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# Service Branding a Necessity for Service Providers

## ABSTRACT

A Brand is a promise - The American Marketing Association defines brand as "a name, term, sign, symbol or any other feature that identifies one seller's product or service as distinct from that of other sellers". But in general Branding is traditionally associated with products according to their distinct features. And it is believed the services are not required branding as services are intangible, inseparable, heterogeneous and perishable. We believe that these special features of service make it difficult for a prospective customer to evaluate a service before purchase, as is possible in the case of a product. Therefore, branding a service becomes even more important than branding a product, so that the brand communicates a promise and evokes trust in prospective customers. This article will aim at the issue of service branding.

## 1. INTRODUCTION

Branding is a process that is used by the businesses to utilize marketing strategies to enhance their product or service image so that it is more readily recollected by the customer. Branding helps the product or service to make a favorable impact on the target customer while the branding concepts help in outlining the guidelines that should be followed during the branding process. Branding of any product and service should follow some constants that help in establishing a brand in the long run.

### Why a Separation

The separation in the product and services in terms of branding is because of the cliché differences of tangibility, separability and perishability. The branding elements also need to be customized in the two cases, more explicitly in the case of services. It has to be innovatively created to nullify the disadvantage due to its inherent nature. With respect to services the positioning part in the branding equation has to be significantly different to achieve distinct recognition. Development of cues through branding seems to be the only sustainable measure, how else would you suggest and draw an image (in the customers mind) of something which is not there to be seen, touched and hence opined about?

### Importance and need of service branding Service sector in the (Indian) economy

Service sector today has assumed vital importance for any economy, globally. To say that it is necessary to pay attention to it at all levels is stating the obvious. Thus branding too automatically assumes centre stage. The service sector's contribution to the Indian economy in terms of GDP is 62.6%. (2009 estimates). It is growing at a rapid pace with a promise of insurmountable future growth.

Branding is a very powerful component in business. The consumers decide if they will buy a product or use a service based on how they view the brand. The brand itself tells us or lets us imagine how good or bad the product is even if we never tasted it before! *So the battle is won even before it really starts.* Once a customer likes your brand he/she will definitely come back for repeated services or products. The qualities of the product or services are ensured through the customers minds from the brand image. The important aspect often lost is that no branding will sustain a product which does not adhere to the customer value triad of "QSP", Quality, Service and Price.

Brand is not only convenient for businesses for repeated customer purchase but also easier for customers to filter out the countless generic items. Brand gives consumers the reason to buy it and wastes less time for consumer to choose. This in the era of neck break speed is a definite go getter for consumers having apathy of time, the catch also is, that it is more often than not, that these are the customers who are margin customers.

According to Leonard Berry, “Branding plays a special role in service companies because strong brands increase customers, trust in invisible purchases”. Thus, branding is not just for tangible goods, it is a principal success driver for service organization as well. As a result, branding of services has become quite common today. Hence, service firms make conscious efforts to create distinct brands for their services. In reality, the products and services have several common principles for branding, but the main differences that influence the branding or services are;

- They could vary in quality
- The customer is actively involved during service creation and delivery
- They are intangible and not storable.

Therefore, branding of services has gained prime importance to create a trust in invisible purchases.

## 2. ELEMENTS OF BRANDING

Brand elements are those trademark able devices that identify and differentiate the brand. Strong brand employee multiple brand elements even in products e.g. Nike has distinctive “swoosh” logo + just do it slogan + the name Nike which is based on the winged Goddess of victory. Another example is that of Mc Donalds which uses the golden arch + the puppet to register in the minds of the consumers. There is a world of caution though, the elements used should be futuristic and sustainable. Some elements of brands have faired poorly in this respect. To quote one has the example of the devil used by

Onida which had to be deserted after a long fiasco. CEAT also did away with its Rhino as brand element. Choosing branding elements might seem to be an easy task but it gets gargantuan as the nature changes to services. The example of NDTV using its employee as brand elements suffered a setback when one of its star employee Raj Deep Sardesai moved to CNNIBN. The learning thus is the choice of the elements has to be futuristic and should take visionary proportions.

## 3. CHARACTERISTICS OF CHOICE OF ELEMENTS

**Memorable:** The tag line used by Tata sky- “*Is ko laga dala to life Jhingalala*”. The element should be such that the moment it is seen, spoken of visualized the essence of the brand should come out. The golden arch the moment it is seen gives an expression of fast service, burgers and other such things in its menu. This can be said as a memorable element used by Mc’Donalds.

**Meaningful :** The tag line used by LIC “*Jindgi ke sath bhi Jindgi ke bad bhee*” The tagline hits the nail on the head right away. The example of Vodafone using elements from the natural environment has always been its distinct identity. Several peas coming from a single spilled pea, more than one yolk coming out of a single egg was intelligent means to communicate that Vodafone offers more. ICICI bank is making its branding effort count through the emotional connect “*hum hai na*”. It tends to make its advertisement touch the pulse of the target audience by assuring them not to worry for there is someone to help.

**Likeable :** For example the name of NGO for uplifting of girl child called “*Nanhi Kali*”. It evokes a sense of attachment towards the girl child. Another example may be that of the element chosen by Vodafone erstwhile Hutch. The pug and to some extent ordinary happy faces used by Vodafone gave instantaneous likeability.

**Transferable:** For example when the online book seller came into being it could have named itself something related to books instead of that it called itself Amazon.com today it sells not just books but a plethora of different things.

**Protectable :** This element pertains to the legal angle.

**Impersonation :** This aspect though discussed under the head of branding elements here, deserves a special chapter altogether. Impersonation is an advanced and innovative method of branding; it results in giving a distinct, likeable image of the brand. Through impersonation one of the major problems of services is overcome- that of tangibilising the offering. The brand can now talk to the customer and the customer “sees” the brand through the impersonation used. Quite a few companies across the service industry have used impersonation, popularly known as animated brand ambassadors. There are quite a few examples to be discussed; they have got varying degrees of success.

Let us talk about the character ‘Chintamani’ – the impersonation for ICICI Prudential. The character Chintamani has found to have almost immediate brand recall. It is very likeable and breaks the clutter- that is the most important thing, provides “differentiation”. The ease with which ICICI Prudential is able to communicate and simulate a discussion with the target audience is worth appreciation. The event of a grave mishap and thus the need of the plan are never easy to communicate. There is always a chance of it having disastrous proportions of negative marketing. What Chintamani succeeds at is removing Chinta from Chintmani. The resultant “Mani” and thus a reason for the target audience to smile.

Same is the case with Tata AIG. Tata AIG almost emulating Chintamani comes up with the two characters of ‘Mr.Sukhi’ and ‘Mr.Dukhi’. At the very onset it is clear that

Tata AIG wants to tap the concerns of the target audience and show them the answers with flying colors. Simulation here again seems to be used and is used quite well. The characters again seem to have good brand recall. The impersonation apart from meeting all the requirements of communication makes it effective by adding a touch of amusement that in turn holds, grips and creates a likeness towards the brand in general.

Bajaj Allianz also tried a hand at impersonation. The character represents Bajaj Allianz as a panacea of financial problems. The impersonation is an effort in positioning the brand as a serious, thoughtful, and rational offering through the attire worn by the character.

Branding through animated ambassadors has also been done for spice telecom now Idea Cellular. Through the animated character of Priyanka Chopra the brand tried to live up the spirit of “Spice” and thus put sense in the brand name and thus its distinct identity.

The trophy of impersonation though goes to one telecom company that used this particular branding element to capture the imagination of the audience of the small screen. Vodafone’s branding through its character, which they call the egg head “zoo, zoo”, received the acclaim of all. Winning awards galore, it increased the brand equity of Vodafone.

Thus it is seen that more often than not that impersonation as a tool helps in all aspects of building a brand, apart from the other virtues associated with the service.

#### 4. BRANDING AS A NECESSITY

**What does branding aim at, what is its purpose?:** The answer is “Branding is everything a marketer does to the offer (products or services) so that the customer discriminates a brand in its favor. Building of this favor in the customer mind is the ultimate aim of branding. In other words, the main

purpose behind branding is to “add value”. That is why, while branding one thing to be borne in mind is the branding process, which is directed at customer value creation. Branding is winning through value. “Value” here is “the customer’s estimate of the product’s or service’s perceived performance in relation to the expectations. Therefore, the success of any brand lies in consistently delivering “value” over a period of time.

**Dealing with competition through differentiation :** Branding involves creation mental structures and helping customers organize their knowledge about service in a way that clarifies their decision-making and, in the process, provides value to the customer and the firm. The key requirement is that customers perceive differences among brands in a service category. As discussed, brand differences are often related to attributes or benefits of the service itself. In other cases, however, brand differences may be related to more intangible image considerations, etc. branding plays a special role in service firms because strong brands increase customers’ trust in the case of invisible purchases. Strong service brands enable customers to visualize better and understand intangible services. They reduce customers’ perceived monetary, social or safety risks in buying services, which are difficult to evaluate prior to purchase. Further, in packaged goods, the product is the primary brand whereas, in the case of services, the company is primary brand. The locus of brand impact differs for services from goods because services lack the tangibility that allows packaging, labeling and displaying. That is, a service cannot be packed and displayed. Hence, branding is as relevant to services as branding packaged goods. So, a service brand is safe for customers when they buy invisible services. The catch here again is to move early and choose such branding elements that serve as a differentiating tool in a sustainable fashion.

**Long term association :** One of the key attributes of branding is that the customer feels

• towards the brand as a person, a distinct  
• figure, something that he associates and  
• identifies with. When this is achieved the  
• Brand automatically warrants repeated  
• purchase and as the intensity increases this  
• warrants loyalty to the extent of  
• endorsement/word of mouth publicity.

• **Branding V/S sales promotion :** A decade  
• ago the promotion mix had a ratio of 60:40  
• towards advertisement and sales promotion.  
• Today the trend has changed, with the sales  
• promotion having a majority share in the  
• promotion mix. At the onset the paper aims  
• to clarify that advertisement helps a brand  
• and sales promotion as a “strategy” destroys  
• a brand in the long run. It is not in the scope  
• of the paper to discuss the reasons for the  
• change in trend. Talking specifically about  
• services we have the perfect case at hand,  
• that of the telecom industry. With the  
• constant sales promotion efforts put in  
• primarily by the new entrants namely Tata  
• DOCOMO, Uninor, and Aircel, the (ARPU)  
• Average Revenue Per User has gone down  
• drastically. This has affected the likes of  
• established brand like Airtel and Vodafone.  
• The balance sheet of the market leader has  
• been far from satisfactory. These measures  
• are detrimental for brands because they tend  
• to get liquidated.

• **5. CASE STUDY**

• It will, therefore, be interesting to  
• study in what way a bank could create and  
• achieve brand recognition within a very short  
• period-in just four years. This happened with  
• the Amalgamated Banks of South Africa  
• (ABSA), one of South Africa’s largest banks.  
• The bank was formed in 1991 through the  
• merger of a number of smaller banks, just  
• like the way the United Bank of India was  
• formed in India. The bank was finally unified  
• in 1998 and developed a brand campaign to  
• become more visible and attractive to the  
• general public. It embarked upon a carefully-  
• researched strategy to reinvent itself as a  
• premier bank of South Africa under the  
• brand-building slogan-”Marketing is business  
• and business is marketing”.

**Customer Loyalty:** The primary research conducted by the bank revealed that 90% of the customer remained loyal to the bank even after amalgamation. The bank therefore, decided to make visible efforts to capitalize on the same by stressing on the bank's personalized services. It also inspired and enthused employees to become more caring and respectful to all customers. The brand manager made special efforts to instill pride among employees and customer to uphold the bank's brand and keep it flying as a victorious leader amidst all the competing banks in South Africa.

**Exclusive Services through Employee Empowerment :** However, subsequent research revealed that the bank has also to develop some tangible and mass appealing products and services to go further ahead of other banks. It was, therefore, decided that the goal of the bank should be to provide some exclusive services through committed employees through better interaction with customers and that way differentiate the bank from the other banks. This strategy was further strengthened by empowering employees at various levels to provide all services to customers at one stop.

**The new slogan- "Today, Tomorrow, Together" :** It was rightly stressed that the bank's brand should highlight the existing and newly acquired qualities that distinguish it from the other banks and should impress everyone that the bank is a person rather than an inanimate institution. The kind of person the bank should personify has been projected as progressive, innovative, intelligent, approachable, caring and human. Taking a cue from research findings, the bank adopted a brand slogan – Today, Tomorrow, Together"- that acted as a powerful binding factor and also created a strong sense of attachment and commitment among the bank's employees towards all existing and potential customers.

**Personification and not commoditization:** In fact, the bank's management repeatedly

emphasized that a brand was nothing but personification of business, having a distinct personality; and keeping this in view, cultivated the quality to develop cordial relationship with others. Such relationships were not forged of forced, but were the outcome of constant cordial and personal interaction with people, which is the main function and core element of all the services provided by a bank.

**Facelift :** Thereafter, to put the brand in action, the bank gave all its branches a facelift and also a new logo that conformed to the modern and youthful aspirations of the people. It was also loud and fiery, conforming to some of the well-known slogans of South Africa and in that way created instant appeal, particularly among the growing number of youth in the country.

These measures obviously helped in promoting closer contact with younger customers, and creating services and products to nurture their energy and aspirations. The bank offered them free internet access and e-mail services and that immediately attracted the young computer-literate population towards the bank. The bank was also quick to enrapturing these new-found customers by making the interest rate more competitive, particularly for home and business loans. This way, the bank was able to increase its clientele many fold, and thereby boost its revenue.

**Vigorous Media Campaign:** Along with these efforts, the bank also launched an aggressive television campaign by exhibiting real life videos on its simplified and quick processes for carrying out various transactions such as getting a loan, making a deposit and transmitting funds. Innovative communication for employees and customers

In order to augment and expedite the branding strategy, the bank's management adopted many other innovative means like internal television channels- these were

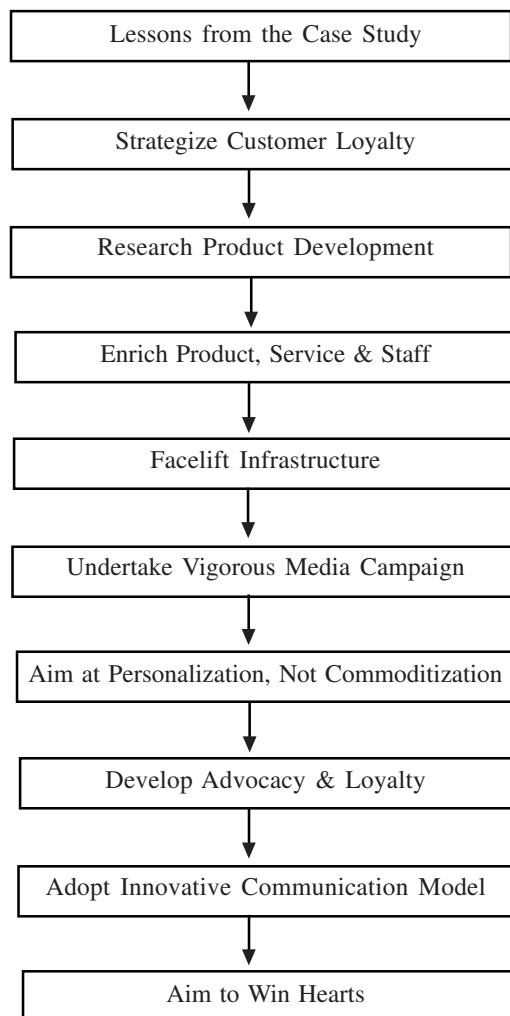
relayed to all branch offices to make employees aware of the highly-developed communication etiquette and newly-designed and structured products for the young emerging customers. Time and again, the bank’s management advised the staff that their attitude towards customers and even their personal relations among themselves-both in the branch and outside – should attract customers and make them always feel at home. The bank further made conscious efforts to inculcate a more inclusive staff profile to woo all types of customers.

The bank also held repeated branding road shows where the employees were made familiar with the branding strategy, including the internal motto conceived by the bank to make it more customer-friendly. This way, every employee was made to feel that he or she was the bank and that the prosperity of the bank depended on his or her attitude, mindset and performance. The motto instilled in them is “be alive and kicking”.

**Winning the hearts of the public :**

However, the branding strategy is not confined to winning over the employees and empowering them to serve customers adequately and satisfactorily. It is also not limited to providing customers with distinct differentiation, so that they feel not just happy, but proud to be associated with the bank. Branding strategy should also include winning the hearts of the general public by being a good corporate citizen. This can be achieved by following the best governance practices and also by relating a foundation to fund welfare activities. ABSA thought that it could come closer to the people by associating with South Africa’s passion for sports. The bank, therefore, created a foundation to provide financial support to budding sportspersons of South Africa and also actively sponsored their international events. The bank also patronized arts by extending financial help to struggling young artists. This was, the bank now enjoys whopping 95% brand recognition and commands a leading position in South Africa.

**Developing Advocacy and Loyalty :** It is, therefore, interesting to note from the case study that the main thrust of brand designing and marketing is to convince potential as well as existing customers that advocacy for the bank means staying with the bank, not only as an affluent customer but also as a needy customer, as the bank’s supporting hands are extended to both of them. Similarly, the bank also has to convince the employees that customers pay them and not the bank, and that they deal with people and not products.



**6. OUTCOME OF THE CASE STUDY**

Thus it can be said that both a tangible product and an intangible service should have a brand or brand name, it essentially indicates that such a brand or brand name be beneficial to both the brand-

owners as sellers and also the customers, for instance on one hand it helps the seller in facilitating the promotion and on the other hand it helps the customer to reduce perceived risk in buying by providing assurance of quality, reliability etc. lesson for all the service provider are make customer to have the focus of brand building, undertake intensive research on products and services, empower staff, adopt appropriate technology, provide a facelift to buildings bank's ambience, hoardings etc., develop advocacy and loyalty among customers and create innovative communication channels both for employees and customers, and aim to win the hearts of all including the general public.

## 7. CONCLUSION

The paper thus proves beyond doubt that branding has acquired very serious proportions, it is a necessity in order to make a service based organization significant and sustainable. The various aspects of branding discussed in the paper are for *practical implementation*. The branding elements are crucial in making or breaking an organization. In the words of Leonard Berry "Branding plays a special role in service companies because strong brands increase customers' trust in invisible purchases". Thus branding is not just for tangible goods, it is a principal success driver for service organization as well.

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