

brand positioning

connecting marketing strategy and communications



ERIK KOSTELIJK AND KAREL JAN ALSEM



Brand Positioning

Brand Positioning is an English translation of an exceptionally well-renowned Dutch textbook, which provides a practical approach to analysing, defining and developing a brand's positioning strategy.

Divided into three key parts, the book works step-by-step through the creation of an effective marketing strategy, combining an academic approach with the strategic and operational guidelines, tools and techniques required. Unlike other textbooks, it has a unique focus on the relationship between branding, marketing and communications, exploring brand values, brand identity and brand image, and analysing how these can be transformed into a successful positioning strategy, using international case studies, examples and practical exercises.

This textbook will be core reading for advanced undergraduate and postgraduate students of marketing strategy, branding, marketing communications and consumer behaviour. It will also be of great value to marketing and communications professionals looking to develop and maintain their company's brand.

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Connecting Marketing Strategy and Communications

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Part I

Foundations

We start this book with an introduction to positioning in Chapter 1. In Chapter 2, we go deeper into the content of the concept of positioning and its relationship with other concepts such as image, identity, and reputation. We end this chapter with a description of the positioning process.



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Chapter 1

Relevance of brand positioning

1.1 An introduction to brand positioning

This book is about brand positioning. The concept of positioning has become internationally known because of the famous book by Ries and Trout (1986): *Positioning, the Battle for Your Mind*. **Positioning** essentially is about two things (Laforet, 2010):

1. First you decide what kind of message and image you want to convey to a target group. This concerns the strategic choice of a distinctive position in the market.
2. Then you ensure that you achieve that position. This is done through tactics: orchestrating the marketing mix (the five P's: product, price, place, promotion, and personnel).

This book focuses on the first of these two things. The second item involves the implementation of the positioning: the operational marketing plan.

It may seem rather trivial to write a separate book about positioning. Because it might seem that it is nothing more than a small element of marketing. And what about its role in communication? And there are countless books about marketing and communication. All right. Here we have the first (theoretical) issue. Positioning belongs to both marketing and communication. And as a result, it is undervalued in both fields!

A second problem is the professional reality. Marketing and communication practitioners do not devote enough attention to brand positioning. This is because marketers are mainly occupied with all sorts of tactical marketing aspects; in the heat of the moment, they often don't pay enough attention to the essence of the brand. This creates the risk that all kinds of activities are initiated that actually do not fit the brand, which leads to ambiguity. In turn, communication people often are also more concerned with operational matters such as making brochures or discussing the web site design with the agency. Or they are active on social media without strategically considering whether everything is in line with what the essentials of their brand.

The consequence of all this: consumers do not really know anymore what the brand stands for. The result is that it becomes difficult to create customer loyalty.

Red Bull illustrates how effective a good brand positioning can be (Example 1.1). The Red Bull brand consistently emphasizes values such as “extreme” and “energy.” In this way the brand aims at customers who consciously or unconsciously associate with these values or at least desire to have an energetic feeling.

Example 1.1 The consistent branding of Red Bull

Red Bull stands for “extreme sports.” Because it stands for “energy.” And not just that. Red Bull shows in all possible ways that “extreme challenges” completely match with the brand. Red Bull sponsors Formula One races, organizes spectacular flying shows, and sponsors the highest individual free fall from space to earth. Partly because of this, Red Bull receives a lot of media attention. One of the energetic consequences: Sampling among students during the exam period. Wake up!



Photo 1.1 Red Bull stands for extreme performance. Source: istockphoto.com.

1.2 The increasing importance of brand positioning

There are several reasons (or actually trends) that make a clear brand positioning very important. These reasons are:

1. increasing competition
2. online growth leading to increasing market transparency and more powerful customers
3. increasing power of intermediaries
4. a lot of low involvement among consumers

5. the paradox of choice
6. the importance of the subconscious in decision-making

Ad 1 Increasing competition

A trend that has been going on for decades is the increase in **competition** in many markets. Competitors know each other more and more and it is therefore increasingly difficult to gain, let alone maintain, an advantage over the competition. Related to this, we also observe a decreasing “time to market” for innovations: if an organization has a product innovation, it should not wait too long with the actual introduction, because before you know it, the competition will enter the market and you lose your “first mover advantage.” And if you are the first one, the competition will not wait long to introduce the same, or even an improved version, so your advantage will be brief and not as big as expected. The life cycle of new technologies is therefore becoming shorter and shorter. This can be seen, for example, in the smartphone market where new, better, faster types quickly follow up and a smartphone is – even after only a year – no longer up-to-date.

Ad 2 Increasing market transparency and more powerful customers

The **internet** is the main cause of an enormous availability of information about brands and markets. Online you can actually find everything about brands: what brands communicate about themselves, experiences of customers, tests of independent organizations, etcetera. If there has ever been a complaint, it probably can still be found online. And with the growth of **social media** the power of the customer has actually increased exponentially. After all, a tweet is enough to reach a huge amount of people. And if that tweet is also picked up by a journalist, an even stronger flood of publicity is created. The use of social media and internet stimulated another trend: the availability of enormous quantities of data. We refer to this as **big data**. For both practitioners and academics it is the challenge to obtain useful information out of these data.

Ad 3 Increasing power of intermediaries

There are several important trends in the distribution of products and services. We mention the following developments:

- **Increasing power of retailers.** This trend has been going on for decades, mainly in the food sector. For instance in The Netherlands only two retailers occupy more than half of the market: the chains Albert Heijn and Jumbo jointly have approximately 55% (2019) of the food market in their hands.
- **Growth of online sales.** The possibility for online shopping (and communication) is the biggest breakthrough in the history of marketing. It leads to fundamentally new consumer behavior and therefore also to new digital business models (Verhoef, Bijmolt, 2019), especially the growth of new digital platforms such as

Amazon, Alibaba, Booking.com, Uber and AirBNB. These new intermediaries have generated an enormous power and strongly affect the retailing value chain (Reinartz et al., 2019).

These trends emphasize that you, as a supplier / brand, have to make new fundamental choices about your positioning. What is your role in delivering customer value? How do you cope with the new competition? What channels will be used? This has also to do with what is sometimes referred to in marketing as ‘push versus pull’. *Push* means that as a provider you try to promote the product to the intermediary (‘through the chain’). *Pull* means that your brand mainly stimulates the final demand, i.e., the needs of end users, to ‘force’ intermediaries to pay sufficient attention to your brand. Nowadays in most markets it is not a choice between push or pull, or online or offline, you have to do all.

Ad 4 A lot of low involvement among consumers

Due to the previous two developments, consumers could become more critical when making purchasing decisions. After all, an average consumer can compare alternatives relatively easily and then choose the brand that fits him best.

Yet this is probably not the case. Precisely because there is so much competition, and the development of new products is fast, many consumers get the impression that “all brands will be equally good,” which means that it does not really matter what you buy. This creates **low involvement**. Suppose a consumer has to choose a laundry detergent in a supermarket, facing a shelf full of different brands, sizes, types, and variants. This overload can lead to an “arbitrary” choice determined by, for example, the colour of the packaging or by a possible promotion. See also the next issue.

Ad 5 The paradox of choice

It has been argued that the multitude of choices creates a form of “choice fatigue.” This is also called the “**paradox of choice**”: you would expect that a greater choice for consumers is positive, because then there is really something to choose. But it could also lead to greater uncertainty because you can never be sure that you have actually chosen the best brand. This leads to **cognitive dissonance**: the feeling that you are less satisfied after your choice. The decision-making process thus becomes more complex, while the importance of the choice becomes smaller: almost all products on the market are in principle good enough to meet the needs.

This phenomenon has been investigated in a large number of studies. In a meta-analysis of the studies they investigated, Scheibehenne, Greifeneder, and Todd (2010) found, on average, no correlations in the number of brands and the choice motivation or the satisfaction afterwards. So, they did not find support for the existence of “the paradox of choice.” This does not mean that the paradox of choice never occurs, and perhaps it does in some circumstances, but more research is needed on this point.

Ad 6 The importance of the subconscious in decision making

A trend that is not so much related to consumer behaviour but more central to the field of psychology (and marketing) is the “discovery” of the importance of the unconscious. Many psychological experiments show that many decisions of people are often taken unconsciously (Dijksterhuis, 2007). This finding is at odds with the idea of the “homo economicus,” often used in economics: that people use rational, “economic” considerations when making choices. This point is important for positioning because it means everything has to be right from the first impression. Every detail from the first to the last brand contact contributes to the image.

All the above-mentioned developments increase the need for brands to distinguish themselves in one way or another from other brands. And when we talk about “distinguishing,” we are talking about positioning.

1.3 The importance of brand positioning according to theory

It goes without saying that brands receive attention in marketing and communication science. In this section we want to focus on the following topics around brands:

- the question of when a brand is strong
- brand associations
- brand awareness and the Sharp studies
- the importance of reputation in communication

We end this chapter with a conclusion about the importance of positioning.

1.3.1 When is a brand strong?

In marketing science, David Aaker can be regarded as the first major brand expert. Aaker wrote two interesting books about building brands (Aaker, 1991, 1995) and did his own experimental studies on the effects of brand extensions. In his classic paper in *Journal of Marketing* (with Kevin Lane Keller, 1990) on the latter topic, the conclusion was drawn that brands have to be careful with the introduction of brand extensions that do not fit with the mother brand. Subsequently, there have been dozens of follow-up studies by other authors who have made refinements and expansions in the study of brand extensions.

The same Keller also specialized in brands and in 1995 issued the first edition of *Strategic Brand Management*. In this book Keller knows how to combine scientific insights about brands with practical recommendations and models. Here we outline the central principle that Keller uses in relation to building a **strong brand**. He states that “a brand is strong when consumers have a more positive reaction to the brand’s actions because of the knowledge they have about the brand than if they had less

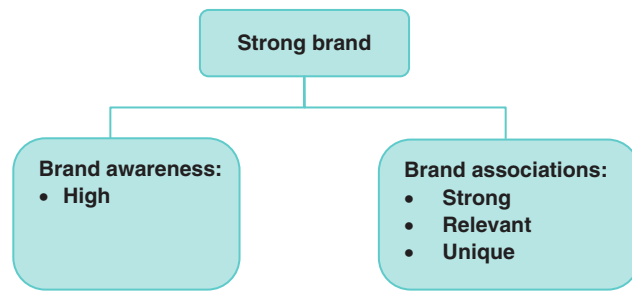


Figure 1.1 Strong brands according to Keller

knowledge about the brand.” That knowledge aspect has two components according to Keller (Figure 1.1):

1. Brand awareness: consumers have heard about the brand; they know that in a certain product category the brand is one of the suppliers.
2. Brand associations: consumers have not only heard about the brand but also know something about it. They have strong, relevant, and unique associations with the brand.

In fact, Keller opts for a so-called “cognitive” approach, namely knowledge leads to preference: “Known makes loved.” Knowledge then concerns both brand awareness and knowledge about what the brand stands for (associations).

The connection with our focus on brand positioning is mainly in the second knowledge dimension: the realization of associations with consumers. We will now go further into these associations.

1.3.2 Brand associations

The word “image” is often used in relation to brands. The **image** of a brand is the complete set of associations that the consumer has with the brand. These associations are the added value of the brand: consumers see or hear a certain brand name, and this evokes certain images or memories in the consumer’s mind. **Brand positioning** aims to provide the brand with strong, favourable, and unique associations. But the marketer does not have the exclusive right to realizing brand associations. The brand image is influenced every time the consumer hears about the brand, uses the brand, or is in touch with the brand in a different way. This can be positive, with pleasant experiences, but it can also be negative.

Brands must be careful in the prevention of negative experiences or negative publicity. In this connection it is sometimes said: “Reputation is hard to gain but easy to lose.” This proverb is only partly true. It is true that building a good image takes time. But a negative experience does not always push the brand out of favour immediately. Research shows that strong brands are more resistant to a knockout. It also depends on how brands deal with errors. It is important to win trust. See Example 1.2.

Example 1.2 Volkswagen

Until the autumn of 2015, Volkswagen was known as a reliable, solid brand. This changed suddenly when it became known that Volkswagen had been cheating in emission tests by making its cars appear far less polluting than they are. The brand had installed software that could detect whether a car was tested. If a test was detected, the car would be set in the “fuel-efficient and environmentally conscious” mode. As soon as the car was used normally again, the normal settings were re-installed after which the car became much less environmental-friendly. Because of this “dieselgate” the reputation of the brand was strongly affected in a negative way. So indeed ... Volkswagen’s reputation was easily lost here. This was partly because the Volkswagen management did not respond quickly and openly. Only after a few days there was a reaction from the company, and the CEO had to resign. A couple of months later (October 2015) Volkswagen offered its apologies in full-page ads and promised to do everything to regain confidence.

Remarkably, the sales of Volkswagen was hardly affected by the reputation problem. 2018 was the best year ever for Volkswagen. This might be due to the brand power Volkswagen already had.

Positive associations add value to the brand. This added value, defined by Keller (2012) as **brand equity**, occurs when the consumer is familiar with the brand and when the brand evokes positive associations with the consumer, associations that match with this brand and not with competing brands. Positive associations lead to consumers appreciating the brand, developing a preference for the brand, or deciding to buy or keep buying the brand. Coca-Cola, for example, is in essence a dark-coloured soft drink with a lot of added sugar. However, thanks to marketing activities, this brand now represents happiness, and this – conscious or unconscious – association encourages people to buy Coca-Cola.



Photo 1.2 Coca-Cola. Happiness. Cozy. Christmas. Source: istockphoto.com.

Brand awareness and brand associations can be described as an associative network (Keller, 2012). The **associative network model** (Anderson, 1983) is a psychological model that describes how information is stored in our memory. In this model, memory is seen as a network of associations. This network consists of a number of nodes and the connections between these nodes. Each node represents a certain information. By means of connections that can vary in strength, this information is linked to other information in our memory. Figure 1.2 gives an example of an associative network that a certain consumer can have about the brand 7UP.

If this consumer thinks about 7UP, he automatically thinks about the soft drink. The “node” 7UP contains information. Seeing a bottle of 7UP, or the thought of this soft drink, activates this node and connections to other nodes in the memory. These connections represent the associations with – in this case – the brand 7UP. These associations may consist of characteristics of the brand (7UP is transparent), or aspects that are independent of the physical characteristics of the brand such as benefits (refreshing), previous experiences (I do not like it), or values associated with the brand (pure).

In the associative network in the example of Figure 1.2 also conflicting associations are visible. Depending on the strength of the connections with “sweet” or with “no colouring or flavouring agents added,” the brand is seen as predominantly healthy or predominantly unhealthy. It is quite possible that different people have different associations with the same brand. After all, associative networks are individually determined. If different consumers were asked about their associations with 7UP, this would lead to different associative networks.

As mentioned earlier, brand positioning is aimed at creating, changing, or strengthening a brand image. Positioning activities therefore aim to change the network of brand associations by strengthening associations or making them less important, or by adding certain associations.

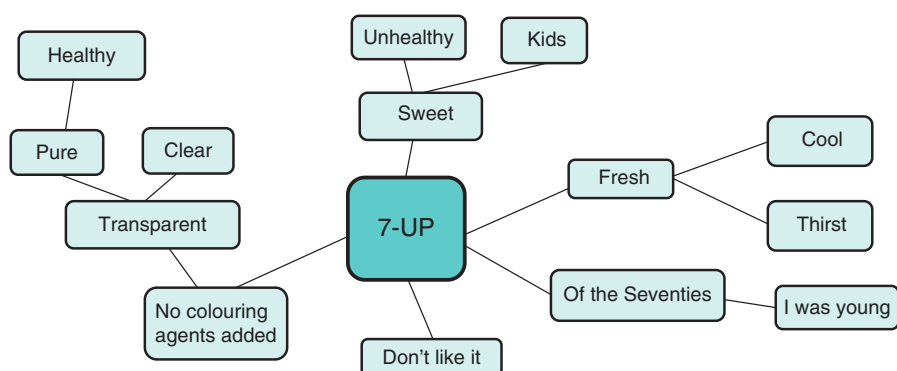


Figure 1.2 Associative network

1.3.3 The Sharp studies and the importance of positioning

In his very accessible book *Why Brands Grow?*, Sharp (2012) summarizes various studies that have been done at the London Business School on brand choices, based on large databases with real purchase data. The most important conclusion from all these studies is the big importance of **brand awareness**. Sharp shows that consumers have a strong preference for well-known brands. It also appears that information about, for example, quality plays a much less important role. Sharp shows, for instance, that brands that resemble each other in the perception of consumers are much less directly competing with each other than you would expect on the basis of these perceptions. The size of a brand (basically: the number of times people hear about the brand or are confronted with the brand) also plays a dominant role in the preferred position that a brand has in the minds of consumers. In fact, Sharp seems to question the importance of brand positioning to a certain extent. In terms of Keller, Sharp actually seems to prove that the brand awareness dimension is especially important for consumers and not the associations dimension!

An explanation for the findings of Sharp is in the low involvement that consumers generally have when purchasing products. We mentioned this already in Section 1.2 under ad 4. And then it makes sense that in their brand choices consumers are mainly guided by brand awareness. With presumably as thought: I know that brand and if it is so well-known, it is probably good. A good example of such a brand is Heineken (Example 1.3).

Example 1.3 Brand awareness of Heineken

Heineken probably has a huge global reputation as a beer brand, almost 100% in many countries. The question, however, is about Heineken's "unique associations." The point is that Heineken has had quite different campaigns over the years. And some campaigns were also rather generic, profiling the name Heineken more than what the brand represents. The question is how consistent and unique Heineken is in its brand communication. Nevertheless, Heineken is a global market leader in beer production and sales. A reason could be that it is "just the tastiest beer." In the beer category, however, it has been shown that emotion is much more important for brand choice than the actual characteristics and taste of the product. A simple blind test demonstrates this: when people see the brand name there are totally different preferences than without seeing a brand name. The explanation is probably that Heineken has both a very high brand awareness and a "positive feel" resulting from all visible behaviours of the brand. That good feeling apparently matches the unconscious choices that consumers make when choosing beer.



Photo 1.3 Heineken has high brand awareness. Photo © Maktarama (cc-by-3.0), with permission of Heineken

Sharp's findings are sometimes but not always in line with a large number of other scientific studies into the effects of marketing on the sale of products. In 2015, a second edition of Hanssens' (2015) *Empirical Generalizations in Marketing* was published, in which he summarizes many hundreds of studies on the effects of marketing. One striking conclusion is that out of the three market instruments, i.e. price, distribution, and advertising, the strongest effects can be expected from an intensive distribution. Price reductions also have a strong influence on sales, but that is often temporary. Advertising seemed to have only a small influence: the mean advertising elasticity is only about 0.1, which does not suggest that strong media pressure (and thus awareness) strongly affects sales. The strong effect of distribution can be explained by the fact that if a brand is available in many places, it is also sold a lot. Physical availability apparently has a strong influence on purchasing behaviour: if something is available, you buy it faster. This is in line with Sharp's emphasis on availability. The limited effect of advertising cannot be unambiguously linked to the results of Sharp, because higher brand awareness can also be achieved through strong communication, so by spending a lot on advertising. And Pauwels and Ewijk (2013) show that ("soft") attitudinal measures (so brand image) as well as ("hard") online behaviour tracking data are a good prediction of sales. So, brand image does matter.

Our conclusion from the "relevance-of-image"-debate is that both brand awareness and brand associations are important.

1.3.4 Positioning in communication science

We will suffice on this site with a brief comment about positioning in communication literature. In communication science, the word “positioning” is less common than in marketing. A concept that is strongly connected with this is **reputation**. We will discuss this further in the next chapter. However, it can be said at this location that there is a lot of literature about reputation (Van Riel, 2010). The importance of a good reputation for an organization is evident. Hallahan et al. (2007) also speak of “strategic communication” as being all purposeful communication that contributes to fulfilling the mission of an organization. Management, marketing, and communication disciplines play a role in this strategic communication.

1.3.5 Importance of positioning – conclusion

At the end of this chapter we conclude that consciously choosing a strategic position for an organization is of great importance. If we follow Keller’s model, we see that it is about creating visibility and associations. Distinction and recognizability need not necessarily lie in substantive associations, but they can also lie in performance aspects such as the appearance of a brand and/or – more in emotional aspects – as sympathy and humour. As we said earlier, the unconscious processes – the instinctive impressions that people have with a brand – are very important. In fact, this also applies in human relationships: it is not for nothing that it is sometimes said that an employer already knows whether or not it is suitable when an applicant comes in.

Summary

Brand positioning is choosing a distinctive position for the brand. This is becoming increasingly important. This is partly because choice processes of customers happen largely unconsciously and also often under low involvement. This means that every element in the profile of the brand should fit. Due to the growth of online media, many brands have less grip on the final customer. That too requires strong branding. A brand is strong if the reputation is high and strong, with distinctive and relevant associations. A strong brand should be clearly visible.

Chapter 2

Essentials of brand positioning

2.1 The brand positioning concept

In Chapter 1 we already saw that positioning has everything to do with marketing and also with communication. In this chapter we will try to explain the relationship between these three concepts. But first we define positioning itself. After the definition of this concept, we discuss the relationship of positioning with branding, the requirements for positioning, and the relation with other concepts. We conclude this chapter with the positioning process, which also forms the guideline for the rest of this book.

2.1.1 Definition of positioning

Positioning comes from the verb to position, which simply means something like “to give a position.” That does not help us too much in the context of brands. But what if we realize that it is the mental position in the head of a consumer! **Positioning** is indeed primarily determining which “position” a brand has to take in relation to competing brands in the head of a customer. And that “position” then is a mental position or an image of a brand. In other words what associations a customer should have with a brand. For example what kind of image should a customer have when we say “Mercedes?” Durability? Luxury? Man with a cigar? Expensive? Positioning is the determination of the desired associations that a consumer should have with a brand. The positioning is then “the desired brand image.”

It is important to realize that this is a mental “brain position.” Positioning has everything to do with associations with brands. This matches with the model of Keller as described in the previous chapter: the purpose of positioning is that people link knowledge and feelings to a brand (name). If these knowledge elements are positive (and unique), then positive opinions and reactions to the brand will be generated.

2.1.2 Relationship between branding and positioning

In Subsection 2.1.1 the word **brand** was used several times. *Brand* and *positioning* are closely related. In fact, they have a very unambiguous relationship. A brand (name) can only have one positioning and vice versa a positioning always belongs to a brand name. Take the Mercedes example that includes a certain desired image. It could well be that the brand Mercedes wants to evoke a different picture with one target group (for example, business people) than with a different target group (private drivers). After all, needs and desires of consumers differ, which is also the reason to segment and to serve different segments in different ways. The obvious problem in reality is that communication about brands cannot be strictly separated between target groups. Suppose that a brand would use a different positioning and would communicate differently to young people and to the elderly; then each target group will undoubtedly also see the communication messages intended for the other target group, after which confusion occurs. The ultimate consequence of this reasoning is that a brand can only represent one image.

In essence, this also applies to people. Everyone has a name, which we could call a personal “brand name.” And everyone has a certain personality. A difference with brands is that people do not “consciously” have to choose their own positioning, although this may be the case, for example, in job interviews. Brands need to be more aware of positioning because they consciously communicate to the world, with commercial interests. In addition, many different people in an organization are involved in this communication. All these people must be aware of the positioning of the brand they’re working for.

Because positioning is unambiguously associated with a brand and vice versa, we can also speak of **brand positioning**.

2.1.3 Requirements for positioning

We have defined positioning as determining the desired associations with a brand. There are three important requirements for those associations:

1. The positioning must match the brand itself. The brand should be able to deliver the promise and the position should be in line with the strengths of the brand; this is a form of consistency.
2. The positioning must be “relevant” for the target group. There is no point in creating a brand image that is of no interest to potential customers.
3. The desired brand image should preferably be distinctive, i.e. different from the image that of competing brands. This is in fact the essence of creating a brand: finding a distinctive position!

The three requirements for positioning can be summarized in the positioning triangle (Figure 2.1).

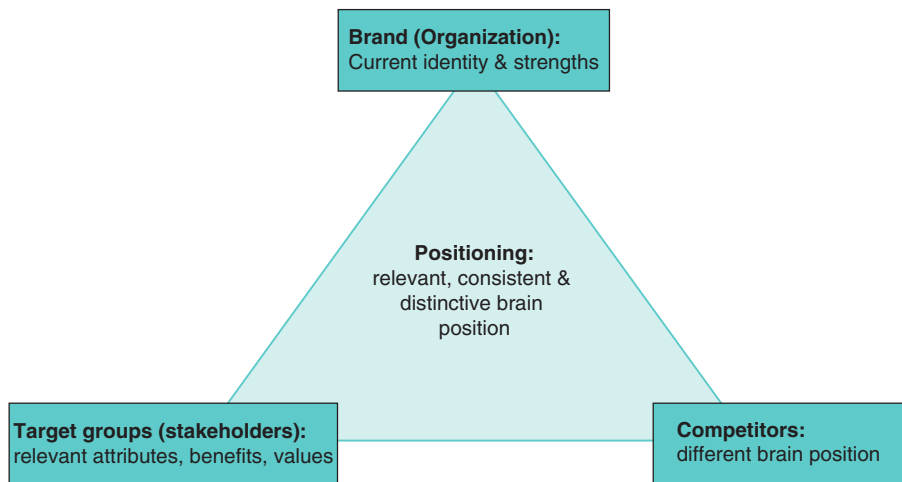


Figure 2.1 Positioning triangle

2.1.4 Relationship with other terms

There are many other concepts in marketing and communication that are related to the concept of positioning, but that are not the same. We discuss the following concepts: image, reputation, identity, mission and vision, proposition, Unique Selling Points (USPs) and Unique Buying Reason (UBR), and “branding.”

Image

As mentioned in Section 1.3, the word image or **brand image** is often used in relation to brands. The image is the set of associations that people have with a brand. The big difference with positioning is that a brand image is the set of associations as *realized* in the target audience whereas positioning is the *desired* set of associations.

The word image is sometimes interpreted in a negative way, namely as if it were an artificial image created by marketing. In a way, the word image has an image problem. This sometimes also applies to image research. Sometimes companies do not want to do image research, while on the other hand they find it useful to know what associations people have with them!

Reputation

The term reputation is closely linked to image. Reputation usually refers to an organization as a whole. Fombrun, Gardbert, and Sever (2000) introduce the following six dimensions of reputation in the so-called **Reputation Quotient**:

1. emotional attractiveness (such as trust and appreciation)
2. products and services (quality and innovation)
3. vision and leadership (degree of strong leadership)

4. work environment (such as being a good employer)
5. social responsibility
6. financial performance

The six dimensions are measured by means of questionnaires among various external stakeholders. Example 2.1 exhibits some brand rankings on the Reputation Quotient for 2018.

Example 2.1 Brand rankings with the Reputation Quotient (Source: Reuters, March 13, 2018)

Apple, Inc. and Alphabet, Inc.'s Google corporate brands dropped in the annual Harris Poll Reputation Quotient poll while Amazon.com, Inc. maintained the top spot for the third consecutive year, and electric carmaker Tesla, Inc. rocketed higher after sending a red Roadster into space.

iPhone maker Apple dropped to 29th from its previous position of No. 5, and Google dropped from 8th to No. 28. Apple had ranked No. 2 as recently as 2016, according to the Reputation Quotient released on Tuesday.

The poll, conducted since 1999, surveyed 25,800 US adults from December 2011 to January 2012 on the reputations of the "most visible" corporate brands.

John Gerzema, CEO of the Harris Poll, told Reuters in an interview that the likely reason Apple and Google fell was that they have not introduced as many attention-grabbing products as they did in past years, such as when Google rolled out free offerings like its Google Docs word processor or Google Maps and Apple's then-CEO Steve Jobs introduced the iPod, iPhone, and iPad.

"Google and Apple, at this moment, are sort of in valleys," Gerzema said. "We're not quite to self-driving cars yet. We're not yet seeing all the things in artificial intelligence they're going to do."

Meanwhile, Amazon.com held on to the No. 1 spot, which it has held for five years with the exception of 2015, when it slipped to No. 2. Gerzema attributed Amazon's ranking to its expanding footprint in consumers' lives into areas like groceries via its Whole Foods acquisition.

Elon Musk's Tesla climbed from No. 9 to No. 3 on the strength of sending Tesla Roadster into space aboard a SpaceX rocket – despite fleeting success delivering cars on time on earth, Gerzema said.

"He's a modern-day carnival barker – it's incredible," Gerzema said of Musk. "This 'The Right Stuff' attitude is able to capture the public's imagination when every news headline is incredibly negative. They're filling a void of optimism."

For its part, Facebook, Inc.'s reputation improved in the 2018 study, despite being the target of questions from US lawmakers about the role of social media in Russia's efforts to influence the US presidential election in 2016. Facebook ranked 51st, its best showing since 2014 when it ranked 38th, the highest the firm ever ranked in the poll.

Some say the difference between image and reputation is that image is the impression of people from an organization without having any experience, while reputation is

the perception of people who do have experience with the organization. As such, reputation would be a kind of purer picture. In our opinion this is incorrect. Image also applies to people who have experience with an organization.

Reputation seems to be comparable with the concept “**corporate image**”: the image that stakeholders have of the organization as a whole. The aforementioned Reputation Quotient then operationalizes that with six specific dimensions.

In short: image is the same as the brand image realized in a target group. This can relate to a product/brand but also to a company. In the latter case it concerns the corporate image, which corresponds to reputation.

Identity

Many books have been written about the concept of **identity**. There are also different definitions of it. For example, identity is sometimes related to the visual identity of a brand; then it mainly concerns matters such as house style, logo, and way of communicating. Identity in a broader sense relates to the essence of the brand, which is, as it were, the own personality of the brand. The concepts identity and personality are so closely related that they can be used interchangeably.

It is possible to make a distinction between realized identity and desired identity. The disadvantage of this distinction is that it gives the impression that a brand or organization can “choose” another identity. That is of course not the case. The identity is trapped in people and culture in an organization. You cannot change an identity just like that. The identity can be changed, but that is a slow process. For example, the culture of a supply-oriented organization can be adjusted to a more customer-oriented orientation, but that is a comprehensive process.

The difference between identity and positioning is that identity is more concerned with the personality and values of an organization, while positioning more concretely indicates what is distinctive about the organization/brand. Competition and the customer play an important role in positioning, not with identity.

Mission and vision

The terms mission and vision are often used interchangeably, partly because different definitions are used. Following Alsem (2019) we define:

- the **mission** as: the delineation of the current activities
- the **vision** as: the ambition of the company, that what the company wishes to achieve in the future

In the mission the aforementioned aspect of Marketing Myopia plays a role: how is the market demarcated?

Three components can be included in the vision:

1. the opinion of the company (or the CEO/director)
2. the identity of the company, for example on the basis of its value strategy
3. the long-term goals of the company