%).
- Austria: 1300 e-mail invitations were sent out, n=424 respondents filled in the survey (32.6%).
- Czech: 805 e-mail invitations were sent out, n=588 respondents filled in the survey (73.0%).
- In Hungary 1528 e-mail invitations were sent out, n=722 respondents filled in the survey (47.3%).
- In Ireland 882 e-mail invitations were sent out, third party employees were contacted by superiors, n=653 respondents filled in the survey (74.0%).
- In the Netherlands 2556 e-mail invitations were sent out, n=1214 respondents filled in the survey (47.5%).
- In Poland 1828 e-mail invitations were sent out, n=866 respondents filled in the survey (47.4%).
- In SK, 245 e-mail invitations were sent out, n=203 respondents filled in the survey (82.9%).
3.4 CASE STUDY CONTEXT - INTRODUCTION TO UPC

UPC Holding B.V. is a 100% subsidiary of Liberty Global plc. Its product and operational strategy is mainly determined by its parent company, yet much of the technology and product development engine of Liberty Global sits in Europe. Chapter 3.4 will introduce Liberty Global’s strategy, followed by a look back at the history of UPC. Finally the brand and product strategy of UPC will be presented.

3.4.1 Liberty Global - Company Strategy

The following chapter is based solely on information which is publicly accessible to all Liberty’s shareholders (annual reports, investor’s relations reports, and webcasts and material on the public website of Liberty Global, public reviews of the company and its development for example the Wall Street Journal online).

Liberty Global (Liberty) is the largest international cable company worldwide in terms of revenue and subscribers. “Cable company” means that Liberty delivers services such as television, radio, internet and telephony, transmitted through coaxial cables and meanwhile mainly via fiber-optic cables. In recent years, via M&A activity and cooperations, mobile telephony services have been added to the portfolio. Since Liberty’s core competitive strategy builds on product and innovation superiority, it invests heavily in its technologies and in its 805,000 km long fiber-rich network.

Liberty Global is a public listed company traded in the NASDAQ Composite and NASDAQ Industrial indices. Its shares are divided into a group of shares representing the European markets and companies, and another group of shares comprising its Latin American and Caribbean Group (LiLAC Group).

Liberty Global’s strategy is focused on creating shareholder value via “superior organic growth, opportunistic M&A and a commitment to equity returns through a combination of appropriate leverage and consistent equity repurchases. We are internationally focused and committed to technological innovation to deliver transformational products and services that help improve and simplify the digital lives of our customers,” (Liberty Global, www.libertyglobal.com/about-us.html, 5th of March, 2016).
The company is active in fourteen countries, twelve of which are in Europe, operating under seven consumer brands:

- **UPC** in Austria, Switzerland, Poland, Hungary, Slovakia, Czech Republic and Romania
- Unitymedia in Germany
- Virgin Media in the United Kingdom and Ireland
- Ziggo in the Netherlands
- Telenet in Belgium (only 57.1% ownership, therefore excluded from the case)
- VTR in Chile
- Liberty Cablevision (LiLAC Group) in Puerto Rico

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**Figure 3-3: Liberty Global Brand Landscape**
(Source: Liberty Global)

Liberty Global reported an annual revenue of 18.3 billion US Dollars as of September 30, 2015. Liberty counts approximately 27 million customers in total, and 57 Million RGUs (= revenue generating units), which means that these 27
million customers are on average subscribed to more than two Liberty products (TV, internet or telephony) plus an additional 5 million subscribers to mobile telephony. Liberty employs 38,000 people. In total, 53 million households worldwide are connected to Liberty’s network and would have access to its services, if they want it (homes passed).

Liberty’s positioning, which directly affects its subsidiaries, is focused on product innovation and superiority compared to its competitors.

The following products make up the Liberty portfolio:

- TV products – TV products are based on innovative entertainment platforms (Horizon TV and TiVo), digital TV, IPTV (enhanced TV), High Definition TV (HDTV), Video on Demand (VoD), Digital Video Recording Devices (DVR)
- Internet: broadband internet with downstream speeds of up to 500 Mbps
- Phone: delivered via Voice over IP (VoIP) technology, as well as mobile voice and data services

![Figure 3-4: Liberty Global Product Development](Source: Liberty Global)

The product positioning aims for seamless, device-independent and mobile access to Liberty’s products (Connected Entertainment - Whenever and Wherever).

The product strategy is based on selling a customer more than one product on the portfolio, which are called bundles and thus maximizing the revenue generated from one household (ARPU - average revenue generated per unit). Triple play refers to all households with three Liberty products (TV, internet, telephony), Double play refers to all households which have selected two products, regardless
of which combination, and single play are all households with one Liberty product (for historic reasons, these are often TV-only households).

![Bundling Strategy at Liberty Global](image)

**Figure 3-5: Bundling Strategy at Liberty Global at the end of 2015**  
(Source: Liberty Global)

Liberty's vision is “Connect. Discover. Be Free.” which manifests itself in its “Customer First” strategy: “Addressing the customer’s needs of transparency, simplicity, reliability and best value” (source Liberty Global) and in its corporate responsibility program.

“At Liberty Global, we believe that everyone should be able to explore the amazing but often complex digital world in a safe and responsible manner. That’s why promoting a digital society is at the heart of our corporate responsibility (CR) strategy. We’re convinced that making the most of the opportunities and benefits that our products and services create is good for our business and good for society.”  

Liberty is a cable company and shares its heritage with cable companies worldwide. This is important in order to understand the brand history and development of the company. Cable television originated in the United States in
the 1940s as a remedy to the very poor over-the-air television signals in mountainous and remote areas. There are also cases reported in 1930s Berlin (Germany), where an early form of cable TV was developed. If a household wanted a better TV signal and more choice than it could receive through the antenna, cable was the only option at that time. This created a TV monopoly situation for cable companies until the late 1980s. Only with the area-wide introduction of individual satellite receivers in the 1980s, and then finally with incumbents being able to deliver (IP)TV services via the DSL net, did the cable companies lose their TV monopoly.

Liberty’s competitors are mainly the national incumbents, telecom providers, which were often formerly partially or totally nationalized companies (e.g. Swisscom in Switzerland, Telekom Austria, KPN in the Netherlands, Eircom in Ireland) which started by offering telephony services only, but are now mostly fully capable of delivering triple play services as well. Contrary to the cable network used by cable companies, most incumbents own nationwide networks and use (A)DSL technology, which makes the speed of the service dependent on the distance to the provider’s central distribution center. The cable sector in Europe is consolidating but compared to the US is still very fragmented. Cable technology is dependent on the number of users sharing the last mile from a so-called node to one’s home: the more users the slower the line is. Cable providers have invested heavily in order to make this disadvantage disappear (splitting the nodes, so that fewer users are sharing one line).

In the middle of the 1980s the markets opened to alternative telephony service providers in Europe, and in addition to the national incumbent at least one mobile operator was allowed to enter the national market. This is when national telephony providers started to lose their monopolistic telephony approach to the market and needed to change their business strategy.

The introduction of broadband internet, via both cable and DSL, was then the first area of both technologies (cable companies and incumbents) to compete simultaneously in a new joint market. The competition has now increased to FTTH (Fiber to the Home) and other smaller providers, which mostly offer very competitive local services (e.g. Free to Air Services).

The market for cable companies and the market for incumbents is driven by M&A activities. National incumbents are no longer national but multinational,
international players that cover large parts of Europe with their network (e.g. Deutsche Telekom) or are owned by international telecommunications providers. Austrian Telekom, for example, is mostly owned by the Mexican Telecom provider América Móvil. Liberty Global's focus on merger and acquisition remained in order to increase the European network and enrich and enhance the product portfolio. This strategy is, however, not unique to the cable business in Europe. The telecommunications sector has the most and largest M&A activity in Europe (Muzellec and Lambskin 2006; Brockdorff, 2003).

Figure 3-6: Merger Landscape in European Telecommunications Industry 2013-2015
(Source: Wall Street Journal Online)
In 2013 Liberty acquired Virgin Media in the UK for £15 Million and also brought its Irish subsidiary (formerly UPC) under the Virgin brand. In 2014 the Dutch cable operator Ziggo was added to the company and UPC Netherlands was rebranded to Ziggo. In February 2016 Liberty announced a merger with Vodafone in the Netherlands. This will finally allow Liberty to offer true “quadruple play” services - TV, internet, telephony and a cutting edge mobile telephony platform.

In the past two years European cable companies have experienced an average increase in revenue top line growth of 1%, whilst the revenue growth of incumbents has sunk by 4% mainly due to regulatory decisions to terminate roaming fees (source: Wall Street Journal online). That certainly also convinced Warren Buffett, who announced the acquisition of Liberty Global in March 2016. Warren Buffet has been listed as one of the “Top 100 influencers in the world” by Time Magazine several times, nominated as the most successful investor in the world, and listed as the third richest person on earth by the Forbes Magazine. (http://www.forbes.com/billionaires/list/).

3.4.2 History of UPC - A Reminiscence of Mergers, Acquisitions and the Cable Cowboys

The information in the following chapter is based on publicly accessible information, on UPC archive material and on interviews as part of the case study.

UPC was founded in 1995 as a merger of UIH (United International Holdings), a European holding for cable television assets, and Philips Electronics. The strategy strongly focused on acquiring cable assets throughout Europe to build a cable network of substantial size, comparable to the cable business and strategy in the United States.

Figure 3-7: Original UPC Logo
(source: UPC)
The acronym UPC originally stood for “United and Philips Communications” before UIH acquired all assets back from Philips Electronics and renamed the company “United Pan-Europe Communications”. Gene Schneider and his son Mark Schneider (the CEO of the company) were the fathers of the company, as such, with their family having a long track record in the US cable industry. Gene Schneider, a true cable pioneer, had already brought cable to the western United States as founder of United Global, which was bought by Liberty Global in 2004.

The late 1990s saw a remarkable growth in the company. By 1999 UPC counted sixteen subsidiaries in Europe and went public on the Euronext Amsterdam stock exchange and NASDAQ in February of 1999. Investments in the network of UPC (backbone) were substantial. The aim was to exchange the old cable networks with new fiber optics-based, broadband-ready systems to allow for interactive and convergence products which require a large bandwidth. The company looked not only at mere access and network strategy, it added a media and entertainment company to its portfolio, ready to produce its own content in all languages, as required of networks acquired at the time. Companies to manage the broadband internet product and content (“chello”) and the telephony product (“Priority”) were launched.

The investment and acquisition appetite of UPC left its financial scars: with eight billion Euros of corporate debt, followed by a crisis in the technology sector, a very unhappy joint venture with Microsoft on a technology platform for UPC products and finally an unstable economy, share prices collapsed in 2001 and Mark Schneider had to resign.

Liberty Global (at that time still called Liberty Media before its merger with UnitedGlobalCom), chaired by John Malone, began to acquire shares in UPC’s parent company. In June 2000 Liberty invested 5.5 billion USD into the parent company of UPC and boosted its stakes to 45%.
The second growth period of UPC began from the end of 2003 under CEO Walter Eugene (“Gene”) Mussleman, who had previously (and after his assignment) worked as Managing Director in many of the UPC companies throughout Europe. Operating units were combined into a single division, companies and subsidiaries with slow or negative top line growth were sold. Many stories and myths about
Gene Mussleman were shared in the interviews, even from people who had never worked with him directly.

Three things stick to the name Gene Mussleman in the memory of Liberty Global’ and UPC top management:

- Most interview partners in the case study remember Gene Mussleman for his thorough understanding of the operations. His knowledge of every detail within every country was cited several times.

- His fondness for push marketing strategies, in particular door to door sales (sales representatives knocking on doors in an assigned neighborhood, trying to sell the product and answering customer questions directly). He did not want to leave it in the hands of the customer to feel compelled enough to use one of the pull channels (website, UPC shops, call center).

- One famous quote by Gene Mussleman was shared by eight interviewees in a similar diction. Gene Mussleman had introduced so called “operation reviews”. These were quarterly or semiannual visits to the local subsidiaries, including the most important corporate decision makers, and direct reports of Gene Mussleman himself flying to subsidiaries. The country was to report on its key performance indices in a procedure that took approximately half a day. During a meeting in one country (the country name varies from source to source) Mr. Mussleman got upset about the unsatisfactory numbers with a local customer care center. The managing director in the country tried do explain the difficulties in the average answering rates of the inbound calls until Gene Mussleman stopped the conversation with the words “For heaven’s sake how hard can it be, just pick up the f****** phones!”

This draws a good picture of the pragmatic, transactional management style and view of marketing during that period.

The acquisition trend of the late 1990s continued. In 2005 alone UPC added the Romanian communications company Astral Telecom for 430 million USD, the Swiss cable provider Cablecom for 2.8 billion Swiss Francs and the Slovenian cable company Telemach for 71 million Euros.

A paradigm shift for the company started with a change in the structure of the parent company, Liberty Global, and a change at its subsidiary UPC.
Liberty Global had taken over 100% ownership of UPC and Michael T. Fries was appointed CEO and president of Liberty Global in 2005. In 2007 UPC undertook a major rebranding and repositioning exercise which culminated in the rebranding of all UPC assets.

Gene Mussleman retired as CEO of UPC in 2010 and moved on to Unitymedia as Managing Director, a company that was newly acquired by Liberty Global in Germany.

The changes were visible in the way the company was structured as of 2010:

- Power was no longer left in one hand but divided between Executive Vice President and Chief Commercial Officer Diederik Karsten, based in the Netherlands, and Executive Vice President and Chief Technology Officer Balan Nair based in Denver (US). The parent company thus secured itself more direct influence in its subsidiary.

- Diederik Karsten was the first top manager at UPC who brought not only experience in the telecommunications or finance, but had started his career in the FMCG (fast moving consumer goods) sector at PepsiCo and Procter & Gamble, and he approached topics such as the brand very differently compared to his predecessors.

- The UPC Broadband holding company no longer had a formal role as European headquarters and thus the headquarters was also rebranded and renamed Liberty Global. Newly acquired large assets in Europe no longer report to a central CEO in Europe, but report directly to Liberty in Denver.

- Countries were bundled into regions (Central and Eastern Europe, Austria and Switzerland). The regional CEOs reported directly to Liberty in Denver.

- Some areas were organized as matrix organizations with dotted lines between, for example, the corporate product development and the local product teams.
3.4.3 **UPC’s Brand Strategy**

UPC’s brand architecture is very much stamped by its M&A activity. In the 1990s separate brands were established for the individual products; TV (UPC), internet (chello, Inode) and telephony (Priority). The positioning of these brands relied heavily on product features (more TV programs, faster internet, cheaper telephony). A clear counter-positioning towards the local incumbents was chosen (UPC as the independent, modern choice built on better, futureproof technology). All products were distributed by one local UPC company, but all companies had their local subsidiaries and their own headquarters in Schiphol Rijk in the Netherlands. The local distribution companies were cable companies acquired in 15 different European markets.
In 2000 the first reorganization on a product and company layer started, after unprofitable companies that did not match the portfolio criteria, were sold. First all corporate and local company structures were consolidated into one company with one corporate headquarters. All product brands were then discontinued and all products sold under the UPC brand. For the strategy of selling product bundles to one household in particular, it brought synergistic effects to sales and marketing operations. UPC normally had approximately one tenth of share of voice regards advertising pressure compared to the national incumbents in every market. It simply could not afford to diversify its advertising message between various products and brands.

A further wave of M&A added the next level of complexity to the brand architecture. Many companies were added to the portfolio and at neither a local nor a product layer rebranded immediately to UPC due to a lack of budget and also operational issues. UPC only wanted to lend its mark to companies that were operationally fit, and oriented enough towards customer service to comply with UPC standards. The picture in 2005 was therefore of ten different counties with very different brand approaches (see Strebinger, 2008):

- UPC only as company and product brand in the Netherlands, Hungary, Poland and Slovakia
- Two parallel umbrella brands: UPC only in addition to one newly acquired brand and company (Astral in Romania, Karneval in Czech)
- UPC as a co-branded brand in combination with a locally acquired brand (UPC Telemach in Slovenia, UPC Telekabel in Austria)
- A stand alone brand without any hint to UPC continued from acquired companies (Cablecom in Switzerland, Chorus-NTL in Ireland)

In 2005 UPC therefore started a rebranding and repositioning project for all its brands and companies based on the following rationale:

- The brand architecture of UPC had started to hinder synergies and economies of scale. Central marketing templates were not possible or difficult to adapt. Physical customer product assets such as set top boxes (STB) or digital video recording (DVR) devices had to be produced using different logos. Every brand-specific software version cost approximately 180,000 Euros more, and every brand-specific hardware version cost 200,000 Euros more to specify.
Despite different development and saturation levels throughout Europe, customer demand for telecommunication products began to be similar and comparable. There was no longer a reason for different positioning or different product ranges in various markets.

Due to the M&A activity of the incumbents UPC faced not only competition on a local level. Competitors were now players with international strategies and strength.

While all local companies cherished their own history and stories, they all shared the same roots: they were local cable companies, building on the same principles. UPC’s aim was to strengthen the feeling of belonging, strengthen one single brand for all companies and thus bring all local brands under the UPC corporate brand (single brand strategy).

UPC had a difficult brand image in some markets due to its monopolistic brand heritage and only mediocre customer service. The brand connotations of the company were outmoded and stale especially in the eyes of potential customers. This was a very difficult situation for the employees in some markets. In a few countries the customer service reputation of got so bad that employees felt ashamed to carry their company badges in public.

The acronym logo in particular was receiving very negative assessments in individual target groups.
The aim of the branding and repositioning was first of all to allow the brand to arrive in the 21st century and make it modern, enjoyable and meaningful for the customer. It should establish a feeling of belonging and pride amongst the employees. The aim was not to “put lipstick on the ugly pig”, but to use the project as a catalyst in order to change and clear out relicts that the company did not need any longer.

A repositioning team was formed that included top management corporate stakeholders and some representative of the subsidiaries. Based on qualitative research, a positioning was carved out of the DNA of the company that seemed both relevant, challenging but deliverable within a reasonable timeframe and budget. The insight gained in the process was that the customer was looking for more than just the fastest internet, the broadest entertainment platform and the cheapest telephony service. Customers were looking for guidance in the complex digital world. They were seeking easy, straightforward and human services. It was not only about the “WHAT”, it was about “HOW” UPC would deliver its products.
and services to households in the future. Simplicity should lead to digital inclusivity - opening the digital world to everyone who wanted to join, regardless of age, knowledge or budget.

The brand committee found that “simplicity” - making a complex topic easy for the consumer - could be realistic and unique within the scope of UPC’s structure. It was relevant to the customer and most important - the competition had not claimed that space. UPC was already ranking higher in the “easy” dimension compared to the incumbents.

The chosen positioning meant making products easier to operate for the customer, from the remote control to the user manual. It meant easier general terms and conditions on the contract. It meant an easier language on the phone when solving customer issues, without using technical terms the customer potentially would not know.

Based on this new positioning a new look, feel and logo was created by Venturthree, an agency that had already developed the identity of other European market leaders in the telecommunications industry (e.g. SKY, ONO). UPC did not have the budget to change the UPC acronym for example into the name of the holding company (Liberty). The unprompted awareness levels of UPC as a brand and product were too high to risk a decrease in any of the values due to an insufficiently supported brand name change. Thus the look and feel only were changed and the new UPC “bloom” was born, which resonated well within and outside the company. The bloom brought a complete overhaul of the UPC design with it. The brand world started to be very iconographic and three dimensional, UPC as an acronym lost importance.

Figure 3-11: New UPC Logo  
(Source: UPC)
The new positioning of the brand and the new logo were approved by the corporate and local top managers of the company, and by the board and chairman of UPC and Liberty Global. It was agreed to start by making UPC internally fit for the new brand and begin the process with a behavioral branding program.

The repositioning started with the corporate team and the Netherlands operational subsidiary. The program used three phases in order to bring the brand alive.

Figure 3-12: UPC Brand Engagement Program

a.) First, via various roadshows, presentations, speeches from top management, brand ambassadors and brand team members, the new vision was explained to employees, and the new look and feel was
revealed. An intranet was set up, where all employees could learn more about the new positioning in an interactive way.

b.) In a second phase examples of what the new positioning would mean to customers were shown in the company, and how it would make their brand experience with UPC more enjoyable. Real live stories from customers and employees were added to the intranet portal with the aim of showing how delivering the vision would make customer lives easier.

c.) In a third phase the top managers of UPC explained personally or via an internal campaign, what the new positioning meant specifically for their teams. Workshops were then held by the corporate brand team for every corporate department in order to translate the positioning to their individual jobs.

The same program was repeated for the subsidiary in the Netherlands under local guidance. An internal brand engagement tracker was established: self administrated online surveys were rolled out to every employee, which kept track of whether the employees knew the vision and were able to defend it.

Half a year after starting the behavioral branding program, the new brand was publicly launched in 2007 in the Netherlands with a press conference that was also broadcast on internal UPC TV channels, launch events at the corporate head office and at UPC Netherlands with a speech from the CEO/MD and a party for the employees.
UPC used a phased approach and did not exchange all assets for the new logo right away. Only the most prominent customer facing material (e.g. buildings) and key touch points with the customer (e.g. UPC shops, website, packaging) were rebranded right away. Non-customer facing material was changed step by step.
The new brand was then rolled out to every UPC country, and it took three years in total for the majority of the countries to be rebranded. The behavioral branding program was led by the corporate team but in the end executed by the local markets themselves. UPC used the strategy of “Smart Bangs” instead of “Big Bangs”: intelligent moments for each individual rebranding were sought.

- A combination of the launch with a bigger Above the Line advertising campaign was chosen that also carried the rebranding (no market launched a pure rebranding campaign; it was always in combination with an offer).
- The local operations, and especially customer services, had to deliver certain minimum quality criteria in order for a change of the brand.
- Countries with low acceptance of their local brand were rebranded more quickly, countries with a good brand awareness and reputation were rebranded later.
- Local competitive pressure also determined how quickly the new brand would be rolled out.
The rebranding was complete by 2010. The results and the success varied from market to market.

UPC Netherlands, for instance, took great efforts to bring their operations up to speed prior to the relaunch. The relaunch of the brand was thus a final catalyst and the company was able to deliver on its positioning. The results spoke for themselves: walk-in traffic in the UPC shops increased by 200% in the month after the rebranding, churn (customers cancelling their services) decreased by 50% in the six months after the relaunch and the press coverage and user internet blogs (of a critical community) published very positive reports of UPC and the new brand.

In Romania however, UPC was still operating under two separate brands (Astral and UPC), pressure to create economies of scale by using one brand was high and the rebranding was done at a time when the team was not able to fully deliver on the brand promise. As a result customers saw the effort as trying to draw the curtain over serious customer service grievances and reacted accordingly, with very critical public opinions in the press ("What a beautiful logo for an ugly company") and reactance.

The positioning and the logo were compelling enough for the parent company, Liberty Global, to rebrand in June 2012.

Liberty adopted widely the digital inclusivity positioning of UPC. The “bloom” started to become a copulative element, bringing the Liberty brands together.
In the years from 2007 to 2010 UPC came closest to a corporate brand strategy with one single brand. The diversification started again with 2 developments:

a.) With the rebranding of Liberty Global, UPC as a Holding company in the Netherlands was rebranded to Liberty Global as well. All corporate employees were therefore no longer UPC but Liberty Global employees. The corporate brand therefore was changed from UPC to Liberty Global. The operations and products continued to be UPC.

b.) The second big transformation was the development of UPC Horizon. Horizon is a product brand for a new TV platform of UPC. Horizon allows mobility: TV programs can be watched on a smartphone, tablet, laptop, wherever the customer wants. It functions as personal home media hub: a wireless connection between the TV and all assets which are DLNA (Digital Living Network Alliance) enabled like laptops, mobile phones etc. is established and streams the content from these devices to the TV set. Hence e.g. personal photos taken with the mobile phone can be watched on the TV screen. A special surface and functionalities enable searching the TV guide, recorded content or even makes recommendations based on the TV consumption pattern. Finally via special TV Applications (similar to smartphone Apps) the internet can be accessed and surfed via the TV.

The product was ranked so highly in the company, that just adding the usual generics like (UPC TV, UPC Internet…) or a special brand in the standard UPC look and feel (e.g. UPC Fiberpower) was not positioning the product accordingly. Therefore the blue logo was adapted to what is called the “multicolored bloom”, with the product name (horizon or horizon go) directly attached to it.
At the point of the introduction of the Horizon product and logo, it was not clear where and how Horizon would be positioned in the brand architecture of UPC. Some marketing executives in the company and in the countries assumed that Horizon would sooner or later replace UPC as a brand. Currently Horizon - at least as a name, although not as a logo treatment -, is used across brand platforms in different executions (see e.g. Ziggo Horizon).

The multicolored bloom continued its journey as a new creation however. As with the acquisition of Unitymedia in Germany, the brand strategy of UPC changed. Liberty Global did not bring any newly acquired European assets under the UPC brand. When Liberty Global acquired Unitymedia, the company kept its name, the bloom was added to the company name and a word and figurative mark was created.
Whilst the entire corporate design of Unitymedia leaned strongly on the UPC look and feel, the brand promise is different:

“Unitymedia opens the world to its customers. The Internet allows a never experienced access to knowledge, information and ideas. Unitymedia opens this world to its customers in an uncomplicated, save, clear and inexpensive way. Internet Telephony and TV from one provider, dedicated customer service, marvelous reliability and prices, everyone can afford it” (Unity Media).

Although it was assumed that UPC would bring Unitymedia under the UPC brand at some point in time, the company changed its brand strategy with the acquisition of Virgin Media in the UK in 2013 and Ziggo in 2014 in the Netherlands. Ziggo was seen as stronger brand in the Netherlands (higher awareness in a broader footprint, better liked by potential customers) and thus the UPC operation was rebranded to Ziggo.

The UPC corporate offices had already been changed to Liberty Global. With UPC Netherlands rebranding to Ziggo, the brand mark completely disappeared in its home country, the Netherlands.

In the United Kingdom UPC had never appeared as brand, and thus the decision to keep the Virgin Media brand for its assets was easy. The Irish operation was also brought fully under the Virgin brand in 2015, which had rebranded from Chorus-NTL to UPC in 2010.
This leaves Austria, Switzerland (which will rebrand to UPC fully in 2017), Poland, Hungary, Slovakia, Czech and Romania under the UPC brand. Ziggo and Unitymedia also have their headquarters in the Netherlands. Virgin has its headquarters in London.

The brand promise of “making the digital world simple for everyone” cannot be found in the internal or external branding efforts in a concerted way, as a guiding principle within the UPC brands. It appears in a diluted, ancillary form in some of the projects and campaigns that were presented during the interviews at UPC Headquarters (Corporate) and in the countries. It is however not perceptible as a core and central idea. UPC began a brand positioning initiative in 2010 led by an external agency (Brand Trust, Germany) within five country organizations, in order to find the local essence of the brand and translate it to a local brand promise. This should allow the local markets to take the corporate positioning and brand promise (simply for everyone) and find the local connotation. The exercise resulted in the definition of local values in a number of markets, which are taken as guiding principle in these markets.

The remaining umbrella of the brand is a visual arch (bloom), a joint product development and product positioning, led by Liberty Global. The focus is on “connected entertainment”, which puts the possibilities of the Horizon product and platform centrally to fulfilling customer needs for mobility and device-independent enjoyment of entertainment.
3.5 CASE STUDY REPORT AND ANALYSIS

The biggest challenge in the case study was the analysis of the comprehensive material collected and the long, iterative process applied.

Transcription: The interviews were first transcribed, which was an ongoing process after every wave of interviews, and then the material was worked in the following way:

Labelling and tagging: All transcribed interviews were provided with a label as regards the following criteria
   a. number of the interview
   b. country or corporate (and which country)
   c. level of the organization (MD/CEO or direct report)
   d. gender

Coding: All interviews were coded, searching for obstacle dimensions explored in 2.2. Sky and Virgin were one telephone interview each, they are not treated as separate subcases.

If an obstacle item was distinctly mentioned several times with different sub-items, it was counted according the individual sub-items or sub-reasons mentioned (e.g. “brand is a soft factor compared to price”, “brand is just a logo for me” was counted as two items on the coding list for “lack of knowledge and conviction”). The individual wording was kept for further analysis as verbatim.

Additional obstacle items, which were noted in an interview that had not already been part of the set of twenty framework obstacles, were added to the questionnaire (marked in red in the coding table) for further interviews.

Answers which could clearly be matched to one of the framework obstacle categories were labelled and hyperlinked to another database so that a condensed view of only the specific criteria of interest was possible (e.g. compare all statements that have been given regarding “brand structure issues” in one sub-database).
Items which were identified as drivers and obstacles are marked in green in the coding table (e.g. emotional attachment to the company was a reason for people to go far beyond their brand duty).

The individual reasons mentioned were then condensed for overview purposes, from all individual items to a set of twenty condensed potential obstacles plus new ones (see coding tables).

**Content Analysis:** The interviews were reduced and condensed according to the method of qualitative content analysis, to approximately 300 to 400 words per interview (Miles, Huberman and Saldana 2014; Mayring, 1995, pp 209;). The transcribed interviews were the basis for the content analysis.

**(Quote) Diary:** Finally all dimensions that did not fit the theoretical framework or were salient and delivered insights of verbal or non-verbal nature, were additionally kept as a “quote diary” in their exact wording, as well as sketches and drawings, in addition to the condensed content analysis. The original interview situation as well as re-listening to all interviews and looking at the case study diary built a basis for these quotes since the pronunciation and emphasis was an important element in the analysis.

**Branded Room Approach:** A visual method used in advertising to analyze competition, the “branded room approach”, was helpful during the analysis. The material collected for each subcase was condensed into category matrices, plotted out either directly or in a symbolized way, including notes, remarks, and coding tables, and stuck to the wall in a room, grouped by subcase or later based on iterative pattern-matching by variables that seemed to be moderator, mediator or independent variables (e.g. gender, CEO and MD vs. direct reports level, background and education, general attitude towards a brand etc.) The material was left for months in the “case study room”, and built an excellent basis helping not to lose track of the big picture, for weighing findings according to their importance, in addition to more analytical methods such as tabulating frequencies.

**Pattern Matching and Triangulation:** In terms of analytical techniques, pattern-matching was used first within every subcase, as a next step compared to subcases and triangulation cases and finally over all material collected. The data was compared to the theoretical framework and the obstacles dimension framework are explained in 2.1 and 2.2 (Yin, 2014, p. 136). Some findings could be
explained through the framework, but some could not, so the data had to be worked through, and delivered new insights. (Unexpected) moderator and mediator variables in particular helped to finally structure the data and find patterns on which to build explanations. Based on the UPC brand tracking study that was used for triangulation purposes, a time series analysis regarding the change of brand attributes within six years could be carried out (2006 to 2012).

For the case study report, the names of all quoted persons have been exchanged with letters. A, B, C, D stands for an MD, CEO or CCO, X, Y and Z for direct reports. The direct quotes for UPC as a company are from the beginning of 2011 till the end of 2013. The researcher is very aware that situations within the organization might have and will have changed. The target of the report is however not to reflect a most recent, newsworthy picture of the company but an analysis of obstacles for brand leadership in that specific environment observed and researched during the case study field phase.

The coding tables and an overview graph have been attached to this chapter for overview purposes as proposed by Dul and Hak (2008).
### Table 3-3: Coding Table 1: Total, Gender and Hierarchy Counts

<table>
<thead>
<tr>
<th>Hierarchy Level</th>
<th>CEOs/MDs</th>
<th>Direct Reports</th>
<th>Gender</th>
<th>M</th>
<th>F</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Unspecified Brand Rejection</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1 Lack of knowledge</td>
<td>9</td>
<td>82%</td>
<td>21</td>
<td>60%</td>
<td>18</td>
<td>55%</td>
</tr>
<tr>
<td>1.2 Brand cannot be measured</td>
<td>1</td>
<td>9%</td>
<td>10</td>
<td>25%</td>
<td>7</td>
<td>21%</td>
</tr>
<tr>
<td>1.3 Wrong consumer decision model</td>
<td>6</td>
<td>55%</td>
<td>17</td>
<td>43%</td>
<td>18</td>
<td>56%</td>
</tr>
<tr>
<td>1.4 Brand strategy (not company strategy)</td>
<td>8</td>
<td>73%</td>
<td>20</td>
<td>52%</td>
<td>19</td>
<td>58%</td>
</tr>
<tr>
<td>1.5 Total rejection of brands</td>
<td>2</td>
<td>18%</td>
<td>3</td>
<td>9%</td>
<td>3</td>
<td>9%</td>
</tr>
<tr>
<td>2. Specific Brand Structure Issues</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.1 Brand strategy issues</td>
<td>8</td>
<td>73%</td>
<td>46</td>
<td>131%</td>
<td>39</td>
<td>114%</td>
</tr>
<tr>
<td>2.2 Internal branding issues</td>
<td>12</td>
<td>109%</td>
<td>47</td>
<td>134%</td>
<td>35</td>
<td>106%</td>
</tr>
<tr>
<td>2.3 Commitment</td>
<td>16</td>
<td>144%</td>
<td>23</td>
<td>66%</td>
<td>15</td>
<td>45%</td>
</tr>
<tr>
<td>2.4 Brand architecture issues</td>
<td>5</td>
<td>45%</td>
<td>16</td>
<td>46%</td>
<td>14</td>
<td>42%</td>
</tr>
<tr>
<td>3. Company Structure</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.1 M&amp;A activity</td>
<td>7</td>
<td>64%</td>
<td>11</td>
<td>31%</td>
<td>14</td>
<td>42%</td>
</tr>
<tr>
<td>3.2 Top Management not accountable for brand</td>
<td>3</td>
<td>27%</td>
<td>8</td>
<td>23%</td>
<td>7</td>
<td>21%</td>
</tr>
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<td>2</td>
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<td>1</td>
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<td>6. gender</td>
<td>0</td>
<td>0%</td>
<td>1</td>
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Figure 3-19: Frequency of Obstacle Items Mentioned - Categorized
3.5.1 Brand Leadership Awareness of Top Management

“My boss was always saying that being a manager is a show, so you have to be a good actor.”

The first central research question of the dissertation is defined in Chapter 1.2 as follows: “Is the top management level of an organization aware of their brand leadership role? The top management is defined as the MD (managing director) level of a company, be it on a corporate or local level, as well as the CEO/CCO level of a company.”

For this research question only 9 interviews plus triangulation material was taken into account. 2 conditions had to be fulfilled:

- The interview partners were top managers (8 local, 1 corporate) on a MD/CEO or CCO level.
- In all of these cases interviews with direct reporting employees to these top managers had been conducted. This allowed matching the perception of these top managers to the perception of their direct reports. Furthermore in the absence of an interview with the MD of Austria, the questions were delegated to his direct reports. It did not display their own opinion on branding but their assessment of their MD. All 46 interviews were taken into account for the analysis of the middle management as influencing factor to the brand awareness of top management.

There is no easy and straightforward answer to the research question above. The awareness of a CEO or MD of their role and responsibility regarding the brand varied greatly over all interviews analyzed.

First of all, for the analysis “brand” is defined as broadly as Kapferer does in his third edition of the “the NEW strategic brand management” in order not to lose any nuances of brand leadership attempts in the company. Kapferer defines the brand territory as a “whole system, relating a concept with inherent value to product and services that are identified by a name and set of proprietary signs [that is, the logo and other symbols]. […] Differentiation is summarized by the brand concept, a unique set of attributes [both tangible and intangible] that constitute the value proposition of the brand” (Kapferer, 2004, p. 12).
A brand must be:
- embodied in products, services and places
- enacted by people at contact points
- activated by deeds and behaviors
- communicated and
- distributed.

![Brand concept (value proposition)](image)

*Figure 3-20: The brand system (Source: Kapferer, 2004, p.12)*

The brand territory Kapferer is mounting leaves enough space to put a plethora of company attempts towards a branded approach into the field of branding without the danger of diluting the analysis. So if an MD is heavily involved in making sure the product matches the expectations of the customers, he actually is portraying a deep level of brand leadership, whilst he might deny that or at least not be aware of it. Is it now fair to include this type of manager to the top management group of “active and aware brand leaders”? The author would doubt that and count it in the best case as “unconscious or mechanic brand leadership”.

Leadership awareness was mainly derived from the following questions directly to the CEOs and MDs, whilst due to the conversational style of the interview many other hints and verbalizations were given:
“How would you describe your role and your responsibility at UPC?” (The aim was to see if any brand elements were mentioned on a spontaneous, unprompted level.)

“How would you define your role in the area of branding? What is your responsibility towards the brand?”

Top managers who saw a high responsibility for themselves as brand leaders set themselves apart regards two variables that were captured in the questionnaire from their counterparts with a low brand leadership awareness:

a. **general brand attitude**: top management attitude towards branding as a concept, capturing all ideas, knowledge, beliefs, associations and emotions they verbalized regards branding as a concept during the interview.

b. **brand relevance**: top management assessment of what role the brand plays in the decision making of a customer for products in the category of UPC (TV, internet, telephony).

These two variables will be merged into the concept of “**top management brand attitude**” for the rest of this research because they are both not only drivers for the awareness level of brand leadership but also an obstacle to brand leadership. As analyzed later in this chapter, a positive value of both variables (positive general brand attitude and high brand relevance) described a certain group of brand leaders within UPC.

Top management brand attitude in this context must not be mixed up with a customer’s perception of a specific brand, defined as “buyer’s evaluation of the brand with respect to its expected capacity to deliver on a currently relevant buying motive” (Rossiter, 2014, p. 537).

![Diagram](image-url)  

*Figure 3-21: Top Management Brand Attitude*
The first part (general brand attitude) was not directed towards the specific UPC brand. Unspecific brand rejection or approval as described in Chapter 2.2.2.1 as obstacle dimension directly influenced the general brand attitude of a CEO/MC.

The following cases have been identified:

a. NEGATIVE: (2 top managers): If a CEO had a negative brand attitude with a pejorative connotation to the concept of branding as such, they did not show any brand leadership awareness or attempts:

   They historically tried to impress me with this stuff. And they know my position. So they don’t bore me with this anymore. I get itchy when I even hear the word brand.

b. NEUTRAL: A top manager reduced brand non-judgmental to mainly visual items (logo). Then they either wanted to be involved because they saw the logo as important and interesting or they delegated their responsibility entirely to the marketing department and saw no role for themselves (2 top managers):

   I think in the meantime we have a nice brand and can be proud about it. It really allows us to play with it. It’s modern and fresh, I like the colors.

   I’m not a brand expert so I leave the branding to my team. We do discuss the sales offer and I approve that but as long as corporate is fine with the brand on our ads, I’m fine with it too.

If the brand was described as “unspecific” and put in direct opposition to “hard” marketing and product elements (price, speed of the internet etc.), it was described as less important and less conscious brand leadership focus was put on it (3 managers):

   People – people like brand, but product and price is important in our market. It is the reason why we lose a lot of – we lost a lot of customers in the market after the merger. So this is where I need to put my attention on!

   Privately I used to buy shirts from Ralph Lauren. I’m really sad they don’t make them anymore. I didn’t buy them because of the “brand” but because the quality of the fabric and fit was unbeatable.

   Very often however leadership attention in all of above cases was given to a specific product, sales or customer care issue that needed to be focused on in
the eye of the top manager. Given the definition of Kapferer, these elements are part of the brand territory. Top management was aware of their leadership role in the area of product, sales, marketing and customer care, whilst these were not actively and consciously attributed to brand. So whilst actual leadership towards brand elements was displayed, based on the attitude of the top manager, it can hardly be counted as brand leadership awareness.

c. POSITIVE (3 top managers): If brand was described as a holistic experience for the customer with an appreciative connotation to it, the CEO/MD was aware of their leadership role in the process:

Like for me I see the brand as kind of pulling everything together and it’s a representation of who you are, what you stand for, how you do things and everything comes out of that and it’s kind of the glue.

I think I have a quite a big role in working out what the best brand is and therefore the internal message to achieve our results. So I think my role is almost to suggest and propose it to my team!

A pejorative brand attitude was very often expressed in emotional terms, whilst an appreciative brand attitude was either described in cognitive/neutral language or in emotional language.

Top managers with a holistic approach towards branding (group c) showed a high level of awareness of brand leadership responsibility. If brand was seen as unnecessary, unimportant, or even hindering (group a), no subjective awareness and importance for a brand leadership role of the MD/CEO was identified. If brand was reduced to a logo, or detached from “hard” (product features, price) marketing elements (group b), medium to low leadership responsibility was assumed (see Table 3-5 on page 144).

The direct report layer (middle management) of an MD/CEO had a moderator role, especially if the top manager portrayed a neutral brand attitude (group b). If a person or a team made the top manager aware of their brand leadership role and already scripted the specific role for the manager, they showed a higher awareness and understating of their responsibility:

Well, I think my role – if it doesn’t come from me then I guess it’s way less efficient and way less credible so I need to behave like my [marketing] team expect me to
behave and they expect me to reiterate the vision and mission. If I say it a hundred times a day, it's not enough so I think a CEO's role should be exactly that, talking about the mission, talking about the vision, talking about the values and that's what I try to do now!

For top managers with a positive brand attitude (group c), additional support from the middle management layer was welcome but did not change the brand leadership awareness.

If the top manager had a negative brand attitude (group a), a middle management forcing them into a brand leadership role even for a sporadic guest performance had a negative effect. This was very visible during one of the observations. Whilst the top manager accepted the role of a spokesperson for the brand launch during a press conference, his behavior and especially body language were unauthentic, he visibly felt ill at ease with the topic which might even have had a counterproductive effect. In comparable press conferences and public speaking situations he portrayed a different behavior with topics he was familiar with.

The second variable that played an important role in the brand leadership awareness was the variable “brand relevance”. Because the variable is not only a driver for brand leadership awareness of top managers but has been identified as key obstacle to brand leadership in general, it will be dealt with in detail in Chapter 3.5.3.4. Brand relevance captures the top management assessment of what role branding plays in their perception in the decision making of a customer for products in the category of UPC (TV, internet, telephony). Top managers who assumed a high importance for the brand in the decision making process of a customer (lifestyle approach) showed a high awareness for their brand leadership role. Top managers, who did not see any importance of branding in the decision making process of the customer (commoditized view) showed no awareness of their brand leadership role. Top managers with a product feature centric view as most important criteria in the decision making process showed a medium to low brand leadership awareness.

Because the division of the groups in the top management category was identical for “brand relevance” with the categorization for “general brand attitude”, both variables were merged into the construct of top management brand attitude (See Figure 3-21 on page 138).
Top managers with a positive brand attitude see branding as holistic concept and attribute brand an important role in the decision making of the customer. This group shows a high level of brand leadership awareness.

Top managers with a negative brand attitude see no value in branding in general and don’t assume any role for brand in the decision making process of a customer in the product category of UPC. This group shows a low level of brand leadership awareness.

Top managers with a neutral brand attitude regard elements of “hard” marketing like product and price as important and have a product feature centric view regards their assessment of the decision making of a customer. This group shows a medium to low brand leadership awareness.

Table 3.5 gives an overview of the observed brand leadership awareness levels of all CEOs and MDs in the subcases analyzed (high, medium, low). Additionally, indicators for the brand attitude are given as well as the element of focus regarding the brand (e.g. logo, product development etc.). The middle management is rated regarding their brand attitude, savviness and demand for brand leadership towards their manager. Finally, the results of the NPS (net promoter score) survey of each country are given in a qualitative way: subjective awareness of the employees of the brand vision (+, − or +/-) as well as the correct repetition of vision elements (prevalent during the field phase) of the brand were added. Please find the results and tables of the NPS survey in the Appendix.
Looking at the levels of the subjective awareness of employees regarding the vision and correct mentioning of brand vision elements at the brand (at the time of the survey), it is salient how a conscious top management leadership awareness correlates with a high level of employee vision awareness. In the case of low/medium brand leadership by the top manager and the existence of a strong, brand focused middle management, the levels of vision awareness were also high. In Hungary, the MD had just taken over at the time of the interview, while the head of marketing and sales had just left the company and a new (strong brand) team was formed. The only exception shows Austria with a high correct count of vision statements by employees, whilst the MD was brand averse (based on the information of his team). The middle management team did not conjointly drive the brand. Hence, the employees were of the impression that they know little about the brand vision, but were actually able to repeat quite a number of correct key elements of the vision. The only explanation for that phenomenon is that Austria took the slogan (simply for everyone – einfach für jeden) temporarily for their campaigns before it was exchanged with “more power-more joy”. Since the slogan is a direct reflection of the vision, it might have influenced the positive result despite a low level of brand leadership in the company.
<table>
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<th>Employee Subjective Awareness of Vision</th>
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<td>brand is a differentiator bringing TV spark back to brand, customer care</td>
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<td>MD drives brand (also visually) visual deployment; accompanying customers into the digital world in a reliable manner</td>
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<td></td>
</tr>
<tr>
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<td>MD drives brand change internally and externally charging for you, 6 values developed by brand trust (different values repeated by MD and team)</td>
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<td>Corporate</td>
<td>medium to high</td>
<td>+</td>
<td>medium</td>
<td>high</td>
</tr>
<tr>
<td></td>
<td></td>
<td>CCO drives the internal program one company approach, product superiority, Horizon, big diversification</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hungary</td>
<td>medium</td>
<td>+/-</td>
<td>low low (making money as strongest vision element)</td>
<td>low (making money as strongest vision element)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>new MD, convinced by marketing team of his role focus on 6 brand questions developed with Brand Trust, values: entertainment, simplicity, reliability, best in class, customer focused, amazing experience</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Poland</td>
<td>medium to low</td>
<td>+/-</td>
<td>high</td>
<td>high</td>
</tr>
<tr>
<td></td>
<td></td>
<td>delegated to marketing team brand core developed with Brand Trust “passion”</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Slovakia</td>
<td>medium to low</td>
<td>+/-</td>
<td>medium</td>
<td>low</td>
</tr>
<tr>
<td></td>
<td></td>
<td>delegated to marketing team brand core is “trust”, developed with Brand Trust</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Netherlands</td>
<td>medium to low</td>
<td>+/-</td>
<td>medium</td>
<td>medium</td>
</tr>
<tr>
<td></td>
<td></td>
<td>delegated to marketing team and corporate brand = product (Horizon, superfast internet)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Austria</td>
<td>low</td>
<td>+/-</td>
<td>low low (making money as strongest vision element)</td>
<td>high</td>
</tr>
<tr>
<td></td>
<td></td>
<td>brand averse attitude brand = product, comparison (more power, more joy)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Czech</td>
<td>low</td>
<td>-</td>
<td>low low (making money as strongest vision element)</td>
<td>high</td>
</tr>
<tr>
<td></td>
<td></td>
<td>brand averse attitude brand core is “reliability”, developed with Brand Trust, product is key, brand = logo, visual execution hinders (too cold)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 3.5: Brand Leadership Awareness
What differentiates this group of managers who are aware and active in their brand leadership role from those who are either not consciously aware or reject brands altogether? Figure 3-23 tries to give an explanation. When analyzing the background of the individual MDs, there are two almost diametric groups.

Group A consist of managers that have been with the company for a very long time. They have seen at least two CEOs, have been with the company when it was at the edge of going bankrupt (see Chapter 3.4 – History of UPC). They either have a technical background or a finance background and are without exception male. They have experienced UPC as monopolist, when putting the cable in the ground and developing the technical backbone was more important than developing products or focusing on the customer experience.

Group B consists of managers that joined the company in the past one to three years (calculated from the time of the interview). They have an FMCG, mobile or consulting background, are familiar with marketing and focus first and foremost on the customer experience, be it on the product or e.g. on customer care. They have only seen the new UPC top management set-up with Liberty Global as the parent company, and Mike Fries as a dynamic, modern and stimulating CEO and president of the parent company. His leadership style as well as the leadership style of the EVP and CCO, Diederik Karsten, were described as transformational compared to the leadership style of Gene Musslemen, the previous CEO of UPC, who was described as a transactional manager with detailed knowledge and intervention into the (local) business. The group contains men and one woman, whilst age was no differentiator between group A and B.

Group C is a convergence group with elements of both worlds in it.
To answer research question number one: brand leadership awareness level of top managers varies greatly and depends on their top management brand attitude. The awareness level can be increased via a strong and demanding middle management. In the case of a brand averse attitude, non-authentically portrayed brand leadership can have a negative effect. Based on these insights, the following hypotheses can be formed:

**H1** Brand attitude has a direct influence on top management's awareness of brand leadership.

**H2** Middle management’s enforcement of brand leadership moderates the influence of brand attitude on the brand leadership awareness of top management.
3.5.2 Manifestation of Brand Leadership

“My boss is an incarnation of our brand here.”

Research questions number two and three focus on how brand leadership manifests itself:

- How does the top management define and live up to their task as brand leaders according to their own perception?
- How do direct reports of the top management layer (Senior Vice Presidents, Vice Presidents and Directors) experience and discern elements of brand leadership by their top management?

First of all, it is key to understand how a top manager defines a brand because it specifies the framework for the requirement he sets himself regarding brand leadership. The following definitions of brand could be found in the analysis:

a. The brand is a logo and reduced to visual elements:

   The brand is too complicated. If I put my people across the organization – give 'em a white piece of paper, a pencil, and ask them to draw the logo. How many of them would produce something that would match for example the number of leaves? Maybe marketing people – that’s what I’m saying. Our brand is far too complicated.

b. The brand is the visual elements plus other company culture and heritage, product delivery or customer experience elements:

   chello was a better brand than UPC. UPC are the old guys who invented cable television – the guys who drill a hole in my wall and make a mess. Didn't put the plastic moldings correctly because it's still loose. These are the cable people. They are the best cable guys we have but they still messed up my apartment. This is cable television. This is UPC. This is our brand.
c. The brand is the sum of experiences the consumer has with a company. From brand via product to a holistic customer experience:

I like change. I love this pace that’s in this industry. And being the leader, of being on the edge of this change really is what motivates me. As I told you, I’m a fan of walk the talk when it comes to the brand. So I just came and one of our values is simplicity. So my role is to make sure the entire organization delivers on that!

Figure 3-24: Manifestation Patterns of Brand Leadership
In terms of brand leadership manifestation, the following elements were found in the interviews with top managers themselves:

- being involved in the visual deployment of the brand (e.g. checking the logo on the campaign proposals)
- involvement in customer brand experience areas like product, price, customer care
- involvement in behavioral branding program (one of the departments drove the initiative and reported to the top manager about the progress, results...)
- assuming responsibility as brand spokesperson (either voluntarily or convinced by middle management)
- actively driving the behavioral branding program (e.g. scripting the text for the customer care agents personally)
- driving one or more areas of customer experience (e.g. product development, campaigns, customer experience at touchpoints...)
- driving the local brand strategy and demanding to be involved into developing the brand framework (at corporate and locally).

In the theoretical framework (see page 19, Figure 2-2) the elements of “deciding for or against a brand-centric approach” as well as “setting up key measurements for brand performance” were listed as elements of brand leadership tasks. These 2 elements were however never mentioned in top management or later employee interviews. The elements of brand leadership manifestation that were mentioned cover basically the center elements of the brand leadership process described on the theoretical framework (brand strategy framework, managing brand strategy and brand building and communication).

Figure 3-24 shows all patterns that were found during the interviews. Interestingly no top manager claimed to just be involved in areas of product development, sales campaigns, they assumed a rather driving than consulting responsibility in that area.

If the brand was reduced in the interviews to its visual elements, no conscious brand leadership responsibility was assumed because the brand was seen as the responsibility mainly of the corporate team and the local marketing or marketing communications team. In one case the top manager showed an interest in seeing the campaign beforehand to check the visual elements of the brand. In all of these cases however, the MD or CEO assumed leadership when it came to product development and customer experience. The leadership of initiative varied from
country to country. Some MDs were more involved in the product development, others more in the customer care department, but they have one thing in common; they were not only involved in these operational areas but they drove at least one area.

Examples are:

- “I go to the shops from time to time and just listen to customer conversations.”
- “We have that program that every one of my direct reports spends at least a day per quarter in the call center, listening to the problems that customers have!”
- “We will definitely not start to advertise the product, before it is not setting us apart from the competition. And because we are known as being the fastest in the market or at least to have the best value for money ratio, I'm not going to launch a product, that does not fit that proposition!”

The issue therefore definitely is not a brand leadership issue, but it is an issue of definition and wording in the company regards the concept for brand.

If the brand was defined as the logo plus culture or product development/customer experience elements, leadership was hardly portrayed towards the visual deployment of the brand but the latter elements. In some cases, an opinion about the logo and visual elements was verbalized, but seldom leadership for these elements was expressed. Some MDs regarded themselves as internal and external spokespersons for the company, some actively, some because their team had convinced them of the necessity. All of these MDs were involved in internal branding programs, many of them setup by Brand Trust (an external agency). None of the MDs however claimed to lead them. The involvement was mainly a report by the marketing or HR team to the MD about the progress of the program. Similar to group one, all of them expressed their strong leadership towards elements of product development, sales or customer care.

Only in the case where brand was understood as a holistic experience was leadership portrayed in all dimensions of the brand including the strategic framework, the logo (down to a level of micromanagement: "make the logo bigger on the billboard!"). In all cases leadership for the behavioral branding program as well as the development for product/sales and customer care elements are assumed.

The UPC brand tracking studies of 2006 and 2012 was used to analyze the impression of customers on variables that had been tracked over all years in a very
similar or identical diction. Please find all results of the relevant brand tracking variables in the Appendix. Three variables could have been carved out. “UPC makes my life easier”, “UPC is customer oriented” and “UPC offers good value for money”. In 2 markets (Germany and Switzerland) no comparison to 2006 was possible because the company did not belong to UPC or had not introduced the brand tracking in 2006. In Austria no significant improvement from 2006 to 2012 could have been identified, whilst the values were on a very high level for UPC standards in 2006 already. In Ireland, Poland, Czech, Slovak, Hungary and the Netherlands significant improvements of almost all variables could be identified. The time series analysis therefore did not prove a direct connection between brand leadership awareness or manifestation and external brand image. The positive development could be based on more customer-centric approach the company was driving from 2006 to 2012.

Based on the second research question and the analysis above, the following hypotheses can be derived:

- **H3** The individual perception of branding as a concept drives the conscious and deliberate manifestation of brand leadership of a top manager.
- **H4** An understanding of brand as a holistic concept drives a holistic manifestation of brand leadership including internal and external branding elements.

The third research question looks at the same brand leadership manifestation, just from a different angle. How do direct reports of the top management layer (Senior Vice Presidents, Vice Presidents and Directors) experience and discern elements of brand leadership by their top management?

The answer to this question was surprisingly and amazingly simple. Direct reports to an MD or CEO experienced the brand leadership exactly the way the top manager had described it, apart from one exception: in Hungary the MD saw himself more in the driving seat and the team experienced him more as being briefed by them to lead on certain brand elements. Table 3-6 gives an overview of all answers given to research questions two and three.

Interestingly enough however, in almost all of the cases where the MD/CEO showed a medium to low or low brand leadership, the teams were expressing their desire for more brand leadership. Only the Czech team was completely fine with
the situation as it was. Brand leadership was desired to be displayed from the local MD/CEO as well as from corporate, be it the corporate marketing team to deliver proper frameworks, or be it the head of the company in Europe and Denver. The role of the corporate marketing team will be looked at in the analysis of obstacles to brand leadership in more depth. Comments regarding desired brand leadership from the middle management included:

I think the majority of the leaders in the company see brand as the colors and the logo and the bloom and that’s it. For A. this is the reality. For me brand strategy is company strategy. For me, it’s the identification of the company. If you see brand as a cost factor, if you see brand as the cosmetics, you’re not going to ask these questions because then, it’s just an add-on in your mix and it’s not the driving idea. There’s the issue in this company, I think.

People need to be able to believe in the brand. It’s a totally different approach if an agency comes up with something and pushes it into the organization. If a CEO stands up and says: ‘this is who we are, this is what we do and this is how we do it’, then it’s a total different approach!

I just don’t think A. believed in the new brand to be honest with you. I think he was with us at a different time. I think he came in. The objective was, merge the two companies, merge the systems, fix the problems, kick off this upgrade. I think it was just a very different time. I think we’re now in a stage of maintaining the base, growing the base, building the brand. I just think it’s a different – it’s just a different environment I think. But then we would need a strong brand leader now. We really need someone responsible for the brand at the top. It’s fine if I do it. But that is not enough.

Based on the third research question and the analysis above the following hypothesis can be derived:

**H5** Direct reports to a top manager experience the level of brand leadership directly proportional to the self-assessment of top managers.
<table>
<thead>
<tr>
<th>Country</th>
<th>Brand Leadership</th>
<th>Awareness Level</th>
<th>Own Perception</th>
<th>Quotes</th>
<th>Perception by Direct Reports</th>
<th>Aligned Perception</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate</td>
<td>medium to high</td>
<td>very high focus on unifying the company (project UNITY), responsible for positioning of the company and the core vision, Verbalization of the vision with Corporate communications and Marcoms,</td>
<td>You have very different animals in the company. It is key that we work together towards one goal and understand that the enemy is not within the company but outside,</td>
<td>heavy focus on unified company approach is perceived by direct reports. All elements of a comprehensive behavioral branding program were used for the project UNITY. Brand becomes more of a topic when CCO is talking to the employees (e.g. conferences).</td>
<td>yes</td>
<td></td>
</tr>
<tr>
<td>Austria</td>
<td>brand aversive</td>
<td>n.a.</td>
<td>n.a.</td>
<td>focus on performance of the company including customer experience is perceived. Brand does not play a role in day to day communication.</td>
<td>n.a.</td>
<td></td>
</tr>
<tr>
<td>Czech</td>
<td>brand aversive</td>
<td>responsible for network and product performance. Responsible for financial performance of the company. Unhappy with the cold look and feel of the CD</td>
<td>It's good for me to have a team around me, who loves the brand stuff. So it's important to hear it for someone who likes to keep distance from that,</td>
<td>discussions about the logo during the rebranding. No active involvement in brand topics perceived.</td>
<td>yes</td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td>high</td>
<td>drives the brand from the logo to the behavioral branding</td>
<td>I told corporate that the blue logo would not do anything for us. It’s cold and impersonal. But then I saw the multicolored bloom for Horizon and I said: this is what we need!</td>
<td>CEO is perceived as driver of the brand and brand experience for an internal and external audience. Delegates the day to day business and development to his team. Involved in the decision making.</td>
<td>yes</td>
<td></td>
</tr>
<tr>
<td>Hungary</td>
<td>medium to high</td>
<td>main responsibility in behavioral branding and making sure the brand promise matches the experience of the customer. Phase 1: internal awareness after Brand Trust exercise</td>
<td>So since simplicity is our core vision and since I am convinced about simplicity, I told my team users your objectives you have to identify one project to simplify something in the organization.</td>
<td>team reports to MD about the progress on the brand and also asked the MD to get involved in being the spokesperson for the brand, e.g. at the national brand day (distributing branded give aways to employees and having 1:1 chats about the brand)</td>
<td>partially</td>
<td></td>
</tr>
<tr>
<td>Country</td>
<td>Brand Leadership Awareness Level</td>
<td>Own Perception</td>
<td>Quotes</td>
<td>Perception by Direct Reports</td>
<td>Aligned Perception</td>
<td></td>
</tr>
<tr>
<td>---------</td>
<td>----------------------------------</td>
<td>----------------</td>
<td>--------</td>
<td>-----------------------------</td>
<td>-------------------</td>
<td></td>
</tr>
<tr>
<td>Ireland</td>
<td>high</td>
<td>responsible for the positioning of the company and the products (bring TV spark back into UPC) and mainly for customer experience (focus on customer care)</td>
<td>I’m very clear on what I want to see in regards to the customer experience. We’ve re-architected what a successful call is and everybody’s been trained back out on a standard of call.</td>
<td>MD is perceived as central and motivated angle in the branding with a very transformational leadership style. Focus on behavioral branding to deliver great customer experience. It was noticed that even the office had changed to make it more pro brand.</td>
<td>yes</td>
<td></td>
</tr>
<tr>
<td>Poland</td>
<td>low to medium</td>
<td>responsible for the investments of the company in Poland, focus on merger of Aster and UPC, focus on product and customer experience</td>
<td>I am not a day-by-day brand police, but it’s certainly trying to make sure that people take into account and are aware of the brand. To show that I live the brand, by trying to show by example, and really to try and question when things are not being done the right way.</td>
<td>Direct reports don’t feel that brand as a word or concept is much of a topic in the company. Customer experience based on the recent merger with Aster is a big topic which ultimately is also part of the brand framework but not perceived as such</td>
<td>yes</td>
<td></td>
</tr>
<tr>
<td>Slovakia</td>
<td>low to medium</td>
<td>sees responsibility for delivering the numbers. High affinity to the UPC and chello brand, relegates the responsibility to marketing team</td>
<td>I am very much focused on making sure we have the right products with the right customer experience in place. But brand does play a role and my marketing team does a great job on it!</td>
<td>Team feels to have a lot of freedom regarding the brand development but actively report progress to MD. Elements of brand leadership were not quoted.</td>
<td>yes</td>
<td></td>
</tr>
<tr>
<td>Switzerland</td>
<td>high</td>
<td>responsible for making the decision when to rebrand from cablecom to UPC, bringing pride back into the company and aligning employees, showing the public that cablecom actually delivers on very many critical topics already</td>
<td>So I decided on an evolutionary approach to rebranding. We wanted to rebrand because we wanted people to feel that, locally, we were part of a bigger group. That was a competitive advantage for us. But wanted to make sure that we had changed our customer experience and fixed the company before we put lipstick on it.</td>
<td>MD is seen as spokesperson for the brand towards employees but also external audiences (e.g., media) in a very difficult situation for the company. Development of the brand strategy comes from the team and is actively coordinated with the MD. MD strongly involved and demands certain elements (e.g., rebranding strategy)</td>
<td>yes</td>
<td></td>
</tr>
<tr>
<td>The Netherlands</td>
<td>low to medium</td>
<td>focus on product performance and making sure customer expectations match what UPC can deliver, no focus on behavioral branding</td>
<td>My team is working directly with the corporate team on the framework for the brand, especially for Horizon. I get involved when they need me and a clear positioning for Horizon is certainly needed</td>
<td>Team feels that a lot of brand framework elements are missing but that this is a responsibility of the corporate team (e.g., framework for Horizon). Brand as a narrow concept does not have much space in the company, whereas MD focus on customer experience through product performance is high.</td>
<td>yes</td>
<td></td>
</tr>
</tbody>
</table>
3.5.3 **Obstacles to Brand Leadership**

“UPC as a community in Europe has a brand. We are part of that. We fit within that brand umbrella – how we appear, how our brand talks, how it behaves – it’s all part of that. And strong brand leaders are probably the most important thing we can wish for right now.”

The fourth research question deals with obstacles for top management in assuming brand leadership, obstacles that top management verbalized directly, obstacles that their direct reports, the focus group and brand experts identified (Brand Trust), and obstacles that became obvious in the iterative analysis of the case including the triangulation material. The obstacles can be of a conscious or unconscious nature. All interviews of this case study are taken into account for the analysis.

Figure 3-25 shows all individual items that interviewees involved in the case study mentioned as obstacles to brand leadership. The single highest item mentioned is the brand attitude of a top manager. This has already been identified as a driver for the brand leadership awareness of a top manager and discussed in chapter 3.5.1. Based on the comprehensive analysis complex patterns were identified. They will be analyzed in this chapter.
<table>
<thead>
<tr>
<th>Reason</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>local brand focus depends on brand attitude of (local) CEO/MD</td>
<td>48</td>
</tr>
<tr>
<td>UPC does not have a brand strategy</td>
<td>37</td>
</tr>
<tr>
<td>brand has no importance in company, is no topic</td>
<td>34</td>
</tr>
<tr>
<td>financial driven/public listed company</td>
<td>34</td>
</tr>
<tr>
<td>MD/CEO delegates the brand to the marketing department</td>
<td>32</td>
</tr>
<tr>
<td>brand strategy isn't company strategy</td>
<td>28</td>
</tr>
<tr>
<td>brand architecture not clear enough/not tangible enough (Horizon)</td>
<td>21</td>
</tr>
<tr>
<td>commitment and strong emotional attachment to company/brand</td>
<td>21</td>
</tr>
<tr>
<td>not invented here</td>
<td>19</td>
</tr>
<tr>
<td>Top Management not proud to work for UPC</td>
<td>19</td>
</tr>
<tr>
<td>inward focused brand change management issues</td>
<td>18</td>
</tr>
<tr>
<td>every country has it's own brand</td>
<td>18</td>
</tr>
<tr>
<td>unrealistic brand strategy (too high investment to deliver on)</td>
<td>14</td>
</tr>
<tr>
<td>brand as such is not important (commodity approach)</td>
<td>13</td>
</tr>
<tr>
<td>consumer decides on product features</td>
<td>12</td>
</tr>
<tr>
<td>focus on other operational challenges in company</td>
<td>12</td>
</tr>
<tr>
<td>brand is a logo</td>
<td>11</td>
</tr>
<tr>
<td>Top Management is not accountable</td>
<td>11</td>
</tr>
<tr>
<td>brand cannot be measured</td>
<td>11</td>
</tr>
<tr>
<td>lack of communication skills</td>
<td>11</td>
</tr>
<tr>
<td>no budget</td>
<td>10</td>
</tr>
<tr>
<td>company inward focused and not on customer</td>
<td>10</td>
</tr>
<tr>
<td>consumer decides based on good offer and discount</td>
<td>9</td>
</tr>
<tr>
<td>too many small departments without one common thought</td>
<td>8</td>
</tr>
<tr>
<td>restricted by his/her manager</td>
<td>8</td>
</tr>
<tr>
<td>time constraints</td>
<td>7</td>
</tr>
<tr>
<td>billing systemd drives the customer focus</td>
<td>7</td>
</tr>
<tr>
<td>bad leadership skills</td>
<td>6</td>
</tr>
<tr>
<td>women are better brand leaders</td>
<td>6</td>
</tr>
<tr>
<td>internal branding not important</td>
<td>5</td>
</tr>
<tr>
<td>total rejection of brands</td>
<td>5</td>
</tr>
<tr>
<td>cannot be put on balance sheet</td>
<td>4</td>
</tr>
<tr>
<td>not aware of own importance</td>
<td>4</td>
</tr>
<tr>
<td>disbelief in company</td>
<td>3</td>
</tr>
<tr>
<td>people put into too high roles too early</td>
<td>3</td>
</tr>
<tr>
<td>far away from customer</td>
<td>3</td>
</tr>
<tr>
<td>doesn't like chosen brand</td>
<td>3</td>
</tr>
<tr>
<td>brand is soft factor compare to price</td>
<td>2</td>
</tr>
<tr>
<td>fear of taking over responsibility</td>
<td>2</td>
</tr>
<tr>
<td>translation issues</td>
<td>2</td>
</tr>
<tr>
<td>Top Management abuses internal branding for own messages</td>
<td>2</td>
</tr>
<tr>
<td>brand has no long term impact</td>
<td>2</td>
</tr>
<tr>
<td>brand is not lived by example</td>
<td>2</td>
</tr>
<tr>
<td>fear of failure</td>
<td>1</td>
</tr>
</tbody>
</table>

**Figure 3-25: Frequency of All Mentioned Items - Uncategorized**
3.5.3.1 Linguistic Patterns

“These guys have been fighting in the Vietnam war for their lives and now we come and ask them to talk about the multicolored bloom. Come on.”

In the theoretical framework “language” as an obstacle towards brand leadership was reduced to translation issues. The case study revealed that linguistic patterns as an expression of a corporate culture, of heritage and attitude are on the one hand a mirror of the self-conception of a company. On the other hand, this manifestation can influence how brand is treated in the company.

In the case of UPC, five linguistic dimensions important for brand leadership were prevalent:
1. martial language
2. industrial jargon (financial language, technology-based language)
3. pejorative brand language
4. lack of storytelling
5. translation issues.

Language, jargon and expressions used are an important part of the culture of a company. Corporate culture directly influences brand culture. Brand culture is defined as the carrier of corporate culture and the extension of it (Yang, 2010). “If properly used, language-related matters can be beneficial for corporate image building, act as a unique contact platform among stakeholder or can help to overcome aversion against changes, which are unavoidable in modern management” (Dolakova, Voracek and Zelena, 2013, p. 83). On the other hand, language can hinder desired thinking and hence necessary action.

Martial Language

Competition was portrayed as an enemy within the organization. The company strategy was internally stipulated as beating the enemy. This metaphor helps to unify employees within the company to not see the biggest challenges within the organization, but rather outside the organization, motivating all hierarchy layers to work together. This is especially helpful for an organization with an M&A strategy
and a corporate and affiliate structure, where discussion of roles and responsibilities as well as authority and territory are a daily occurrence:

We are in a war. And the enemy is bigger than we are. So we need to be on our toes. We need to outsmart them to survive!

Guys, there are no enemies inside. The walls need to come down. The enemy is outside, okay?

So even after 12 months of relentless innovation from KPM, we were still able to hammer the shit out of them by 50,000. Hammering the shit out of them quite frankly.

He wants to fight with the big brands!

The target of project Unity is to create effectiveness and efficiency. Size matters. Like in war: size times quality delivers the result!

Whilst the language might help the targets mentioned above, it is an expression of fighting **against** something and not **for** something: the customer. This is a fundamentally different approach and very relevant to how a brand is approached.

**Industry Jargon**

Industry jargon was used in the daily language of the company and had an influence on brand leadership. First of all, financial telecommunications jargon, which is not specific to UPC was and is used to measure the success of UPC’s strategy. Terms like RGU (revenue generating unit) as a synonym for an individual service subscriber who generates recurring revenue for a company are significant. This is used as a performance measure with analysts and investors, who will look for a company to increase its revenue generating units over time. This suggests that the company is remaining competitive (source: Investopedia). In the end it’s a customer. It’s a human being who decides to buy one or more products from UPC.

Furthermore, the targets of the top managers are almost exclusively expressed in financial terms (top line growth; CAGR=compound annual growth rate, ROIC=return on invested capital, ROCE=return on capital employed,
EBITDA=earnings before interest, tax and depreciation and amortization, churn rates, ARPU=average revenue per user etc.).

On the other hand, the industry itself is driven by consumer facing technical terms, which might be familiar to some users, but to some they might still be alienating. The list gives some examples the researcher found as triangulation material on one single local UPC website:

- HD (high definition)
- DTV (digital TV)
- VOIP (voice over Internet protocol)
- DVR (digital video recorder)
- WLAN (wireless local area network)
- Mbits/s (mega bit per second)
- DSL (digital subscriber line)
- WIFI (wireless fidelity)
- VOD (video on demand)
- EPG (electronic program guide)

When I joined the company everybody talked in jargon, and it was way too technical. Megabytes and all that popped up. I’m not a technical person. I didn’t come from the cable business. I came from the car business, and for the first couple of years in this company I had no idea what anyone was talking about.

The language is just the expression of a culture and a mindset, which is still very product and functionality oriented and less consumer oriented. It is on the one hand an expression of a mindset. On the other hand, constant usage of jargon hinders customer oriented thinking which is a prerequisite for brand leadership. The brain is not able to differentiate between language that is constantly used but should not have an influence on the attitude towards the customer. So jargon influences and drives the way the company thinks and acts (Alvesson and Kärreman, 2000).

**Pejorative Brand Language**

The mere usage of the word “brand” as a cue for the interviews was a real door-closer for some situations, especially on a MD and CEO level. This immediately improved when approaching the direct report level of MDs, since many employees
with a FMCG background have been hired across all markets for marketing, sales and customer care positions. They are more familiar with the concept and the benefits of a brand-centric approach.

The researcher perceived brand almost as an “evil” word during some interviews, which was defeated in emotional, sometimes even aggressive language. The paradox about it is that the principles of especially behavioral branding and making sure the company is able to deliver on the brand promise were accepted, supported and even demanded. Just the word as such had so many negative connotations for some top managers that the concept was declined altogether. The knowledge and perception level of branding might be responsible for that attitude:

The customer really doesn’t want a damn brand, he wants Horizon to deliver what we promised!

On many layers throughout the organization however, even when brand was perceived as a positive, contributing concept, the language used when it comes to brand portrayed it as “soft, not concrete”, with a vilifying connotation to it. It was seen as sitting in the marketing department and detached from the company strategy:

We have one person internally here – internal branding. She is most probably gonna run the project together with someone from my team – a marketing person who has done a lot of this fluffy branding and positioning stuff.

If it’s intentional or not I don’t know, but it could have been the best thing to happen to the brand strategy that it was no longer called brand strategy because if you say deliver on the brand strategy, in a lot of people’s mind, it’s like deliver on a marketing group’s idea and they are so not going to do that!

**Storytelling**

In the interviews it became clear that the company struggled with putting their own story into words that are appealing to an internal and external community:

Words hurt and build and inspire, as well. A. is working with Venturethree [agency] on a lot of these concepts. I’m working with Brunswick [agency]. A. is happy with Venturethree on the artwork. I’m happy with Brunswick on their press
strategy. But none of us is happy with each of those agencies on wording for our vision. We just can’t get our story straight and appealing enough, whilst we have a story I guess!

Even the Horizon box itself, the way we represent it today and we talk about it, is extremely functional. Yet we need to make this link to the emotional world. We’re not good at telling stories. A. has never been good at it. But even B. and C., when they speak up to go to conferences and talk, they are fairly functional in what they say.

A brand needs a narrative for top management to use in order to explain the brand promise in a plausible, credible way. This way the company heritage and the vision it wants to accomplish can be understood and remembered.

**English as Corporate Language**

It was perceived by some managers as hindering, especially from the corporate team that they cannot have a conversation with local specialist teams that reflects the nuances of the message they want to convey:

Again ten countries, that’s how many we have today. There are certainly countries where we have challenges with English, like the English language. And we cannot have a meaningful conversation. We cannot explain our target in detail. The MD has to do that and he has other problems.

**Summary**

In total, four language patterns have been identified that were described by the interview partners as obstacles to brand leadership. Furthermore, the lack of language skills in some markets has been described as hindering the bringing of a brand message across in full. Destructive language patterns, relevant for the brand, have a negative influence on the brand culture of a company and hence on brand leadership. Brand leadership as an independent variable on the other hand potentially could reduce the usage of destructive language patterns. This seems logical, given the results, but this needs further research. The arrow on Figure 3-26 is hence negative in both directions.
The following hypotheses can be derived from the findings:

H6  Destructive brand language patterns as an expression of corporate culture are an obstacle to an affirmative brand culture in the company.

H7  Brand culture has a direct influence on brand leadership.

H8  Brand leadership can reduce destructive brand language patterns.

H9  Translation issues have a negative influence on brand leadership.

Figure 3-26: Language as Obstacle to Brand Leadership

3.5.3.2 Brand Framework Management

“Brand at UPC is a bit like an Ikea do-it-yourself kit. One screw is always missing.”

Analyzing potential brand framework issues and their influence on brand leadership delivered the most interesting and surprising results of the case. As already described in the theoretical part of this dissertation, the specific setup of the brand (brand strategy, vision, positioning, architecture) can be an obstacle to brand leadership.
For further analysis and understanding of the issues found in the case study, first a distinction between desired and undesired brand leadership needs to be made:

a. Desired Brand Leadership: affirmative brand leadership is portrayed by a top manager, enhancing the desired values of the brand promise and its elements in a complimentary, coordinated fashion.

b. Undesired Brand Leadership: brand leadership is portrayed by a top manager, however the promoted brand promise or other brand framework elements do not concur with the desired brand promise or brand elements, which leads to a dilution and distortion of the brand.

The issues found in the case were a combination of a lack of awareness for any brand strategy of UPC, paired with confusion regarding the development of the Horizon product (brand architecture). There was an immanent almost uniform wish by top managers and their direct reports for a stronger central brand development (strategy, framework). Finally, due to a number of local brand activities and central behavioral programs a confusion and dilution of terms, concept and directions was asserted, mainly in the countries, not so much at a corporate level.

The theoretical framework would suggest an absence of brand leadership in that case because the direction and the strategy are not clear. What happened however in the case of UPC is the development of local sub-brands. Based on the fact that there was a desire for a brand strategy and framework, countries started to create their local brand vision, mission, values and positioning. The depth varied greatly, some countries just adapted a few positioning statements to their needs, other markets however developed an entire local brand framework.

The question is, what strategy does UPC desire? Does it want to have a central, uniform, single, corporate brand strategy at least for the markets carrying a joint brand? Or is the development of local sub-brands supported, accepted or at least tolerated? The detailed analysis brought more insight, which will be dealt with in detail in this chapter. To show the variety and the quantity of answers given during the analysis of that topic, the author has decided to use a larger number of quotes on every subtopic to demonstrate the weight of the issue.

For the analysis angle, the adopted view is that the development of local sub-brands is a level of undesired brand leadership.
Brand Strategy

Of all 46 interviews conducted plus the focus group, in only three cases did the interviewee state that UPC has a corporate brand strategy that goes beyond the logo. In all other cases the brand strategy was reduced to the visual arch (bloom), it was referred to as the company strategy of Liberty Global or a brand strategy was denied altogether. Product strategy was almost always mentioned separately and not in connection with brand strategy. Product and brand strategy were seen as different concepts.

Starting with one of the positive examples:

Our brand strategy is to deliver simple products, to deliver pleasure to customers, to not be complicated for customers and to be helpful. And I think if we follow our promises and our strategy, and if we keep our promises it’s good. And I think that in Poland we have a very strong brand.

The more critical voices:

The only brand strategy we have is to make as much money as possible, so we can deliver the shareholder value.

No we don’t have a brand strategy. We have a bloom and that is our brand strategy.

I believe on paper, yes, we have a brand strategy and probably it is very generally communicated somewhere, but probably we do not have a plan of exactly how to put it into the field.

I have been working for Gillette and Sara Lee before I came to UPC. And what shocked me when I came here is that I was hired for a brand position. But then there was no brand, no strategy, no proper guidelines, no nothing. I really didn’t know where to start.

We don’t have brand people here and hence we don’t have a brand strategy at UPC.

Our brand mission is to be the most professional entertainment and connection provider in Hungary.
The majority of the interview partners expressed their desire for strong corporate brand management, unified corporate brand strategy and a brand vision that comes directly from Liberty Global or at least from UPC Headquarters. It was acknowledged that room for local tweaks and positioning elements should be possible, but the merits of a strong, unified corporate brand were expressed and recognized. Even brand averse MDs prompted the development of a stronger, more unified corporate brand. They argued that once the local brand had been taken away from the local markets (which they did not endorse as strategy), and the company had been rebranded or at least co-branded to UPC, UPC should have a stronger corporate brand responsibility and should live up to it, even as an M&A driven company:

Mike Fries is a visionary leader. I mean that’s his main task being a CEO of Liberty Global and I think he should have the right people in place to do these kinds of things for him. I think to really develop a corporate brand or an employer brand or culture effectively, you’ll have to do it in corporate.

I worked in a similar situation in my previous job. Most of the time all brand elements I needed came from my global partners. Then I relooked at it and tweaked certain things. Spain was significantly different regarding the use of a certain product. But in the end, every country says we’re different, we need special treatment. But come on, in the end you maybe need to twist it just a little bit, but not the key elements, that’s it. Full stop.

The brand strategy should come from corporate. Where, higher up or – I don’t care, but from corporate because that’s where you want to have your positioning and your brand strategy done for the whole of the world. And not 10 but 1. Then, of course, I can understand that from there you look at a country.

I worked at Deutsche Bank before I came to UPC. With the brand as such, we couldn’t play, or there was no discussion about would we change it into something else. At UPC I have the feeling that I have much more freedom. But I don’t think that this is a good thing, actually.

Well I think clearly there should be branding from our perspective I would say, you know, it needs to be centralized. Like clearly if you want a, you want to create a brand value, you’ve gotta have a consistency, and that consistency has to come from a centralized perspective of where we’re going. Otherwise you just don't create anything.
Further to the desire for a unified brand strategy from corporate it was expressed that a unified brand strategy needs to go beyond the visual treatment and really look into the customer experience:

So for me the brand should be that for every single point of contact with the customer, we have to reflect the same image. If we’re customer focused, we should say, ‘okay dear customer, we have a network problem, we’ll fix it now’. I don’t care how much it costs. I gave you the promise. I will fix it.

**Brand Architecture**

One brand architecture issue popped up in many interviews: Horizon, as explained in Chapter 3.4.3, is a new TV platform developed by UPC with very high strategic relevance and importance for the company. At the time of the interview there were mixed internal views about the product. The idea and concept of Horizon were almost uniformly described as groundbreaking, making people enthusiastic and proud about UPC. Some markets were of the opinion that the product had been launched too early for the purpose of satisfying the shareholder market, before the consumer experience was up to a desired level.

Many interview partners however stated that Horizon was an example of an issue with UPC’s brand architecture. It was not clear if Horizon was just a product name, a brand, a brand that would sooner or later replace UPC as a product name. It was also unclear where the product would sit on the shelf with the rest of the UPC products:

Then, for two years they’ve been thinking about what are we going to do with Horizon. Now, I’m just messed up with my communication because now I have a whole line with UPC and then later on, I have to have a whole line with Horizon. Of course, we have 20 other campaigns running at the same time and what are you gonna use? What are you gonna use when you have UPC – in the UPC campaign line you talk about features of Horizon. I’m confused so the customer will be confused!

And I didn’t get any specific answer to the question, the simple question: ‘What will be with the Horizon brand? Will it kill the UPC brand? Will it be only a product brand and company brand or remain as a sub-brand?’ You know, it’s quite difficult for me to understand that we have no strategy about that and that countries can have different approaches.
I mean, if we take the example of Horizon, so we have come up with a whole new logo and brand and a whole different identity for a product, and never really thought about how that would fit together with the company brand because this is only a product. Well, should we rename ourselves to this? Totally confusing, and a lot of people struggle with that.

Now, actually, you should perhaps go much in the direction of Horizon. Let’s take Horizon, let’s build a positioning for Horizon – a brand positioning that has not been done yet, to be honest. It’s a logo now. It’s a logo with a name.

As a direct result some markets took this issue to develop their local Horizon positioning but also brand guidelines around the platform.

**Logo and Corporate Design Treatment**

The initial UPC logo (bloom) was developed further after the launch to allow an even more dynamic approach for onscreen usage, as well as a more tailor-made approach for individual company and product needs. Hence, the bloom was adapted further to sit adjacent to the Liberty Global logo. Additionally, a treatment for the Horizon product was developed: the multicolored bloom. The multicolored logo was then also used as a visual anchor for Unitymedia to the Liberty Global family:

So then I told A. that we wouldn’t take any of the UPC brand elements. The blue bloom just doesn’t do anything for me. It’s cold and impersonal and that is not the connotation with which I can win a battle against Deutsche Telekom here, right? So when I walked through the hallways in Schiphol-Rijk, B. showed me the multicolor bloom for Horizon. So I went to A. and told him that that would work for us and he said: why not. So we have it!

The question of a stringent corporate design strategy emerges with the handling of the logo in this case, however the case study was not able to give an answer to that matter. Furthermore, the development was also recognized by other markets which portrayed an image of “low corporate design stringency”: 
I mean, look, Germany adopted the logo, the rainbow bloom for the new media KBW merger. And why recreate a logo when it is such a great logo? But I think we're not, quote unquote ‘religious’ about our logo or look and feel.

So I worked for Max Mobile before I joint UPC. And what happens with the brand here would have never happened there. That starts with how we treat the logo, the execution and the content of the brand. Even if I am not a brand person, I would not allow that.

Local Brand Initiatives

Brand Trust, a German based brand consulting agency was hired by UPC to work on the local positioning of five countries. The initiative started in one market (Switzerland) and travelled as a best practice program to four more UPC markets.

The idea of the initiative was to carve out the local essence of the brand, condense the essence into six values/brand questions and one word, which described, what made the local UPC market so special. In Czech for example “enjoy and reliability” were carved out, in Poland it was “passion”, in Slovakia it was “trust”.

The exercise brought awareness for a brand-centric approach into the companies and also the feeling of a bottom-up brand development from the middle of the company. The initiative received very positive feedback from all local markets.

What happened however is a certain differentiation, dilution and confusion about the brand and brand strategy. During the interviews, various interview partners quoted the developed values or “brand word” as a new brand strategy.

As elaborated in the theoretical framework, holistic behavioral branding only works if the external message equals the internal message. Whilst the initiative certainly drove internal brand awareness, it added to the already existing confusion level about the brand strategy in the company:

We were asked to develop an internal claim, which by definition, could be different in every country. So we have an external claim, which we agree is for the customer. But, to build an internal brand power, we have to develop an internal brand.
We decided to have ‘Passion’. For example, the Czech Republic had ‘Enjoy’. So every country developed their own solution. And now, we have to prepare an action plan to implement it to get support from management that they accept it, and they give the power, authority to implement it in the right way. We had this discussion. With ‘Simply for Everyone’, we tried to implement it internally, but people misunderstood it. ‘Simply for Everyone’, they mixed with, ‘I keep my job as simple as possible, so I will not try to change anything’. So we decided to build a new internal brand.

Additionally, the subjectively experienced lack of strategic brand guidance encouraged local markets to develop a kind of a local “shadow brand framework”:

Well, I made the guidelines myself. I started my own – I started the whole set-up, a whole brainstorm – a couple of brainstorming sessions with all different people – also corporate. Then I included corporate as well, of course, to do a brainstorming session to get together to get a brand framework. Now, I’m actually working on a second brand framework or positioning – relooking at everything we have and just setting the route for the coming couple of years because then I see – when you ask me ‘What do you see as most important?’ For me, it is the brand. Brand focused, preference, everything.

So I think we might refine the external brand as well because I must admit we haven’t really cracked the external brand. I don’t think we’ve distilled it – we’ve got the brand architecture, but we need to reshape how we position the external brand again.

So we’ve been dancing around this topic and I think we are going to focus on creating that personality and that identity a bit more locally for us here, but I think we’re not going to wait for corporate to develop it.

Summary

This chapter brought insights into the brand framework management of UPC corporate and the local markets. It left the author a bit perplexed regarding the intensity with which it crystalized during the interviews. Figure 3-27 summarizes the results: Issues in the brand strategy or brand framework can lead to a lack of brand leadership but moreover they can lead to undesired brand leadership.
The task of this dissertation is to develop new theoretical and practical findings and from this chapter, the following hypothesis can be derived:

H10 Impairments in the corporate brand framework can lead to a lack of brand leadership or an undesired brand leadership and development of parallel local shadow brands.

3.5.3.3 UPC’s Heritage and M&A Culture

“UPC has a great brain, but it does not have a soul.”

The quote above was given by an MD during one of the interviews and it was a real turning point and key insight for the researcher during the entire case. The quote sums up all findings and could as well be the title of the case study report.

This chapter will deal with all elements that are described in the theoretical framework as structural company issues (M&A activity, top management is not...
accountable for the brand as well as issues due to the fact that UPC is a public listed company).

The Vision and Strategy of UPC

One of the questions of the interview was to ask all interview partners if UPC had a company vision or strategy and what it was. The concept of vision and strategy were deliberately put into one frame to capture all nuances of the idea behind it and not lose any data due to notions and definitions. The target was to see if the company strategy is seen as separate from the brand strategy. Furthermore, the results will not be divided into the subcases analyzed, since no meaningful pattern between subcases/countries could be identified.

Three big streams of answers can be clustered in the following 3 groups:

a. **UPC does not have a vision/strategy.**
   Almost no interview partner was of the opinion that UPC does not have a vision or strategy.

b. **UPC’s vision and strategy are linked to its M&A background and the financial targets of the parent company or the parent company as such:**

   I think at the end of the day what’s still important for this company is the OCF and I guess that that’s our strategy if you want.

   I’m not sure. Probably yes somewhere in the States, there is a strategy document.

c. **UPC has three different strategies and they do not necessarily match:**

   I think that is one of the weaknesses that UPC – that brand strategy, product strategy to a certain extent – if you look at corporate – apart from each other. And I think there needs to be one. The company strategy, the brand strategy, and the product strategy need to be one strategy no matter what nametag you give it.

   - **UPC has a financial strategy**
     Our strategy is the LRP (long range plan) done by Jim Ryan.
The only strategy we have is to deliver the shareholder value. Our strategy is to recycle the loans and not pay taxes.

- **UPC has a product (leadership) strategy**
  No, we only have a product strategy and that’s all. That’s all we have. I think we have one. We focus on our products and we want to be the leader, quality leader, in terms of content delivered to the customers and speed of the Internet. And the brand is, according to research, perceived as we want to be perceived, so a very good brand.

- **UPC has some kind of strategy (e.g. HR, Marketing, Corporate Communications, Customer Care, Sales…..)**

To the question if the corporate strategy and the brand strategy are the same, many people could not give an answer because they were of the opinion that UPC either had no brand strategy or the brand strategy is a very visual concept. As a result, respondents saw the source of the company strategy with the parent company in Denver (Mike Fries) or in the headquarters in Schiphol-Rijk. As explained in Chapter 3.5.3.2, there was an almost uniform wish for a central brand strategy expressed by the interview partners, and many of them defined brand strategy as going beyond the logo, including customer experience elements. Nevertheless, the company strategy and the brand strategy were very often described as two different animals from different sources, and only in one single case was the brand strategy equated with the company strategy and the other way round.

Due to the constant change of the company caused by its M&A activity as well as the relatively young age of the enterprise, employees, especially at a corporate level felt that they do not have time to breathe and cope with the constant transformation. People that apply for a job at UPC know about its culture and its nature and basically liked change and speed as concepts in their lives. Yet the deeper purpose of the company - almost a religious, philosophical essential question - was brought up as a desired step in the set-up of the company vision and strategy:
“If you know the theory of the golden circle, I think we are very good in selling what we do, high speed Internet and we do this and that and innovate, but why do we do this. I think that’s the biggest thing. If you ask me what I would like to do is that for the coming two years, to build the team that can help the organization, help the management to figure out or to make clear what the why is and to help integrate that into let’s say the workforce so that our strategy, our vision and our mission, that vertical integration process takes place. So that’s my ambition.

It would help me in my job to know what our course is, where we are going to and who do we want to be. So programs like one company are good programs. The only problem with our kind of organization is that we take these kind of changes which are in change management terms third degree changes too superficial. I mean like you are talking about changing an identity or setting in place an identity of your company. We put them in programs and projects and I think we should have a different approach towards this kind of change.

M&A Activity and Monopolistic Heritage

“People need to understand that they are part of the international cheese consortium now and no longer chef of the alp.”

Liberty Global’s strategy statement is focused on the one hand on financial targets directed to a shareholder community, on the other hand on innovative and transformational product development with the aim to improve the digital lives of its customers (see Chapter 3.4). It is clear to the employees in the company that M&A is part of the core strategy of the parent company and hence also of UPC. Looking towards the theoretical framework of this dissertation, the targets of M&A activity in the case of UPC were never brand related. The main target was to increase the footprint in Europe within the cable industry or to add products that make an excellent addition to the convergence strategy of Liberty Global (e.g. the deal with Vodafone in the Netherlands in 2016 in order to add mobile telephony to the portfolio):

One of these facts is the fact that this is not an organic company that was created one time by someone with a certain vision, and he said this is the way I want to see it, that’s the way my kids would manage it later, that’s how from generation to generation it would pass – it’s just an assortment of different M&A activities.
In addition, the monopolistic situation of UPC until 2000 did not foster a consumer-centric approach and view inside the company. So it is key for the approach towards brand leadership to understand that UPC was not founded with a brand strategy or consumer focus in mind:

John Malone is an exceptional businessman and he builds and runs businesses because he’s intellectually stimulated by the financial engineering and maximizing shareholder returns. He’s an economist. That is what he is extraordinary at doing. He has very cleverly bought a number of different assets that will yield maximum shareholder return and the assets are all in the same class of assets. They’re all cable and he has other content assets that sit separately.

The driver of the business development till 2005 was not the most innovative products or consumer demand, but the simple fact that the consumer did not have much choice if a customer wanted more than two TV channels. The driver of the business development especially till 2005 was technology for the sake of meeting the financial targets of the company:

I would argue that until 2005, the driver was technology and it was not the consumer demand. Technology for financial purposes. The customer and his needs did not play a role in setting up the company strategy! He did not have a choice anyways!

Based on that business strategy cable assets throughout Europe were bought, rebranded or cobranded to UPC and sold again if the growth or revenue of these companies were not satisfying anymore.

The disruptive nature of M&A activity can be looked-up in the theoretical part of this dissertation. Additionally, after the purchase of a company in Europe it was not customary for UPC to start a behavioral branding program in order to bring the UPC culture to the companies. UPC Corporate employees would often make sure that product development, marketing activities, customer care key performance indices and the logo on the building matched the expectation of the parent company. The local employees however had to find their own way to UPC, its culture, usages and habits. Most of these companies were not even used to working with a central headquarter, being dependent on a corporate department. The understanding of a central value looking at strategies on a bigger picture and having central experience from many other markets were low:
We are delayed with this campaign because it took more than a month to convince the guys in corporate to allow us to withdraw a certain offer and then come with the budget leads, so in broad terms everybody signed off so we still await validations. That tires me a bit because that’s an energy sucking thing. Rather than fighting for customer satisfaction or the new customers out there, the energy gets lost within the company.

Hence fierce “not invented here” discussions and fencing one’s territory were common practice. The MDs in the company that were still protagonists in an M&A brought the topic up with the necessary professionalism during the interviews. Between the lines, acrimony about the feeling of having been left alone with local issues and on the other hand a certain layer of perceived micromanagement was perceptible.

Not only the internal and behavioral branding was critical after an M&A. Due to its’s scarce marketing resources and the fact that UPC was outspent by its main competitors by the factor ten in most markets, not a lot of focus was put on giving the customer time to get used to a new brand, especially in the beginning of Liberty Global’s M&A activity in Europe. Many years after the rebranding from Telekabel in Austria to UPC-Telekabel and then UPC, the local taxi drivers in Vienna would only react to Telekabel and not to UPC as a target for the ride. This has however changed dramatically in the past years and especially Switzerland is an example of a well thought through and executed rebranding.

What influence did the portrayed situation have on brand leadership in the case of UPC? Figure 3-28 basically gives an answer to that as well as a quote given by an interview partner:

So when you don’t grow via organic growth, there is no spine that plays a role. Brand identity can sit based on the values of a historical spine, or else it needs to be artificially built into that at a certain point.
The difficulty with the brand strategy of UPC is that the prerequisites for a brand-centric approach in the company are not ideal. With roots in American soil, driven by M&A activity, financial targets and a monopoly heritage, a customer-centric European approach for the treetop seems difficult. Every brand strategy has the connotation of reverse engineering and is less credible than an organic, natural brand strategy. Driving a brand strategy and in such an environment is a difficult task. Based on these insights the following hypothesis can be derived:

**H11** Band leadership for a brand strategy that is retroactively implanted into the company is more difficult than if the brand strategy is organic.
Not Invented Here Approach

Based on the development described above it is obvious that confusion about roles and responsibilities and the protection of one’s territory was a daily occurrence, supported by the perception of almost all interview partners. Not only the countries which were acquired needed to get used to the situation. Due to the young age of the company also, the roles and responsibilities between corporate and countries were not entirely clear. And also the corporate departments found it difficult to justify their existence towards the countries:

The biggest obstacle, which we still haven’t defined is: What’s our role versus the countries role?

We have not been fast enough to compete with the big guys because we develop something fantastic, and then, you have to go through the whole explanation to every country. ‘This is why we’re doing it.’ And till everybody is on board the competition has launched it.

As a result own territories were protected. Looking at Figure 3-25 on page 156, the “not invented here” syndrome was mentioned 19 times as direct obstacle to brand leadership. Additionally 8 responses were counted around the topic of “too many small departments without one common thought”. The existing CCO of Liberty Global, Diederik Karsten, had put a program in place which was in full swing at the period of the interviews. The program was quoted as “project UNITY” or “one company approach”. The idea behind that the project was to make all employees aware of the fact that only working together as one single company without fiefdoms and defense of small territories would help to get the best results. The roles and responsibilities between corporate and the countries were clarified to a much deeper extent. The good thing about it was that every single respondent during the interviews was aware of the project, was able to repeat the basic sense of it and agreed to it. Some of the respondents took the “one company approach” as an internal branding campaign and thought that this is basically the company strategy. The only confusion and critique that was verbalized was the inward focused nature of the project without an external customer angle (18 direct counts for “inward focused branding programs” as obstacle to brand leadership plus 8 counts on “the company is inward focused and not on customer”). Questions about the next step were raised.
The program as such is a great example of excellent internal branding, just without a customer focus. As a first step to change the customer culture on a way to a more consumer-centric approach it is probably a helpful move:

One Company is a brand approach because I think – I think at the heart of One Company I think it’s about us all speaking in one voice, being united, we’re all part of the same team, we’re all working together, all having a common vision, all having a common plan. But I also think that on top of that – the people within the company are the brand as well. And that the brand ends up, I think, being a representation of how you behave, what you do – what your values as a business are.

My fear with One Company and with any internal brand positioning is that it’s created to fix a problem today – and where’s the consumer focus for it? If you listen to A. how he formulates it, it’s very much about fighting against someone rather than fighting for something.

What influence does a “not invented here syndrome have on brand leadership?”
The following quote is absolutely to the point:

There is quite a rejection in most of the countries towards corporate ideas. Even if part of the ideas has been developed and refined in the countries, most of the countries believe that they would be better off without a corporate organization. Hence they also reject overarching concepts like brand.

Based on the findings of this chapter the following hypothesis can be derived:

_H12 If brand is perceived as a corporate concept and corporate concepts are rejected as such, brand leadership of the local top manager will not be portrayed for that specific brand._

Company Culture

The company culture was perceived as very American at a corporate level which was neither described as supporting or hindering brand leadership. It was described as having an influence on the way people are dismissed:
We have to be upright in an American way, but yet we have to translate that to your local culture.

One MD experienced the entire UPC culture as very Dutch and hence mentioned that projects and programs including the brand did not fit his market. Since he displayed a brand averse attitude on top of that, no hypothesis can be derived from this observation.

Whatever has been done at UPC always was Dutch centric. Whatever fits the Dutch market – the Dutch consumer mentality was deployed.

**Triangulation Comparison: VIRGIN MEDIA**

Virgin Media was used as triangulation material. Since only one in-depth interview was conducted, no full cross-case analysis is possible. The interview was a telephone interview on the 27th of January, 2016. The angle of interest was: is brand leadership portrayed on a different level in the organization, if the heritage of the organization is linked to a well-known founder personality not only in the financial world but in the customer world?

From the very beginning Virgin were able to establish a brand presence like no other because they used Richard Branson. The bought NTL – so, they didn’t quite start from scratch. They then made it Virgin. They franchised the brand name Virgin Media and then they set the culture of the business based on Richard Branson.
Virgin Media was founded in 2006 by the merger of NTL and Telewest. In July 2006 Virgin Mobile was purchased to enable the offering of quadruple play services in the UK (Internet, fixed line telephony, TV and mobile telephony). In November 2006 the company signed a deal with Richard Branson to license the Virgin brand for the combined business and hence all products were branded to Virgin. Liberty Global acquired Virgin Media in 2013 and rebranded its premises in Ireland to Virgin as well. As a result, a number of top managers who had been working for the UPC brand went to Virgin. The interesting part for the triangulation is that these managers have seen both sides and were very well able to compare the brand leadership of both worlds.

<table>
<thead>
<tr>
<th>Trait</th>
<th>UPC</th>
<th>VIRGIN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roots</td>
<td>M&amp;A</td>
<td>founder personality, later M&amp;A plus acquisition of Virgin Mobile</td>
</tr>
<tr>
<td>Parent Company</td>
<td>Liberty Global</td>
<td>Liberty Global</td>
</tr>
<tr>
<td>Brand</td>
<td>UPC Unitymedia ZIGGO</td>
<td>Virgin Media, franchising of Virgin brand</td>
</tr>
</tbody>
</table>
The biggest differences between UPC and Virgin are a central brand team for the Virgin brand that also protects and develops the core values of the brand for licensed partners. There is a basic agreement that on the one hand Virgin Media can only communicate and approach the market in a way that is within the Virgin brand personality. On the other hand, Richard Branson appears as a central advertising personality in the communication. Hence the entire brand connotations of a maverick, challenger brand can be used as an anchor for the brand and product strategy. The advertising is always fun whilst the content is always product related (e.g. faster Internet than the competitor).

The astonishing insight from the interview was that brand leadership is not actively portrayed within the company of Virgin Media itself by top managers on a completely different level compared to UPC. The day to day buzz words are very product, offer and network oriented and less customer oriented than one would assume. The spirit of Richard Branson was not described as a daily anchor to all development within the company. It was mentioned that employees, who have been working in the company prior to the Liberty Global take over are closer to the Virgin brand and are still a bit lost in the new setup. Nevertheless, since the brand

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**Table 3-7: Brand Approach Comparison UPC and VIRGIN**

<table>
<thead>
<tr>
<th>Brand Development and Guardianship</th>
<th>UPC corporate plus local developments</th>
<th>central brand team that protects and creates all franchised brands</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communication Approach</td>
<td>product and offer centric</td>
<td>brand centric and product centric, always with featuring Richard Branson</td>
</tr>
<tr>
<td>Brand Positioning</td>
<td>product leadership</td>
<td>challenger/underdog</td>
</tr>
<tr>
<td>Brand Personality</td>
<td>unclear, local</td>
<td>humorous, competent with high-quality standards, flaunts the rules</td>
</tr>
</tbody>
</table>

The biggest differences between UPC and Virgin are a central brand team for the Virgin brand that also protects and develops the core values of the brand for licensed partners. There is a basic agreement that on the one hand Virgin Media can only communicate and approach the market in a way that is within the Virgin brand personality. On the other hand, Richard Branson appears as a central advertising personality in the communication. Hence the entire brand connotations of a maverick, challenger brand can be used as an anchor for the brand and product strategy. The advertising is always fun whilst the content is always product related (e.g. faster Internet than the competitor).

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personality of Virgin is so clear to everybody and verbalized in a crisp, easy way, there is an intrinsic drive within the company to subordinate all consumer activity to this brand personality. The level of pride and cohesion of all employees working for Virgin were mentioned as a central differentiator from UPC.

Brand leadership was portrayed on two levels:

a. The central Virgin brand team has an eye on the way the brand is used in consumer-centric activity to not harm the Virgin brand as such (more like a brand police approach).

b. Making sure all consumer facing activity using the brand traits is natural in the company and also demanded by top managers.

No behavioral branding programs were described and mentioned in the interview. Since Liberty Global is the parent company of Virgin, the financial rules of the company also apply to Virgin Media, as they apply to UPC.

Based on the findings of this chapter the following hypothesis can be derived:

*H13* *An affirmative brand-centric heritage of a company supports an intrinsic level of brand leadership.*

**Summary**

The heritage and roots of a company drive its culture, its language and its perception. If brand was not an important factor at the setup of the company, retroactively putting it into the core of the organization is difficult. It feels like lipstick and might not be authentic. Portraying brand leadership in an environment of constant change based on M&A activities is a true challenge. Especially if the roles and responsibilities between corporate and the acquired companies are not clear, or the brand might be abused as leverage or rejected as a corporate concept altogether.
3.5.3.4 Assumed Consumer Decision Models

“We’re gonna be just like a lifestyle accessory people are going to carry around with them. So we better make sure we are sexy.”

When it comes to consumer decision models that employees have in their mind, three groups could be identified as already described in Chapter 3.5.1:

a. **Product is Lifestyle**: One group saw UPC’s products as lifestyle products and demanded a much more consumer-centric view to the development in the company. Brand was identified as a central element in the decision making. Product features were almost seen as hygiene factors in the positioning: it is a prerequisite that the product delivers leading features but the positioning is not focused centrally only on product features. Key for this group was the view on TV as product: it was seen as entertaining, glamorous, content-rich and an exciting core feature of UPC. A high level of brand leadership was portrayed.

b. **Product Feature-Centric Approach**: This group believed that the product features are very important to the customer and was also convinced that the customer compares product features with the competition and decides mainly on a rational basis, whilst a role for the brand as admitted. This group equated UPCs product strategy with its brand (unconscious) AND company (conscious) strategy. Product leadership was the central angle, whereas a more consumer-centric approach of the company was stipulated.

c. **Commodity Approach**: The third group believed that UPC’s products are a commodity and hence price or best value for money should the central angle. Advertising and branding should be local, whilst no brand leadership was portrayed.
Apart from the commodified product group both other groups were of the opinion that UPC is actually developing into a much more consumer-centric organization. The reason was seen as external: because the customer and competition force UPC to think in a more consumer oriented way:

We started to become more brand-centric. I think the appointment of D. was the seminal moment. I think that’s pretty clear because he did away with a lot of the old thinking and introduced new thinking about market pricing, for instance, which was a concept we didn’t always use. We used the concept of rate increases – rate increases until the PR gets too bad about it.

<table>
<thead>
<tr>
<th>Differentiator</th>
<th>Lifestyle Approach</th>
<th>Product Feature Approach</th>
<th>Commodity Approach</th>
</tr>
</thead>
<tbody>
<tr>
<td>Counts</td>
<td>16</td>
<td>23</td>
<td>7</td>
</tr>
<tr>
<td>Brand Leadership Level</td>
<td>high</td>
<td>medium</td>
<td>low</td>
</tr>
<tr>
<td>Focus</td>
<td>brand and customer</td>
<td>customer and product</td>
<td>product and price</td>
</tr>
</tbody>
</table>
## Lifestyle Approach

<table>
<thead>
<tr>
<th>View on Technology</th>
<th>Product Feature Approach</th>
<th>Commodity Approach</th>
</tr>
</thead>
<tbody>
<tr>
<td>company perceived as too technology oriented</td>
<td>technology is important to deliver the product experience</td>
<td>technology is key</td>
</tr>
<tr>
<td>“It’s okay to be a technology driven company if you are Sysco. It’s not okay to be a technology driven company if you serve end users.”</td>
<td>“There’s a lot focused on the technology which is good as long as we are going to want to do with the product.”</td>
<td>“If I look what our competitors are spending on CAPEX, we will just not be able to compete with them!”</td>
</tr>
</tbody>
</table>

## Competition

<table>
<thead>
<tr>
<th>Lifestyle products are competition</th>
<th>Incumbents and other providers of internet, TV and Telephony are seen as competition</th>
<th>Incumbents and all small aggressive players are seen as competition</th>
</tr>
</thead>
<tbody>
<tr>
<td>“increasingly we start measuring ourselves against Apple and against Google and against Sky, all the hip and cool brands in the world”</td>
<td>“KPN is still our biggest competitor.”</td>
<td>“If you look at the overbuilt we have with Digi in that area, it is killing us!”</td>
</tr>
</tbody>
</table>

## Customer Decision Model

<table>
<thead>
<tr>
<th>Lifestyle model</th>
<th>Product centric but recognizing that there is more than just product.</th>
<th>Product and price</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Our customers, when they take decisions, they take decisions on the basis of lifestyle and they actually don’t care about the technology anymore. It just needs to make it work”</td>
<td>“The thing that’s actually sold me is Sky’s brand advocacy and that cannot just be on a rational reason.”</td>
<td>“We offer value for money. It think best value is too strong yet. We’re not saying we’re going to be best because we’re not a price fighter.”</td>
</tr>
<tr>
<td>“If my grandmother understands it, we...”</td>
<td>“If I don’t see the benefits, I don’t buy it. You can tell me HD, DVR, STB, okay. What is high definition, digital video...”</td>
<td>“No, I think why we are getting it – we, of course, prepare some good offers,”</td>
</tr>
</tbody>
</table>
Table 3-8: Brand Leadership based on Consumer Decision Models

Based on the findings of this chapter two hypotheses can be derived:

**H14** A commoditized assessment of the company’s product by a top manager is an obstacle to brand leadership.

**H15** If brand is assessed as being a central part of the consumer decision making process for the product of a company, a high level of brand leadership is displayed by the top management.
3.5.3.5 Frame Conditions of a Public Listed Company

“To be successful, you need to know a little bit about money and a little bit about people.”

The theoretical framework discredits public listed companies and the appreciation of brands as a long term concept. The short term nature of the stock market, where quarterly reports are determining the share price and hence the wellbeing of the company, does not support long term concepts such as brand. 34 of the interview partners were of the opinion that being a public listed company and following the rules of the stock exchange hindered a brand-centric approach in the company and had a negative influence on the portrayed level of brand leadership. Four patterns were identified that could be hindering the brand (experience) as such.

![Diagram](image)

*Figure 3-31: Stock Exchange Rules influencing the Brand (Leadership)*
a. Programs with a long pay-back period such as brands which additionally are difficult to evaluate in exact financial terms are difficult to defend:

Sacrifice short term profit for long term growth. Actually I don’t see that yet.

b. In order to create good news some decisions might be made which are not adjuvant for a good customer experience (e.g. a product launched too early):

A. told the media several times that we would be launching Horizon. Way too early because he wanted to show that he also has something wonderful. If he hadn’t done that, then he wouldn’t have felt the pressure all the time that he needed to deliver something. Then maybe it would have been very wise, to say the least, to wait a little bit longer to have a product and put the product to market when it’s absolutely ready and actually exceeding customer expectations.

c. In order to meet the financial targets, decisions have to be made which are counterproductive to customer satisfaction (e.g. increase the price of the existing customer base in order to hit a revenue target). The example below shows a way of actually aligning the customer experience and financial targets to a certain extent:

We had to deliver 8 million more revenue. Not easy if you’re in July and the only way you can do it is to increase prices. How can we bring this fact in line with the brand rules? Okay, we cannot do this if we don’t give more value to the consumers. So we gave everyone 50 percent more speed and we asked for two francs more. Two francs more for 50 percent more speed! I think that was actually a great deal.

d. In general, being reduced to financial key performance indices regards the measurement of success:

Because at the end of the day, we’re measured by the financial world. So that’s what we are reduced to.

All markets indicated that they measure the brand value on a regular basis, at least once a year done by Marketmind, a research and consulting agency based in Austria. That practice has changed since 2013. No connection between the mere displaying and measuring of the brand value and brand leadership could be found in the case study. Exactly the same was true for putting the brand on the balance
sheet. Just a number without understanding the concept of brands would not change the mindset of the company according to the respondents.

The brand on the balance sheets makes absolutely no difference. Either I get the value and understand the concept, or I don’t!

Therefore, two hypotheses can be derived from this chapter. A brand-centric company approach moderates the effect between the restrictions of being a public listed company and brand leadership. The higher the restrictions, the more difficult is a brand-centric company approach, the higher the obstacles to brand leadership.

![Diagram](image)

*Figure 3-32: Brand Centric Company Approach as Moderator Variable*

**H16** The influence of the financial conditions and rules a public listed company needs to follow in order to be rated benevolently by its investors can have a restrictive effect on its brand-centric approach.

**H17** Brand-inhibiting influences are an obstacle for a top manager to assume brand leadership.

### 3.5.3.6 Top Management Accountability for the Brand

None of the top managers had a KPI (key performance indicator) in their contract that is directly brand related. The targets are of a financial nature as well as directly related to subscriber growth.

Three MDs however had put a brand related KPI (key performance indicator) into the bonus agreement for their direct reports: Switzerland, Germany and Ireland. The ratios were either directly related to brand KPIs or to the customer NPS (net promoter score). These MDs all showed a medium to high level of brand leadership.
MDs with a medium or lower level of brand leadership were of the opinion that putting brand elements into their own bonus plan would not change their brand leadership attempts. Not putting any elements into the plan however also conveyed the message that is of less importance to the company:

A. would put it in the bonus plan if it was really important. But then I don’t think that would be feasible. How can you measure if someone delivers on brand or not?

Every other year I think, I am not sure, we do this brand tracking and tracking comparison between the countries. We are doing pretty well, obviously in terms of UPC viewers. And I’d be proud about that. I don’t get a penny in my bonus for that. However, my strong belief is that the good rating we get from our customers and the research is tied to product – to support, to stability – our operating performance rather than to the brand or what sticker we put onto the product.

The results of this angle on brand leadership unfortunately do not allow a distinct proposition when it comes to obstacles to brand leadership. The only clear conclusion is:

\( H18 \) Top managers, who show a high level of brand leadership, will set their team brand related targets.

3.5.3.7 Leadership and Personality of the MD/CEO

“I see myself as the trainer of a soccer team. They need to play together as a team, not just individuals; they need to pass the ball and think whilst they are running.”

In the theoretical framework, intrinsic obstacles to brand leadership such as general communication and leadership impairments of a top manager, lack of organizational identification, language constraints or “not invented here” syndrome were indicated.

The case study analysis revealed that language and “not invented here patterns” are deeply enmeshed in the structure and culture of the organization; therefore, they have already been analyzed in the context of the company language and heritage.
The following variables were found in the analysis to have an influence on brand leadership, which are inherent to the person and not necessarily to the organization (only):

- general brand attitude
- gender, emotional intelligence
- leadership style
- coping with change
- competence
- commitment

**Brand Attitude**

The general brand attitude of a top manager has already been described and discussed in detail in Chapter 3.5.1. A positive brand attitude was expressed by seeing brand as a valuable concept as such, talking about brand in an affirmative language and in addition, also evaluating brand as relevant for the consumer decision process of buying a UPC product. The differentiators of top managers with a positive brand attitude were:

a. a professional background that included FMCG, consulting, mobile marketing and sales and not exclusively technical or financial jobs and education
b. gender: men and women, whilst the group of top managers with a negative brand attitude comprised only of men
c. their teams expressed a predominantly transactional leadership style
d. they were enjoying transactional leadership themselves.

The case study did not reveal what the dependent and independent variables are in that context: Do pro-brand managers for example chose their job in the context of a FMCG intrinsically or does a pro-brand environment encourage them to have a more positive brand attitude? Are there further criteria to differentiate the pro-brand from the brand averse group, which the case study did not discover? Further research needs to be done in that field.
The hypothesis that can be derived from those findings leaning on hypothesis H1 is:

**H19** A positive top management brand attitude has a direct positive influence on the exertion of brand leadership.

**Gender and Emotional Intelligence**

An element that neither came up in the exploration of potential obstacles to brand leadership nor in brand leadership literature is the element of gender and emotional intelligence. The reason could be that the central angle of analysis was obstacles to brand leadership and gender and emotional intelligence could be catalysts to brand leadership.

Unfortunately, only one female top manager in an MD position was part of the case study, whilst in total 13 interviews of the case study were with female interview partners as well as one triangulation interview. Three participants of the focus group were female. The female interview partners as direct reporters to MDs and CEOs, however were very high in the hierarchy of the company themselves. They were not top managers in the definition of this dissertation (MD and CEO/CCO level), however they have a have a brand responsibility towards their team.

What was salient during the interviews is that almost without exception women in the case study, regardless of their hierarchy level, used a different language to express their attitude towards brands in general but also towards the UPC brand specifically. The language was much more prone to emotional terms (loving, being fond of, feeling devoted to etc.) compared to their male counterparts:

> If you define brand just as the face of the product strategy you only address the rational part of it. But brand needs to touch your heart and your soul. It adds a layer of feelings and emotions. You need to ignite people. Your employees, your customers, even the financial analysts at the NASDAQ. They are human too!

Often, these women described situations of delivering beyond the brand to express the feeling of responsibility they had towards the brand. In three situations, women in middle management positions assumed responsibility for the brand despite the fact that it was not part of their job description and they did not get any salary
increase due to the extra work. In all three situations the brand was part of the job
description of a colleague on an equal or higher level, who did not show the level
of brand responsibility these women had hoped for. The responsibility was
exclusively acted out for behavioral and internal branding to make sure internal
programs and activities (with effect on customer experience) were brand or at least
customer-centric:

So embracing the brand and embracing the company vision and the culture and
reinforcing it – that’s a choice and it requires work and effort and reinforcement, but
– if you don’t do it you’re making a conscious choice not to. So just grab what you
have, embrace it and love it! You need to leave it, love it or change it! There is no
other option!

In the iterative process the researcher added the question, if the respondents
experienced a difference between male and female brand leadership to the
remaining part of the interviews. Approximately 80% of the remaining interview
partners saw a difference in leadership between men and women in general and
brand leadership in specific, regardless of the gender of the interview partner.
Women were described as emotionally more intelligent leaders. Since the brand is
a construct consisting of rational as well as emotional elements, they were also
seen as handling brand as a concept with a different understanding:

Because we’re much more emotional so we hate more and we love more. We have
more emotional intelligence and that is what you need for a brand. It is not just in
your brain, it is in your heart. And we allow ourselves more than men to also listen
to our heart and stomach from time to time!

She is a better brand leader because she’s personable, capable, confident, sassy.
She’s a go-to gal. She doesn’t see problems. She sees challenges and she wants
you to come up with the answers as to how we’re going to deliver on those.
They’re not going to stop us. Just tell me how long it will take you and cut that in
half.

This is a topic that needs further research. It is assumed that emotional intelligence
has a positive influence on brand leadership, moderated by the variable gender.
Based on these findings the following hypothesis can be derived:

**H20** Emotional intelligence has a positive effect on brand leadership, moderated by gender.

**Style of Leadership**

As described in the theoretical framework, a transformational style of (brand) leadership has been described as adjuvant especially in the field of behavioral branding. The direct reports to the CCO of the company, Diederik Karsten, described his leadership style as transformational. Since the MDs themselves portrayed all levels of brand leadership, a direct influence of the leadership style on the willingness to show brand leadership could not be proven.

There was however a local difference in leadership style between the MDs that showed a high level of brand leadership compared to the MDs that showed a lower level of brand leadership. Direct reports felt that the style of leadership used by their MDs had an influence on their own brand behavior.

When the MD showed a medium level of brand leadership yet a high level of transformational leadership, middle management felt empowered to take over brand leadership themselves and also brief the MD to take over roles in the brand program (e.g. spokesperson to employees and the press).
### Table 3-9: Leadership Style Displayed by Brand Leaders

<table>
<thead>
<tr>
<th>Direct Reporting Employees</th>
<th>low level of brand leadership portrayed</th>
<th>high level of brand leadership portrayed</th>
</tr>
</thead>
<tbody>
<tr>
<td>&quot;When you have this kind of environment where it's only about the numbers and you're not taking care of the work environment and the people and the surroundings it does impact your business results.&quot;</td>
<td>&quot;He let us do it. The difference with A. is he didn’t really have an opinion of it. He kind of was like, yeah, yeah. You just go and do it. Very nice, lovely, pat on the back. B. has an opinion and would like it done in a certain way I think. So I think B. is much more involved but in a positive way. You can feel, B. really cares!&quot;</td>
<td>&quot;So already he's saying don’t always have to just say yes to everything, think about it, present me YOUR solution.&quot;</td>
</tr>
</tbody>
</table>

| MD | "In the end I think it just self-deception to think you can change an entire organization. There are rules and these rules need to be obeyed. Either you are in or you are out." | I'm naïve enough to come in and believe that things can be accomplished and not have any concerns about it. I also don’t really – I have the freedom of I don’t – I’m here because I want to be here and because I enjoy it not because I need to be here. |
|    | "You need to allow people to make functional and structural changes. Most organizations change the strategy but not the organization." | |

Table 3-9: Leadership Style Displayed by Brand Leaders
The only clear statement that can be made on the observations is that all MDs who portrayed a high level of brand leadership also used a transformational leadership style. Based on this finding no hypothesis can be derived.

Coping with Change

Fear of change and difficulties adapting to change were given as obstacles to brand leadership by a few direct reports to MDs, not by MDs themselves:

From my perspective, I can give quite a simple one. I think it’s just a general fear of change. Regardless of what level of an organization people are at, there is still that fundamental human issue of it’s something different. So usually, you’ll be going through some sort of brand change. Usually, you’ve also looked at the company mission, values, all that kind of good stuff. And there’s probably a nuance in there, which is different to what was there before. Now, I still believe that a lot of people are just scared because it’s different. And that’s more the top managers.

Based on these finding the following hypothesis can be derived:

\[ \text{H21 Fear of change can be an obstacle to brand leadership.} \]

Competence

Three interview partners were of the opinion that in UPC, like in other companies, people are being promoted to a position that is probably overstraining their leadership competence. The reason that was mentioned is a lack of good applicants. When you are already insecure in the position you are in, portraying brand leadership in a company that is not described as brand-centric might be asking too much.

Based on this finding the following hypothesis can be derived:

\[ \text{H22 Being overstrained in a management position with regards to skillset and experience can be an obstacle to brand leadership.} \]
Commitment and Identification

Lack of organizational identification and commitment to the organization and brand have already been identified in the theoretical framework as obstacles to brand leadership. There were indications found in the case study that support that view. Top managers that showed a more critical attitude towards the company, or verbalized their disappointment regarding certain developments in the company showed a lower or no level of brand leadership.

Top managers that were enthusiastically talking about the organization or at least about the opportunities they have within the organization showed a higher level of brand leadership:

I think my biggest job in this whole thing is to motivate people. I love my job and I am committed to UPC. My team matters to me. They do matter to the business. We want to have people who believe in it – because in the end they deliver a different experience to the customer.

Based on these finding the following hypotheses can be derived:

\[ H23 \text{ A lack of organizational commitment is an obstacle to brand leadership} \]
\[ H24 \text{ A lack of organizational identification is an obstacle to brand leadership.} \]

3.5.3.8 Behavioral Branding Approach

Brand leadership is especially important for behavioral branding: making sure employees know the brand promise, are convinced of it and are empowered to deliver on it. The case study looked at two angles:

- Are there any behavioral branding programs in place at UPC? How do they look, who drives them?
- Are there issues within the behavioral branding program that could be a potential obstacle to brand leadership?
Knowledge Level

First of all, the instruments for an effective internal campaign were well known to UPC looking at three specific programs: one is the “one company approach” (see Chapter 3.5.3.3) the other is the exercise of Brand Trust with the individual countries (see Chapter 3.5.3.2). The third exercise was done by two markets (Switzerland and Ireland) with room for improvement in their customer reputation prior to the rebranding.

One could argue, if the “one company approach” is a behavioral branding campaign or not since it gives employees clear guidelines on how they should act. Since however no customer angle can be found, it can count in the best case as preparation for a next step.

The exercise Brand Trust had conducted in the markets is clearly a behavioral branding program. The target was to find the local essence of the brand positioning and implement it into the way the countries work internally and treat the customer at every touchpoint. In the countries the respondents were aware of the project, were aware of the outcome, convinced of it and just at the edge of implementing it into internal and external branding elements. In others markets it was already visible. The issue of undesired brand leadership in context with this program has already been discussed in Chapter 3.5.3.2. The brand core became diluted rather than strengthened. The advantage however is that it brought awareness about branding as a concept into the company, at least on a country level.

The program Switzerland invented and then later also Ireland used was called “changing for you” and was mainly aimed at getting the organization fit for a new customer experience. The behavioral branding campaign was mainly aimed at employees but was also visible towards existing and potential customers as a signal. Internal processes and touchpoints with the consumer were analyzed and restructured. The values of the new brand were not necessarily the guiding principle of the campaign, the target was a “better” customer experience and repairing all critique points customers and press had brought up regarding these countries. Only after a satisfying level of customer experience was reached, did the rebrand take place.
UPC as an organization definitely knows about the principles of behavioral branding and the MDs are very well aware of what worked in communication with their employees, if they had important topics to bring across:

Events are really expensive but they work for informal and direct communication.

Fun is a key driver.

1:1 communication counts. Posters and Frisbees is not the way.

Brand as a concept was not perceived to be a topic from an MD level upwards, just from an MD level downwards. Thirty-four respondents in total said that brand was not a topic in the company and hence not perceived as important:

Let me explain the difference to you [why brand is not an important topic in the organization] Mike Frees announced the new Code of Conduct. My personal view, when the Code of Conduct came out first, that it was a kind of razzmatazz, this is important. This underpins how this group of companies is going to do business and want to be perceived in the world as doing their business. This is why I am speaking to you today.

Employees that were new to the organization referred to a brand introduction program they had undergone at the UPC Headquarters. Middle management perceived the brand buzz in the organization as strong as the top management level:

He talks about the brand, of course it’s not just talking about the brand, but really I think he believes that a strong brand supports the company success.

Conviction Level

MDs, who showed a high level of brand leadership, were aware of the fact that the people need to be convinced of the brand and not just informed about its promise:

People need to be ignited and convinced, but if the MD doesn’t light the fire and take the responsibility, it will not burn.
Since the majority of the MDs showed a low or medium to low level of brand leadership, it can be assumed that they are not convinced of a brand-centric approach themselves, which was verbalized strongly in the following quotes:

We presented this stuff to A. and to B. in our budget session, but I’m not sure what they think when they look at it. I think they are not sold on really making it the central idea of our company. It is a nice side kick. The company’s financial strategy is still a stronger, strategic, guiding center of gravity than this kind of stuff.

Slides about the brand get taken out of the presentation for Denver. We need to focus on the important topics and make a conscious decision about what we want to talk. Brand is not part of that.

As already indicated in the theoretical framework, a self-conviction of the top leader is important to pass the own inspiration and conviction on to the employees.

**Living the Brand**

Only 11 respondents were of the opinion that brand is just a logo or reduced to its visual elements. The majority of the respondents were of the opinion that the product or customer experience as such is an important part of the brand experience (product centric view or lifestyle view). It was however stated that a new visual experience can be a catalyst to change:

I think maybe we could’ve been a bit braver in rebranding externally earlier because it definitely accelerated the internal well-being and made people feel more confident about being UPC.

Good brands were not evaluated based on their visual comprehensive approach to delivering on the brand experience to the customer:

I think Swisscom does an excellent job on branding. They have, of course, the advantage of being a Swiss company, but it’s not only that. It’s a brand with a very good customer experience and the customer experience is really thought through in every touch point that they have with the consumers – from going to the shop to calling the call center to the communications that they do. It’s very consistent also.
Hence the claim for a holistic view towards branding in the organization was addressed. Regardless if the respondents showed a certain level of knowledge and appreciation regarding the concept of branding, they all showed a high conviction that a public rebranding of a company should not take place if the company internally is not able to deliver a certain customer experience. It was also mentioned however that employees internally are often more critical than customers:

Customers and RTR (regulator) say our service is better than what we think! WE tend to underrate our own achievements!

A new visual identity was always seen as a symbol for change and there was hesitation to hoist the flag if nothing had changed internally, even if the exact definition of WHAT should have changed was unclear. It was requested that MDs should be spokespersons for the brand and also be an example.

**Triangulation Comparison: SKY**

![Figure 3-34: SKY plc](SKY_plc.png)

*Figure 3-34: SKY plc (Source SKY)*

SKY and UPC have a few things in common: Venturethree has designed both logos; both companies have a strong TV heritage. Sky calls itself “Europe’s
leading entertainment company”, services 21 million customers in Italy, Germany, Austria, the UK and Ireland. SKY’s brand core is entirely TV centric, entertainment focused, using Hollywood glamour.

In a telephone interview with SKY’s brand controller Sam Hollis, in September of 2013, the behavioral branding program of SKY was the center of attention.

Sky is from all the subcases and triangulation interviews looked at the most brand-centric company. Alone the fact that they allow themselves to have the position of a brand controller speaks for itself. SKY makes sure all communication is sharply on brand and is regularly measuring the brand values and brand equity. The results are a regular topic at top management meetings.

The SKY brand was fighting with the fact that it was more and more perceived as incumbent by its subscribers and potential customers. So SKY started a branding program that was targeted at employees and external audiences to rediscover its TV DNA in 2013. The difference to UPC: Sky has a clearly verbalized brand vision, which, according to Sam Hollis, every employee can repeat.

SKY provides a strict brand framework for its affiliates in all countries and approves bigger campaigns regarding content and appearance. Internally, brand ambassadors as a constant establishment are appointed on all hierarchy levels, at least half of them on a MD level as a golden rule. They get training (personality coaching as well as brand training) to be able to champion the brand accordingly. In 2013, SKY ran a culture project for all of its MDs where, in a two-day workshop all MDs were trained about their brand leadership role and the nature of the brand.

Summary

UPC is well aware of the tools for a successful behavioral branding program and has used them in the past. Brand was not a constant topic in the organization at a top management layer and therefore perceived as less important by employees. Top managers were aware of the phases of an internal campaign (information, conviction, empowerment). Even if brand was not used as a conscious concept, customer experience and aligning all customer touchpoints to a decent performance for the customer were a guiding principle within the organization. Despite the fact that there were internal programs in place, apart from the “one
company approach”, no integrated continuous behavioral branding program could be identified. Despite this fact, three MDs showed a high level of brand leadership. Therefore, flaws and impairments of a corporate behavioral branding program cannot be identified as an obstacle to brand leadership. The self-initiatives of these MDs seemed to be higher than the circumstances. On the other hand, not all managers who portrayed a medium to high or high level of brand leadership put a comprehensive behavioral branding program in place at corporate or local level.

### 3.5.3.9 Technical Constraints

Seven respondents were of the opinion that the technical systems of the company could be an obstacle to brand leadership. The customer management and billing system at the time of the interviews did not allow putting all actions through which a call center agent would have needed to help the customer the way they would have wanted. During the Brand Trust exercise some customer experience elements had to be re-scripted in one market, because the billing system was too complex for an element of the behavioral branding program:

> In customer care we have a very complicated billing system, probably it will change. And when we had the meeting with the consultants regards the brand, we had to stop an action because we knew it was just not feasible.

Whilst the complexity of the system might have an influence on the customer experience, the research came to the conclusion that it does not have an influence on brand leadership as such given the description above.

### 3.5.3.10 Resource Constraints

Resource constraints like not having a clearly assigned budget, not having enough time because of a rival topic can be an obstacle to brand leadership. Furthermore, a lack of a responsible person for branding can be an issue.

First of all: all countries and also UPC Corporate had the roles and responsibilities very clearly in place, when it came to the brand. The main part of dealing with the brand sat in the marketing communications team, the corporate communications team and also the HR team were strongly involved. In the individual markets, the
brand was mainly seen as the responsibility of the marketing and sales team. If individuals had the impression that the local team was not delivering on the brand experience as expected, in three cases, other persons (never teams, just individual persons) assumed leadership for the program.

Time constraints (19 counts) and a lack of a clearly assigned budget (10 counts) for branding were mentioned by MDs who showed little or no brand leadership, as well as employees from middle management throughout the organization. Especially the interview partners from the marketing department were concerned that their campaigns need to convey several messages at one time. A very product and sales oriented advertising culture prevailed in the organization:

Now, to roll it out internally, I don’t have a budget yet. There’s nothing there because, in his mind, we’re gonna try to roll it out from the top down.

Fast Forward [program to foster high potentials in the company] has a budget. They’re flying to Denver – doing this – because they believe in it, because somebody is so into it, right? So why is there no budget for the brand?

I just don’t have enough time on my hands. We are just in the middle of the restructuring and all these legal issues are not solved. So in all honesty, I just have other problems.

The answer was – of course, it’s easier to do it with a budget, but it’s not impossible to do it without a budget because we have some activities for our employees. We have some communication tools. And we just spread this information through those channels and those tactical activities that we’d planned for usual business.

Based on these finding the following hypothesis can be derived:

**H25 A lack of resources (time, money) can be an obstacle to brand leadership.**

### 3.5.3.11 Hierarchy Constraints

Eight local managers at a middle management level mentioned as a direct reason for not showing brand leadership themselves that their manager is hindering them from taking a more active role. Whilst this research looked into top management
obstacles, this obstacle could very well also be relevant for all hierarchy levels throughout the organization:

Interviewer: Would you like to take over more brand responsibility at UPC?
Interviewee: Oh, yeah.
Interviewer: What hinders you?
Interviewee: A.
Interviewer: A.?
Interviewee: So I’ve added elements to the role since I started and I’ve also taken over more responsibility around planning and what we do and I lead a couple of cross functional groups and that kind of thing. But since he does not believe in brand himself he just stops all branding related topics and takes them off the agenda.

Based on these finding the following hypothesis can be derived:

\[ H26 \text{ Hierarchical constraints can be an obstacle to assuming brand leadership.} \]
The following four central research questions were driving this dissertation from a content and methodological point of view:

(1) Is the top management level of an organization aware of their brand leadership role? Top management was defined as the MD (managing director) level of a company, be it on a corporate, or in multinational companies, local level as well as the CEO/CCO level of a company.

(2) How does the top management define and live up to their role and task as brand leaders according to their own perception?

(3) How do direct reports of the top management layer (Senior Vice Presidents, Vice Presidents and Directors) experience and discern elements of brand leadership by their top management?

(4) Which obstacles does the top management face in assuming brand leadership according to their own view, their direct reports and brand experts view, working with or within the company?

Based on the lack of comprehensive research on obstacles to brand leadership as well as the explorative nature of the questions, a single case study with embedded subcases was chosen. A thorough literature review and the exploration of potential obstacle traits based on expert interviews built the preparation and framework for the study.

UPC is the center of the case study analysis. In total 46 in-depth interviews, three triangulation interviews (SKY, Virgin and Brand Trust) as well as one focus group were conducted. Two observations, documentation and archival records of the company as well as two quantitative studies were used as triangulation material in order to allow the analysis to build on rich data.

UPC is a Liberty Global company, which is the largest international cable company, offering "converged entertainment" based on TV, internet, mobile and fixed telephony products. The core strategy of Liberty Global is driven by superior organic growth, opportunistic M&A activity, and a commitment to equity returns. It
strives to develop transformational products and services that help improve and simplify the digital lives of its customers. UPC builds together with Ziggo, Unitymedia and Virgin Media the core of Liberty Global’s premises in Europe.

The case study analysis revealed that top management brand attitude is the strongest driver of brand leadership awareness of a top manager. Brand attitude was defined as the approach a top manager has towards a brand-centric approach in general (positive, neutral or brand averse) in combination with their assessment of brand importance in the decision making of a customer for products in the category of UPC (lifestyle approach, product-feature-centric approach, commoditized approach). Brand attitude is a central variable for the entire outcome of the study and needs further research. Top managers who are with the company for less than three years and have an FMCG/mobile/consulting background showed a higher level of brand leadership than their colleagues. Furthermore, this group consisted of men and a woman, whilst the brand neutral or averse group consisted of men only, which had a merely technical or finance background and were with the company for more than three years.

Brand leadership was portrayed on the following seven levels:

- Involvement in the logo development/visual appearance of the brand
- Involvement in the product development
- Involvement in the behavioral branding
- Being a brand spokesperson
- Driving the behavioral branding program
- Driving the product development
- Driving the brand strategy

Top managers with a low level of band leadership showed a high engagement in the product development area and little engagement in all other streams. Managers with a product-centric view on brand and a medium level of brand leadership showed brand leadership by driving the product development and being involved in the behavioral branding program. When led by a strong brand-centric middle management team they also acted as brand spokespersons for the company. A high level of brand leadership was portrayed through driving product development, the behavioral branding program as well as the visual and strategic elements of the brand.
Apart from an individual negative brand attitude, elements of the brand culture of UPC were identified as potential obstacles to brand leadership. The usage of martial language, industry jargon, pejorative brand language, a lack of storytelling and finally translation issues based on English as the corporate language were identified.

The brand framework of UPC builds a central condition for brand leadership. First of all, UPC’s top managers and their direct reports were of the opinion that no brand vision or strategy exists. Due to impairments in the brand architecture and an “unreligious” handling of corporate design elements, individual UPC countries developed the brand further to their local needs. Whilst this increased the local endorsement of brand as a concept, it created local shadow brands. The company needs to decide, if this is a desired development or should be corrected. The majority of respondents on a corporate and country level verbalized the wish and support for a much stronger unified central brand.

UPC’s heritage as a monopolistic company which was built on M&A activity is a key factor for its brand culture. Since the company was not founded with a consumer-centric approach in mind, every brand strategy which is retroactively put into the organization might be perceived as unauthentic. UPC’s vision is mostly equated with the strategy of the parent company or with elements of product strategy (converged entertainment, product leadership). Brand strategy and company strategy are seen as two different constructs not being developed by the same source and sitting next to each other in the best case, being controversial in the worst case. The interruptive nature of M&A activities brought the development of fiefdoms with it, suffering from the “not invented here” syndrome. If a country had a corporate critical attitude and brand was perceived as a corporate program, it was rejected altogether. The “one company approach” launched by the CCO, Diederik Karsten, to help resolve this syndrome was known and appreciated by every single respondent in the case study

Brand leadership was furthermore dependent on the customer and product decision model a respondent had in mind (see top management brand attitude):

- Lifestyle Approach: UPCs products were seen as lifestyle products competing with Apple and Google. The TV product was seen as core of the DNA. A brand-centric view with high brand leadership was assumed and executed.
- **Product-Centric View:** The customer was assumed to decide mainly on product features with a rational approach to evaluating competition. A medium to low brand leadership was assumed.

- **Commodity:** UPC's products were seen as commodities and the customer decision mainly on price or value for money. A low level of brand leadership was portrayed.

The frame conditions of being a public listed company were perceived as obstacles to a brand-centric approach as such and brand leadership in particular. Activities to meet the financial targets of the company that might not be consumer-friendly, as well as being measured and evaluated by financial KPIs were only viewed with skepticism. Furthermore, the pressure to launch a revolutionary product for the sake of creating good news for the investors market, whilst the consumer experience of the products would have benefited from more maturation time was criticized, as well as the general issue all concept with a focus on long term growth compared to quarterly profits, like brand.

Top managers with a high level of conscious brand leadership had put brand KPIs into the bonus plans of their direct reports, whilst this was not a common practice at a corporate or local level.

Emotional intelligence was identified as one of the key drivers for brand leadership. The influence of emotional intelligence on brand leadership is moderated by gender: women were perceived to have a higher level of emotional intelligence. Brand leaders used a transformational leadership style for their team and saw themselves as a trainer of a soccer team, which needs to play together and think whilst running. As expected by the theoretical framework, the lack of organizational identification and commitment have a direct and negative influence on brand leadership.

Projects like the “one company approach”, “changing for you”, and the “Brand Trust” exercise showed that UPC knows the mechanics of a behavioral branding program very well. Successful ad hoc programs and local programs could be identified, yet a companywide behavioral branding program was lacking. For only a few respondents was the brand reduced to a logo. The majority attributed customer experience and mainly product feature elements to the brand.

Issues like technical restraints, hierarchy issues or resource issues were mentioned as obstacles to brand leadership.
3.7 HYPOTHESES AND MODEL DEVELOPMENT

In total 26 hypotheses could be derived from the analyses:

H1 Brand attitude has a direct influence on top management's awareness of brand leadership.

H2 Middle management's enforcement of brand leadership moderates the influence of brand attitude on the brand leadership awareness of top management.

H3 The individual perception of branding as a concept drives the conscious and deliberate manifestation of brand leadership of a top manager.

H4 An understanding of brand as a holistic concept drives a holistic manifestation of brand leadership including internal and external branding elements.

H5 Direct reports to a top manager experience the level of brand leadership directly proportional to the self-assessment of top managers.

H6 Destructive brand language patterns as an expression of corporate culture are an obstacle to an affirmative brand culture in the company.

H7 Brand culture has a direct influence on brand leadership.

H8 Brand leadership can reduce destructive brand language patterns.

H9 Translation issues have a negative influence on brand leadership.

H10 Impairments in the corporate brand framework can lead to a lack of brand leadership or an undesired brand leadership and development of parallel local shadow brands.

H11 Brand leadership for a brand strategy that is retroactively implanted into the company is more difficult than if the brand strategy is organic.
H12 If brand is perceived as a corporate concept and corporate concepts are rejected as such, brand leadership of the local top manager will not be portrayed for that specific brand.

H13 An affirmative brand-centric heritage of a company supports an intrinsic level of brand leadership.

H14 A commoditized assessment of the company’s product by a top manager is an obstacle to brand leadership.

H15 If brand is assessed as being a central part of the consumer decision making process for the product of a company, a high level of brand leadership is displayed by the top management.

H16 The influence of the financial conditions and rules a public listed company needs to follow in order to be rated benevolently by its investors can have a restrictive effect on its brand-centric approach.

H17 Brand-inhibiting influences are an obstacle for a top manager to assume brand leadership.

H18 Top managers, who show a high level of brand leadership, will set their team brand related targets.

H19 A positive top management brand attitude has a direct positive influence on the exertion of brand leadership.

H20 Emotional intelligence has a positive effect on brand leadership, moderated by gender.

H21 Fear of change can be an obstacle to brand leadership.

H22 Being overstrained in a management position with regards to skillset and experience can be an obstacle to brand leadership.

H23 A lack of organizational commitment is an obstacle to brand leadership.

H24 A lack of organizational identification is an obstacle to brand leadership.

H25 A lack of resources (time, money) can be an obstacle to brand leadership.

H26 Hierarchical constraints can be an obstacle to assuming brand leadership.
Based on the findings for the case study, the following brand leadership model has been developed.

Company inherent variables like company heritage, technical and product setting (product framework), as well as the company culture (e.g. linguistic patterns) have a direct influence on brand leadership. There is a plethora of smaller variables than can be summarized under the company umbrella (e.g. technical systems). Brand leadership can influence elements of a company, including inherent variables like changing the corporate language. The set of company variables has a certain direct influence on how the brand framework appears (e.g. company culture = brand culture). It determines directly the company strategy and vision.

Individual personal variables like top management brand attitude consisting of a generic brand attitude and the conviction about the customer decision making process, leadership styles, emotional intelligence and organizational commitment and identification have a direct influence on brand leadership. A number of
variables within the individual framework can be summarized within the frame (e.g. lack of time). What needs to be researched further includes whether brand leadership has an influence on personal individual variables such as brand attitude? This set of variables has via brand leadership, an influence on how the brand framework of a company appears (vision, mission, values, identity, promise, architecture, design).

Brand leadership sits as a dependent and independent variable in the middle. It determines the brand framework and can also have an influence on the company vision and strategy, if the brand is strong enough. Brand framework and company vision framework hence have a direct relationship as well.

Brand leadership is the core driver for the brand as portrayed to an external audience and an internal audience. Managing shareholder brand perception as well as employer brand perception will be part of the discussion in Chapter 4.

Based on the findings of the case study analysis, the blueprint of potential obstacles to brand leadership mounted in Chapter 2.2 can be adapted. Figure 3.37 displays the final framework of obstacles to brand leadership. The variables in the blueprint have been identified by the theoretical framework, expanded by expert interviews and finally confirmed by the case study. All variables in bright green have been added to the blueprint based on the findings of the case study. Some variables (font in bright green) have been refined by the findings of the case study. Some elements of the framework were neither confirmed nor falsified by the case study. They have been put in grey. They might still be very valid obstacles however need further research.

Brand framework management issues, which are a direct obstacle to brand leadership or even lead to undesired brand leadership as described in Chapter 3.5.3.2 comprises a set of variables, described as “specific brand structure issues” but have a link to the brand management set-up of a company as well.

Top management brand attitude as described in Chapter 3.5.1 needs further research as a concept. Based on the case study results elements of “unspecific brand rejection” are part of the construct (e.g. general valuation of brands as a concept) but also specific brand structure issues like “relevance of branding as decision criteria for product category of the company.” In addition demographic variables or education can play a role.
1. Unspecific Brand Rejection

2. Specific Brand Structure Issues

3. Structural Company Issues

4. Intrinsic Obstacles

5. Brand Management Issues

- Low Emotional Intelligence
- Leadership (does not want to lead by example, generic leadership impairment (change management, lack of skills), general responsibility adversity)
- Lack of Identification With Company
- Language Constraints
- Publicly Listed Company (quarterly reporting of KPIs, short pay back periods)
- Company Culture (linguistic patterns)
- Corporate Brand Management (local shadow brands, compliant management)
- Awareness (manager is not aware of the importance of his brand leadership role)
- Resources (no assigned budget, no responsible person or team for brand assigned, Marketing responsible for brand but not anchored in the top management)

- M&A Activity (constant brand change, no identification with new holding company)
- Top Management Is Not Accountable For Brand (shareholders don’t look at brand performance, brand performance is not part of the bonus agreement)
- Brand Architecture (unsuitable brand architecture for company needs)
- Brand Strategy (lack of brand strategy, forced upon company, unrealistic, unauthentic, reversed engineering approach)
- Specific Decision Model (brand does not play a role in decision making for product category of the company)

- Total Rejection Of Brands (brand averse background/education)
- Measurability (brand is a soft factor compared to e.g. price, brand non on P&L, distrust in measurability)
- Lack of Knowledge/Conviction (no link of brand to company success assumed, brand as cost factor, brand is seen as logo)

- Consumer Decision Model (brand does generally not play a role in decision making)

- Communication (lack of knowledge or skill regards organizational communication)

- Company Strategy (brand strategy is seen in competition with/ on top of company strategy)
- 1. Unspecific Brand Rejection

- Internal Branding (neglected compared to customer focused branding, company cannot deliver on brand)
- Lack of Commitment (rejection of specific brand elements)
- Focus (operational issues, lack of brand importance in the day to day business)

- CMS Restrictions
- Hierarchical Restrictions

Figure 3-36: Verified Blueprint of Brand Leadership Obstacles
3.7 | Hypotheses and Model Development
4 DISCUSSION

4.1 THEORETICAL CONTRIBUTION

4.1.1 Contribution to Literature on Brand Leadership

The first target of the dissertation was to find out whether top managers are aware of their brand leadership responsibility, especially in an environment in which a branded approach has been consciously chosen or is at least used.

The case-study analysis shows that not all top managers are aware of their role in a successful branding program. They either reject their role consciously or are subconsciously unaware of their importance. This supports the findings of Dunn and Davis (2004), as well as Esch (2005). While brand leadership literature claims to put the responsibility of the brand in the boardroom (Aaker and Joachimsthaler, 2000), it has not entirely arrived there. An important contribution to the literature on brand leadership is the insight into unconscious brand leadership: if branding and product marketing/customer care are not seen as part of the same concept and sitting separately, no conscious brand leadership was performed. Since these elements are without any doubt brand experience elements (Esch, 2005; Kapferer, 2004; Aaker and Joachimsthaler, 2000), an active management of product development, customer experience and other marketing elements by top management is therefore the execution of unconscious brand leadership.

The study not only supports the critical voices of the literature but also identifies top management brand attitude as leverage for brand leadership awareness. Since not all drivers and elements of this construct are clear, it needs further research and will be discussed in Chapter 4.4. However, it is salient that general brand attitude (appreciation of branding as a concept), specific brand attitude toward the category
of the organization (does brand play a role in decision making for the category the company operates in) and personal and demographic traits play a role.

The study proves that brand leadership awareness is directly linked to the individual execution of brand leadership by top managers: If they know about their responsibility, as a general rule, the responsibility is also acted out.

In terms of the role of top management in brand leadership, all three approaches discussed in Chapter 2.1.2 could be found in one single company. While this study found little evidence for a true top-down brand strategy development and implementation, as described by Henkel and Ebersbach (2008), various characteristics for a moderate brand-leadership approach as catalyst or energizer, as described by Vest and Biesalski (2008), were salient. Pretension of brand support as a mere spokesperson without actual conviction was found in a case of an observation with counterproductive results.

Looking at the process orientation of brand leadership, it was noticeable that top management is mainly active in the central elements of brand leadership, such as the product-strategy development, behavioral banding or visual elements. Hardly any leadership was displayed for active decision making for or against a brand-centric approach. This responsibility was entirely delegated to the marketing department or seen as sitting with the parent company. Top management had verbalized, but not substantiated, claims for a centralized brand. While top management was hardly involved in the last step of brand leadership - setting up the measuring structures to track the results of brand performance indices - the results were used for the bonus structure of three teams.

4.1.2 Contribution to Literature on Obstacles to Brand Leadership

While there are publications on brand literature, either using it as a core topic or as ingredient in brand-management literature, no comprehensive, coherent work has been done on obstacles to brand leadership. The verified obstacle dimension framework mounted in Chapter 3.6 generates new theory and has been buttressed threefold by putting the individual theoretical components of obstacles to brand leadership together into one framework, having the framework adapted and
expanded by brand experts and finally verified in a case study. The framework is a collection of 5 obstacle dimensions with 26 individual attributive obstacle items:

- Unspecific brand reception
- Specific brand rejection
- Intrinsic obstacles
- Structural company issues
- Brand-management issues

The occurrence and strength of these obstacles might be different from company to company, but the dimensions build a solid foundation as a checklist for a company that strives to unleash its brand potential and help identify all blockades. Additionally to the mere mounting of obstacles dimensions, the author has developed a model showing the relation of obstacle variables to brand leadership and internal and external branding. The model can be used for more than simply identifying obstacles. The main advantage is the potential booster variables that have been carved out that might help a company intervene in the right spots:

- Identify the emotional intelligence of brand leaders
- Identify and train transformational leadership in the company
- Identify the top management brand attitude

Therefore, this study contributes not only to the “what” dimensions of brand leadership but also can give indications about the “how,” which is helpful for a practical view of the model’s implementation.

Furthermore, this research has identified a completely new dimension of brand leadership: undesired brand leadership. It is characterized by a high level of brand leadership awareness and activity; however, due to issues in the brand framework or structural issues in the company (corporate versus local brand development, roles and responsibilities), individual shadow brands are created that dilute the brand core. When internal brand awareness of the employees is increased, the core brand is weakened.

### 4.1.3 Contribution to Literature on Behavioral Branding

The case study has shown that companies might be very aware of the effectiveness of behavioral-branding programs with the stages of knowledge,
conviction and action. Even if the method of internal branding is not used to push the core brand as intended, the knowledge of its effectiveness within companies might make it easier for future behavioral-branding attempts. The first step would then be to identify whether programs with a similar setup are known to the company and have been used. Behavioral branding programs can then be placed on top of existing structures.

4.1.4 Contribution to Literature on Case Study Research

A brief remark on the methods of data analysis used for case-study research is the branded-room approach, which the researcher found very helpful. All material and data that are available and transcribed to any form of visual, displayable information (e.g., graph, charts, tables, mood boards, transcriptions) are attached to the walls of a room and grouped based on cases, subcases or individual criteria that are looked at. The disadvantage is that the material needs to be reduced to its core information so that its essence can be grasped in a short time. The advantage is that a researcher can literally walk into their case study; it is much easier to keep an overview and helicopter view on the data collected, which is one of Yin’s (2014) main points of critique of the methodology. The data can be shifted and regrouped very easily, and therefore, correlations become very visible and obvious. It is an ideal starting point to dive deeper.
4.2 MANAGERIAL CONTRIBUTION

All organizations that invest money and other resources into a brand-centric approach aim to make the most out of a brand-centric strategy. The investments need to pay off in terms of a price premium or scale benefit, which is a direct result of customer brand preference, attitude and awareness. Their purchasing behavior and loyalty drives the success of a company.

This dissertation strives to give a company tools to unleash its brand leadership potential. The research has identified not only obstacles to brand leadership but also potential boosters that can be used.

Brand leadership is essential in the first stage of branding in a company: the decision to go for or against a brand-centric approach. It is absolutely essential that all involved decision makers are aware of the potential a brand-centric approach can have. It needs to be clear that the company strategy and heritage are the brand. An inauthentically placed brand promise will fail and create sunk costs, frustration and disbelief. It is up to the company to tell a story that is credible to all audiences: customers, potential customers, shareholders, employees and future employees. A setting similar to what UPC and Liberty Global are facing - with a monopolistic heritage and brand-disruptive M&A strategy - is complex and certainly not the easiest task when it comes to branding. Only a wholehearted decision for a branded approach (or against it) will deliver the results that a brand-centric approach can deliver, especially for a challenging setup. Using certain brand elements and branding techniques in an incoherent way will not provide the same vigor as a fully brand-centric approach. A brand is not simply the logo on the advertising campaign. It starts with the vision and gives direction to product development, marketing, customer care, procurement and every single area in the company. It is a mind-set rather than a technique.

The advantages of pursuing a brand-centric approach and minimizing obstacles to brand leadership cover 5 areas:

- Company: Long term, a brand must show its advantage as a clear financial benefit for the company compared to an unbranded approach. The company can create a category of its own, in which it is much more difficult to be compared with the competition by only product functionalities.
Customers (existing and potential) have a shortcut to decision making, which is an advantage in an environment of information overload. A brand can built trust, preference and loyalty.

Employees can be unified behind an idea to fight for something. It gives them a "reason why." Behavioral branding helps them understand the brand promise, be convinced of it and make every customer interaction a pro-brand experience.

Future employees will be attracted via employer branding to a company that sends out clear signals about the talent it wishes to have in the company, its vision and bigger ideas for the future.

Finally, external stakeholders like shareholders and investors. If the hygiene factors, which are essential to be successful as a publically listed company, are in place, a brand-centric approach can make a company less susceptible to volatilities in the market economy or stock exchange. It can add a level of spark for investors on top of the financials. Adding a level of "liking" or even "loving" to "knowing" enhances the benevolence of human beings considerably (White, 2005).

4.2.1 Linguistic Patterns and Development of a Pro-Brand Corporate Culture Through Storytelling

The case study shows that language as part of the company culture is an obstacle to brand leadership if it is either brand averse or not customer-centric.

UPC has a difficult point of departure for a successful, authentic, relevant and holistic brand approach.

Thus, it is even more important to embrace the roots of the company and look into the possibilities to include its heritage into its brand DNA. Storytelling is a technique that has gained attention and importance in the past five to ten years. The idea is to pack the brand core, its heritage and promise into one or more stories that rank around founder personalities, corporate myths and ideas in order to help internal and external audiences understand, believe in and sympathize with a brand.
“A story has a structure that keeps it together and engages the listener. Brand stories resemble traditional fairytales and narratives and answer questions like: who, what, why, where, when, how and with the help of what. They have a beginning, middle and an end and events unfold in a chronological sequence, which, when causal, is called a plot. Stories often make a point that is valued (positively or negatively) by the audience and include a message, a conflict, a role distribution and action. Brand stories need to be credible and well executed to be successful” (Lundquist et al. 2012, p. 285).

Especially in the case of UPC, where brand leadership was rejected partially due to the non-brand-centric roots of the company, the cultural and geographical distance between the parent company and local markets, as well as the lack of a joint feeling of togetherness, could be one of the boosters.

Liberty Global needs to decide whether it should present a story for each brand—since Virgin has very different roots than UPC, especially. However, Liberty Global and UPC’s history are incredibly intertwined. Liberty’s and UPC’s history are full of legendary personalities with a Wild West mentality that could lend itself to a great story. The stories from within the organization are much more powerful, authentic and successful than any agency could invent. Remembering the quote one of the MDs had given during the interviews—“UPC has a great brain, but it does not have a soul”—storytelling goes directly to the soul of a company (Thier and Erlach, 2016).

Directly linked with the UPC story is the development of a language that does not deny the core of the company yet strives to use a language that shows support for the customer and the brand. It does not help to put experiential language on a billboard and create a vision statement that pushes all the right buttons if a different culture is lived and supported internally.

4.2.2 Brand Framework Management

The brand framework has been identified as crucial for brand leadership. Brand framework comprises a huge number of variables that need to be looked at:

- Is the brand strategy directly deduced from the business strategy?
- Is the brand promise credible and relevant? Is it the “big idea”?
• Are elements like vision, mission, values and personality simple but inspiring? Are they holistic enough to reach from product development to customer complaint management?
• Does the brand architecture take all existing and future developments into account? Is it logical and manageable?
• How is the brand positioned toward competitors? Centrally? Locally?
• Are all elements of the visual appearance (CD) in place, logic, coherent and future-proof?
• Are brand guidelines in place for all parties to work with the brand regarding content and appearance (agencies, employees, etc.)?
• Are employees aware and convinced of the brand promise, and are all customer touchpoints ready to deliver on the brand promise and beyond?

This is simply an arbitrary list of elements that needs to be taken into account. However, if the brand framework has flaws, it will have severe implications on brand leadership. Issues at the core of the brand (promise, vision, big idea and strategy) will lead to a low brand commitment and identification, and hence, no brand leadership will be displayed.

The study revealed that perceived issues with the brand design, architecture or positioning can lead to the development of shadow brands. Shadow branding is the development of parallel brand structures and frameworks that are either an extension of the brand’s core or, in the worst case, a replacement of the corporate brand promise. Either way, it leads to the dilution of the corporate brand. It is a form of undesired brand leadership.

In order to strengthen brand leadership, the foundations of an authentic and credible brand promise and a working framework need to be in place.

4.2.3 Bringing the Brand into the Boardroom

In order to unleash the potential of the brand, it needs appropriate attention from the highest hierarchical layer of a company. Following the claim of Aaker and Joachimsthaler (2000), the first and foremost central responsibility for the brand needs to be established: They recommended a chief branding officer (CBO) who coordinates the brand centrally, making sure its potential is used, developed and
coordinated. The example of SKY shows that the entire mind-set of the organization can be steered by giving the brand a necessary voice in the organization. In the case of UPC, a central CBO for Liberty Global would make sense. Liberty has a number of very valuable brands, like Virgin, Ziggo and UPC, on hand. Brands are an asset of the company and need appropriate management. If they are only seen as a logo and cost factor on the P&L, they will not be able to deliver what they are able to accomplish. Successful brand leadership needs to start at the very top of the organization. Strong middle management can increase brand leadership awareness of the top management. However, the results of the study showed that, especially in the case of a low top management brand attitude, intervention from the middle management can even be counterproductive. In order to maximize brand leadership in the organization, strong brand management at the top of the organization would be suitable.

Since the M&A strategy of the company has been experienced as disruptive to the brand (and hence to brand leadership), a CBO could become part of the M&A team to create a strategy for and with the company regarding how the brand will be treated after the negotiations and after the deal is signed. That saves time and money and helps overcome OI/OC burdens.

Brand management has effects on more than an external audience. The salient desire of the employees for a stronger brand from the top of the company supports the introduction of a CBO. The idea of the “one-company approach” that Diederik Karsten, the CCO of Liberty Global, had launched aimed at unifying the company internally and getting rid of the fiefdoms and the “not invented here” syndrome. Giving the employees the feeling that they are part of a bigger group could be enhanced by using a strong brand, while the brand architecture of Liberty, UPC, Ziggo and Virgin has to be well orchestrated.

“We’re a global brand. One of the big things for me from Fast Forward is coming away from the first session in Denver. I stood there and felt that I am part of - and we are all part of - this massive company that we don’t actually talk enough about. This sheer size of us is phenomenal, and the amount of activity happening is overwhelming. When you think about it, we are probably uniquely positioned that we are part of company that has four different strings to its bow in terms of its products and then you put the content on top of that. When you think about it on the grand scale, I think we’re hiding our light under a bushel. We need to create and become a global brand. For customers. But also for ourselves.”
Liberty Global and UPC could profit from a central behavioral-branding program. The methods are very well known at UPC and used for various international and national projects. However, the messages are different for external and internal audiences. For successful branding, internal and external messages need to be fully aligned.

4.2.4 Boosters to Brand Leadership: Promoting Emotional Intelligence, Top Management Brand Attitude and Transformational Leadership

Top management brand attitude as a concept consists of the general brand attitude of a manager combined with his conviction regarding the relevance of the brand in terms of the customer’s decision making regarding the product category. This idea needs further research, especially to make it measurable to use in a practical context. Knowledge about brand mechanics was one driver of top management brand attitude. Simple education and research of top managers about the effectiveness of brands is one way to bring brands closer to the management team.

However, even the word "brand" could lead to a skeptical mind-set that hinders a rational absorption of information. In psychotherapy, the concept of paradox interventions is used to reach a target by displaying a seemingly contradictory treatment to the problem (e.g., Watzlawick, Beawin, Jackson, 1969). Branding would need a different name (customer centricity, company culture, etc.) that is accepted by the majority of key decision makers who need to display brand leadership. It could be presented from the core of an entirely unexpected department, which is widely accepted in the company as rational and cognitive (e.g., Research and Development). Furthermore, business simulations with a brand and without a brand could help to understand what a brand has to offer.

The second booster of brand leadership that has been identified in the study is emotional intelligence (EI). EI is a well-researched concept. If a company wishes to enhance its brand leadership, a screening of the EI of its top managers could be useful. On the one hand, these managers could be true brand ambassadors within the company and take over central brand-coordination tasks. On the other hand,
when hiring new employees, it could be interesting to understand their capabilities in the area of EI.

Finally, managers with a high level of brand leadership awareness and realization showed a high level of transformational leadership. The connection between successful behavioral branding and transformational leadership has been proven in various studies (e.g., Morhart, Herzog and Tomczak, 2009a). The good news is that transformational leadership can be trained to a certain extent, and it can be measured, for example, via the GTL scale (Global Transformational Leadership scale - Carless, Wearing and Mann, 2000). This helps the organization identify leaders who can help the organization become more brand-centric through their brand leadership.

4.2.5 Additional External Audiences: Employer and Shareholder Branding

Two topics that came up during the interviews in relation to brand leadership - not as an obstacle to brand leadership but as a result of brand leadership - were employer branding and accepting shareholders and investors as a target group. Both have general management implications; therefore, they will be briefly covered in this chapter.

Driving a strong internal and external brand is also a signal toward potential employees. The mechanics of employer branding are very well researched (e.g., Backhaus and Tikoo, 2004). Employer branding helps attract the right people to the company. The target goes beyond merely searching for people with the right skill-set. It is important to get people with the right mind-set into the company. If the vision of the company is clear and transparent to potential employees, it will attract people who have a natural fit according their own attitudes in conformity with the company. OC/OI will be increased and lead to a higher performance and higher brand leadership (Buhrmann and Zeplin, 2005).

It is, however, also a constant confirmation for existing employees to have chosen the right company to work for. It increases pride within the company and addresses the potential and existing workforce as important target group for a brand.
“LGI, they work with agencies. LGI doesn’t do anything on employer branding, like positioning itself as a top employer on the market, on the global market or local markets. We don’t have an employer brand strategy. We don’t have let’s say like recruitment standards in place. I think brand leadership would be essential to develop an employer brand!”

“And maybe we should communicate more to our employees about this. We should be prouder as a company. Because if employees are strong – we as a company are strong. If we believe in our brand they will be more authentic. To customers, to future employees to everybody. “

Two important target groups for the brand are shareholders and investors, who are often neglected in the brand approach. Investors’ relation management consists of firm rules and KPIs, which the authors regard as hygiene factors. The KPIs for a good rating at the stock exchange need to be in place and display good performance to even be taken into consideration. Targeting investors with a branded approach can be compared to figure skating: There is a compulsory exercise - standard figures, completely comparable - and there is the free program to express yourself. The free program is the part in which world championships are won: Your hygiene factors need to be in place and convincing. However, you ignite your audience with your free program. This could be your brand. However, brand is more than just wowing the audience with a revolutionary product development, which is part of the brand anyway. It consists of the whole set of feelings, emotions, knowledge and perception a brand brings with it. During an investors meeting, there is very little space for the free program. So, the brand needs to be even more convincing and powerful. This is where top management brand leadership is essential. What could be interesting for your audience? Aaker and Jacobsen (1994), in their study of the effect of perceived quality on stock price movement, argued, for example, that brand managers should convey information about the brand’s quality image to Wall Street analysts, as well as financial information about the brand value, to better depict long-term prospects for their brands. Brand value is a concept that investors are starting to get more familiar with. However, it does not necessarily have to be a monetary brand value: It can even be non-monetary brand strategy models based on customer preference or other measurable KPIs that are easy to understand. They convey a message of brand superiority and long-term profit (e.g., Strebinger, 2005b). In the end, the target has to be to inspire shareholders the same way company employees and customers can be inspired.
4.3 LIMITATIONS

4.3.1 Methodology

The limitations of this research are first and foremost connected to the choice of the methodology and to the limitations a single embedded case study brings with it. The methodology however has been chosen as the best fit for the research questions and that is the strongest criterion for the decision on which research method to use.

The scientific concerns address mainly the rigor of a case study as well generalizability in order to create theory from the methodology. In terms of rigor, Yin and especially Eisenhardt have proposed a research process and framework, which enhances the rigor of the data collection and analysis drastically (Yin, 2014; Eisenhardt, 1989).

In the way the research was conducted, rich and in-depth data was generated. Construct validity was increased by using multiple sources of evidence such as interviews, observations, documentation and archival material. Internal validity was enhanced by using not only a single case but embedded subcases as well as triangulation cases with two other companies operating in a similar field as UPC. External validity was enhanced by first developing a comprehensive theoretical framework and concept, and iteratively matching the findings against this framework. Furthermore, quantitative as well as qualitative data was used. Based on the detailed documentation of the proceedings and the data collected, the process is very transparent and comprehensible.

In terms of generalizability, the study does not aim for extrapolation of statistical probabilities, but rather generalizing theories (analytical generalizations) (Yin, 2014, p. 21). Based on the case selection which demonstrated almost all phenomena to analyze the research question in great depth, general conclusions can be drawn. Eisenhardt however prefers multiple cases with four to ten cases involved in order to be able to do a proper cross case analysis (Eisenhardt and Graebner, 2007).
4.3.2 Bias and Researcher Subjectivity

The question of researcher subjectivity is probably the most valid one for the existing research because the researcher has an in-depth knowledge of UPC, beyond the data material collected.

The researcher was aware of the issue from the very beginning of the case and hence aimed at avoiding subjectivity as much as possible. The researcher would argue though that any kind of research bears an element of subjectivity (Simons, 2009), which is unavoidable. In the end truth is always subjective (Kierkegaard, 2005).

Since the driver of the study was deep curiosity rather than seeking confirmation of existing assumptions, the questions were of a very open and not guiding or affirmative nature. Flyvberg even argues that case study research “contains a greater bias toward falsification of preconceived notions than toward verification” (Flyvberg, 2006, p. 237).

The study additionally used a very high amount of direct quotes in order to demonstrate the answers given without making them fit to a fictional framework and hence next to the theoretical framework, allowing the empirical framework to be mounted iteratively during the research. Finally, the obstacle dimension framework is not based on the experience of the researcher only, but mainly on the exploration adapted from expert interviews. This gives the entire conceptual development a very objective dimension against which the findings of the case study were constantly matched. Due to the transparent documentation of the entire case, objectivity was enhanced.

Eisenhardt proposed to use two or more researchers to decrease bias and subjectivity. That is probably the most valid proposal for further case study research in that area (Eisenhardt, 1989).

Furthermore, based on the reality of UPC’s top management team, only one of the interviewed MDs was a woman. Since male CEOs and MDs dominate corporate
leadership, the literature on top management decision making suffers from an implicit masculine bias (Ho et al., 2014).

4.3.3 **Anonymity of Quotes**

The topic chosen is a sensitive topic within UPC since it does not only touch upon brand as such, but structures that have been setup to support or hinder a brand-centric approach and brand leadership (“not invented here syndrome”, issues in the setup of the brand framework etc.). Especially due to the fact that the interview structure included a boss with his or her direct reports, answers could be of high political explosiveness. Hence the researcher has abstained from adding the source to the respective quotes given. This does however not affect the reliability of the study since all transcribed interviews, which contain the quotes, are on hand including the interview partner, time and place. This information however is not subject to publication.

4.3.4 **Socially Desirable Responding**

Some of the interview partners were already in the company when the researcher had worked for UPC, prior to 2009 and knew the researcher on a professional level from previous days (approximately one-quarter of the interview partners). Hence, the desire to please and give accepted or desired answers is one danger that could be a limitation to the case study. Anonymity was assured, however the interviews were recorded with the permission of the interview partners. Hence, the subconscious fear that the material is displayed to the boss of the interview partner may have existed. Since the patterns of interview partners across all subcases were compared, the researcher was consciously looking for hints of socially desirable responding. Since the responses throughout the organization regardless of hierarchy level or country were similar regarding issues that could have been prone to biased answers, the researcher is convinced of a low level of social desirably responding in the case study, however, it cannot be excluded entirely.
4.3.5 Telephone Interviews as Method for Case Study Research

The researcher experienced limitations when using telephone interviews as a research method for the case. Telephone research was used for all three triangulation interviews, as well as one top management interview and a follow up to one top manager interview. The disadvantage of the personal interviews was a partially long set-up time till a date was found for all desired respondents within one local company in one market in the range of a few days. This also increased the travel costs for the research quite substantially. The advantage of personal interviews was a direct collection of impressions from the local premises and also the keeping of a diary to note salient impressions and body language. Telephone interviews reduced the impression to conversations and whilst one can also hear certain connotations, a face to face situation delivers much richer and denser data. On top of that, face to face interviews normally took around an hour. On the phone one could hear after approximately 20 to 30 minutes that the interview partner was getting impatient and twitchy. The researcher would hence not recommend telephone interviews as a method for case studies unless it is just a pure capturing of data and does not take longer than 15 to 20 minutes.

4.3.6 Single Brand Approach

The study analyzed brand leadership only for the situation of a one brand approach with a corporate brand. The situation is certainly different and even more complex if a company uses several brands (multi-brand approach) in its brand architecture. Identification and commitment to a brand culture become even more complex (Strebinger, 2008). Especially since culture of the organization, commitment and identification have been identified as drivers for brand leadership, a multi-brand approach multiplies the potential issues. How does a construct look where a boss feels a commitment to a corporate brand and middle management committed to a consumer brand? Additional obstacle dimensions and drivers could be needed to analyze this construct.
4.4 FUTURE RESEARCH

First of all the research delivered 26 hypotheses which can be used as basis for further research. The model that was mounted (see Figure 3-35 on page 212) can be a starting point to evaluate further cases against the findings of the model and quantify the coefficients in various environments. The strengths and partially the direction of dependent and independent variable need to be identified (e.g. does a pro-brand environment like in a FMCG company have an influence on top management brand attitude or do persons with a positive brand attitude automatically search for a pro-brand environment).

4.4.1 Data Reservoir

Whilst the case study of UPC is not an open data case study, the data collection resulted in such a richness and depth of data, that more than this very topic could be analyzed with the data at hand. The topics which were salient are for example issues of organizational commitment in relation to M&A activity especially regarding roles and responsibilities of a corporate and affiliate structure. Since it would however be unethical to use data that was setup and approved for a specific research question by UPC for any other purpose, this seems very unlikely.

4.4.2 Brand Attitude

Top management brand attitude has been identified as one of the key criterion that determines the brand leadership awareness of top managers.

Brand attitude must not be mixed up with the attitude a consumer has towards a specific brand and as defined in Chapter 3.5.1.

Brand attitude as relevant for brand leadership consists of two constructs:
4.4 | Future Research

a. all current ideas, knowledge, beliefs, associations, and emotions a top manager has towards brand as a concept (superbelief, see Rossiter, 2014)

b. the relevance of brand as such in the buying decision of a customer and therefore the importance for achieving the business goals as judged by a Top manager.

It is not directed towards the specific UPC brand, whilst it is put in context of the business segment UPC is operating in. Top management brand attitude looks at the general, unspecific attitude a top manager has towards branding as such. What needs to be researched is if the top manager is able to differentiate between his private convictions and the relevance a brand might have for his business.

In the case study top managers who talked in a pejorative way about branding as a concept and disregarded brand as not important decision criteria, nevertheless stated that they privately buy brands when it comes to products like e.g. cars, bicycles, shirts and golf clubs. Nevertheless they were put in the category “low top management brand attitude”. As this construct is of importance for brand leadership, it needs to be looked into with further research.

Questions that need to be researched are as follows:

- Education and background were defined as variables in the model whilst it is unclear if they are the dependent or independent variables: does a person with a stronger belief in brands as such chose an education or employment in the area of marketing, consulting, FMCG etc. or is it the other way round? Does an intense engagement with marketing drive a pro-brand attitude?
- Does a pro-brand boss increase one’s own conviction?
- Does our own brand attitude as a customer drive our professional brand attitude?
- Are there specific social demographic variables which drive brand attitude?

The concept is new. Adjacent topics have been looking at the brand mindset of an entire organization (brand passion or brand orientation - Urde, 1999). It is however either dedicated to the mindset of a complete organization (brand orientation) or only looked at as emotional concept (brand passion). “The passion for brands is a characteristic trait of a brand-oriented approach. This passion lends life and intensity to work with brands,” (Urde, 1999, p. 125). He describes how a pro-brand
approach can be brought into the organization, but he does not look at the variables for an individual.

4.4.3 Gender and Emotional Intelligence

Emotional intelligence has been identified as one driver for brand leadership, whilst women seem to be emotionally more intelligent than their male counterparts (Post, 2015). Emotional intelligence is defined as a “set of traits or abilities that help to deal with emotions and/or emotional information” (Alfonso et al., 2016, p. 107). As a concept it “refers to the ability to monitor one’s own and others’ feelings and emotions, to discriminate among them and to use this information to guide one’s thinking and actions” (Jafri, Dem and Choden, 2016, p. 54). Persons with a high emotional intelligence can on the one hand sense and understand emotions; on the other hand they can use emotions to drive both actions and feelings. Brand is a concept based on a multilayer of feelings, emotions, information and experiences. Further research needs to be done regarding how emotional intelligence affects the understanding of brands, Top manager brand attitude as described in Chapter 4.4.2 as well as brand leadership altogether. Do women have a direct advantage, when it comes to brand leadership?

Women have already been identified as using more transformational leadership styles than men (Bass and Riggio, 2006, p. 115). Transformational leadership is especially successful in the context of the behavioral part of a branding program. Female leadership is an advantage in situations where leadership needs to be more relational rather than dominating, characterized by functional diversity, size and geographic dispersion (Post, 2015). Looking at the specific situation of UPC, many of these boxes can be ticked. Hence further research on the area of female brand leadership should be conducted.
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## APPENDIX

### Questionnaire

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<th>No.</th>
<th>Interviewee</th>
<th>Question</th>
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<td></td>
<td><strong>Name:</strong></td>
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<td>1</td>
<td></td>
<td>How would you describe your role and your responsibility at UPC</td>
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<td>2</td>
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<td>What kind of manager/leader are you? How would you describe your leadership style? What are your expectations towards your team? Can you give me an example of when you found your leadership style very effective and when you found it more challenging?</td>
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<td>3</td>
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<td>How do you in general communicate with your employees if there is a topic that is important to you and the company? What contact points do you have? Does language play a role?</td>
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<td>What are the key messages you have given to your team over and over again this year?</td>
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<td>5</td>
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<td>What kind of education do you have? What jobs and positions did you have prior to UPC or within UPC? Have these shaped your attitude towards brands?</td>
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<td>6</td>
<td></td>
<td>What are your core targets and how do you manage to reach them? What are the key challenges for UPC these days?</td>
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<td>7</td>
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<td>How do you imagine a customer to decide on Internet access, telephony access or a TV product? What will the decision-making process look like, and which criteria are important?</td>
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<td>8</td>
<td>How would you describe the UPC/Liberty strategy? Who drives it?</td>
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<td>9</td>
<td>What role did change play in your company in the past few years? What drove it?</td>
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<td>10</td>
<td>What is a brand for you?</td>
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<td>11</td>
<td>Does UPC have a brand strategy? Can you describe it? Who drives it? Who should drive it? Is the brand strategy and the company strategy 2 different things? Can you identify yourself with the brand strategy chosen? Is a brand strategy important for your local success?</td>
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<td>12</td>
<td>How would you define your role in the area of branding? What is your responsibility towards the brand?</td>
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<td>13</td>
<td>What is the brand promise?</td>
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<td>14</td>
<td>Have you adapted the brand locally to fit your needs?</td>
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<td>15</td>
<td>Are there any immanent issues regards working with the brand (e.g. brand architecture, brand strategy, brand promise...)</td>
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<td>16</td>
<td>What would you say are the core ingredients for a successful brand strategy and implementation? What is the role of the management in general? Does the brand have any contribution in the success of your company?</td>
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<td>17</td>
<td>Are you accountable to your boss for any brand dimensions (external or behavioural)?</td>
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<td>18</td>
<td>If you had a choice, what would you change about UPC? What would be difficult changes and what would be easy and quick changes?</td>
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<td>19</td>
<td>Do you see a difference in terms of how brand leadership is approached between your female and male managers?</td>
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<td>20</td>
<td>How much funding do you invest on a yearly basis in a brand strategy compared with a generic marketing strategy? Where is it invested? Is there a specific budget for internal branding? Who controls that budget?</td>
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<td>----------</td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>Do you measure the brand value on a regular basis? How? Is it put on the balance sheet as goodwill? Would that be important for you? Would it change anything if the brand value was on the balance sheet?</td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>Do brands play a role in your private life? Which brands are important to you and why?</td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>How important is marketing for UPC? Could you accomplish the same results without a marketing department or by spending half of what you are spending? How?</td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>How is the marketing responsibility in general between you and UPC corporate?</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>(If the company has been taken over in the last five years) What has changed in general for you or for the company after UPC has taken over your company?</td>
<td></td>
</tr>
<tr>
<td>26</td>
<td>How does it affect your work and your daily work life that UPC is a public listed company?</td>
<td></td>
</tr>
<tr>
<td>27</td>
<td>How does the heritage of UPC and Liberty Global affect your work?</td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>Why have you chosen to work for UPC? Have your expectations been met? How has your attitude towards UPC changed since you work here?</td>
<td></td>
</tr>
<tr>
<td>29</td>
<td>Does branding and internal branding have high importance in the company? Have you been told by your boss to take over responsibility and leadership for that area? Is it regularly on the agenda of the meetings you have with him/her?</td>
<td></td>
</tr>
<tr>
<td>30</td>
<td>Are accomplishments on the brand (e.g. increase brand value) something demanded by your shareholders? Is the topic part of the agenda of any shareholder meetings on request or proactively?</td>
<td></td>
</tr>
<tr>
<td>31</td>
<td>How do you ensure a holistic brand experience for the customer? Do you control and measure it?</td>
<td></td>
</tr>
<tr>
<td>32</td>
<td>How do you ensure that the brand is known, understood and lived by your employees? How do you ensure that employees perform according to the brand strategy?</td>
<td></td>
</tr>
<tr>
<td>33</td>
<td>How important would you rate the external brand strategy compared with internal branding (explain the terms)?</td>
<td></td>
</tr>
<tr>
<td>34</td>
<td>Who controls and supervises the behaviour of your customer-facing employees?</td>
<td></td>
</tr>
<tr>
<td>35</td>
<td>Do you give your own employees instructions on how the brand has to be the guiding principle in their daily work (e.g. product development)?</td>
<td></td>
</tr>
<tr>
<td>36</td>
<td>Does the customer receive the same reality as propagated in advertising? What are the biggest gaps? Why? What actions have you set in place to counteract? What is the reaction of the customers to the brand and their brand experience?</td>
<td></td>
</tr>
<tr>
<td>37</td>
<td>What role do you play personally in the behavioural branding program and why?</td>
<td></td>
</tr>
<tr>
<td>38</td>
<td>What actions do you set personally to make sure you lead by example regarding living the brand? Where do you find that restrictive/constrictive?</td>
<td></td>
</tr>
<tr>
<td>39</td>
<td>Can you perform your (brand) leadership role to the full extent you want? Where would you want to improve? What obstacles do you see to assuming more leadership in the behavioural branding process?</td>
<td></td>
</tr>
<tr>
<td>40</td>
<td>What would happen if you personally did not accomplish leading the internal branding programme in the way you want? What would happen if the results were not the ones you desire?</td>
<td></td>
</tr>
<tr>
<td>41</td>
<td>What are the biggest risks or obstacles for you personally in taking over a stronger leadership role? And brand leadership specifically?</td>
<td></td>
</tr>
</tbody>
</table>
Quantitative Triangulation Material

Results of UPC **brand tracking** in 2006 and 2012 on image items that remained the same in the tracker.

<table>
<thead>
<tr>
<th>country</th>
<th>year</th>
<th>factor means of comparable image attributes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>makes my life easier</td>
</tr>
<tr>
<td>Austria</td>
<td>2006</td>
<td>7,5</td>
</tr>
<tr>
<td></td>
<td>2012</td>
<td>7,5</td>
</tr>
<tr>
<td>Ireland</td>
<td>2006</td>
<td>4,5</td>
</tr>
<tr>
<td></td>
<td>2012</td>
<td>6,4</td>
</tr>
<tr>
<td>Switzerland</td>
<td>2006</td>
<td>na</td>
</tr>
<tr>
<td></td>
<td>2012</td>
<td>7,3</td>
</tr>
<tr>
<td>Poland</td>
<td>2006</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>2012</td>
<td>7,7</td>
</tr>
<tr>
<td>Czech</td>
<td>2006</td>
<td>5,9</td>
</tr>
<tr>
<td></td>
<td>2012</td>
<td>7</td>
</tr>
<tr>
<td>Germany</td>
<td>2006</td>
<td>na</td>
</tr>
<tr>
<td></td>
<td>2012</td>
<td>6,8</td>
</tr>
<tr>
<td>Slovak</td>
<td>2006</td>
<td>6,8</td>
</tr>
<tr>
<td></td>
<td>2012</td>
<td>7,8</td>
</tr>
<tr>
<td>Hungary</td>
<td>2006</td>
<td>6,9</td>
</tr>
<tr>
<td></td>
<td>2012</td>
<td>7</td>
</tr>
<tr>
<td>Netherlands</td>
<td>2006</td>
<td>4,5</td>
</tr>
<tr>
<td></td>
<td>2012</td>
<td>6,5</td>
</tr>
</tbody>
</table>

*Table X-1: UPC Brand Tracking (Source: UPC)*

Prompted image attributes ("How well do the following criteria apply to these brands? Please give your rating on a 10-point scale from 1="does not apply at all" to 10="applies completely".)

Numbers in red are significant differences.
"What is your general impression of the following suppliers or brands on a 10-point scale from 1="I have a very negative impression" to 10="I have a very positive impression"?

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>AT</td>
<td>6,8</td>
<td>6,7</td>
</tr>
<tr>
<td>IE</td>
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</tr>
<tr>
<td>CH</td>
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</tr>
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<td>PL</td>
<td>4,7</td>
<td>7,5</td>
</tr>
<tr>
<td>CZ</td>
<td>5,5</td>
<td>6,9</td>
</tr>
<tr>
<td>DE</td>
<td>n.a.</td>
<td>5,9</td>
</tr>
<tr>
<td>SL</td>
<td>5,6</td>
<td>6,4</td>
</tr>
<tr>
<td>HU</td>
<td>5,9</td>
<td>6,5</td>
</tr>
<tr>
<td>NL</td>
<td>4,4</td>
<td>6,4</td>
</tr>
</tbody>
</table>

Table X-2: UPC Brand Tracking- General Impression
(Source: UPC)

Significant changes from 2006 to 2012 are in red.
2006  n=7834
2012  n=7149

Computer Assisted Personal Interview (CAPI).
The sample consists of UPC customers (with at least one UPC product) and non-customers, representative of the market share of UPC in the researched footprint. The sample is weighted to be representative for the UPC customer structure per country in terms of product (combination) in use. Numbers in red are significant differences.
Results of the UPC Brand Engagement Survey 2011

The method used was a self administered online survey.

“How aware are you of the company vision?”

0 = not at all - 10 = completely

**Figure X-1: Awareness of the UPC Vision amongst Employees**
(Source: UPC)

- Corporate: 1126 invitations with a participation rate of n=464 (41.2%).
- Austria: 1300 e-mail invitations were sent out, n=424 respondents filled in the survey (32.6%).
- Czech: 805 e-mail invitations were sent out, n=588 respondents filled in the survey (73.0%).
- In Hungary 1528 e-mail invitations were sent out, n=722 respondents filled in the survey (47.3%).
- In Ireland 882 e-mail invitations were sent out, 3rd party employees were contacted by superiors, n=653 respondents filled in the survey (74.0%).
In the Netherlands 2556 e-mail invitations were sent out, n=1214 respondents filled in the survey (47.5%).

In Poland 1828 e-mail invitations were sent out, n=866 respondents filled in the survey (47.4%).

Figure X-2: Unprompted Vision Statement by UPC Employees
(Source: UPC)
Name: Michaela Adami-Schrott
Date of Birth: 6th of April 1973 in Bregenz, Austria
Marital status: married to DI Markus Schrott
Children: Katharina, born on the 23rd of October 2009
          Emilia, born on the 17th of August 2013

EDUCATION

2008 - 2016 University of St. Gallen, Switzerland
    PhD in Business Administration

1991 - 1996 Vienna University of Economics and Business
    Study of Commercial Science, Magistra rerum socialium
    oeconomicarumque

1983 - 1991 Bundesgymnasium Gallusstrasse Bregenz
    Matura with diploma of excellence

WORK EXPERIENCE

2010 TISA Speditions AG, Widnau (CH)
    Management Board of the TISA Group

2001 – 2010 Liberty Global plc

2004 – 2010 UPC broadband N. V. (Schiphol-Rijk, NL)
    Vice President Marketing Communications, Europe
2001 – 2004 chello broadband
Senior Director Marketing Communications, Europe
Regional Director Central Europe
Marketing and Sales Director Central Europe

2000 – 2001 Alphathinx - Mobile Entertainment
Vice President Marketing and Business Development

1997 – 2000 Premiere Pay TV (now SKY) Austria
Head of Marketing
Marketing Assistant

PUBLICATIONS