



A FRAMEWORK FOR INNOVATION OPPORTUNITY IDENTIFICATION BASED ON BRAND EXPERIENCE

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1. Introduction

The nature of innovation is changing. An increasingly globalized society has transformed the process of value creation. Companies can no longer solely rely on operational efficiency or technological superiority in order to create sustainable competitive advantage. Today, companies must also find ways to define and deliver unique experiences in order to survive.

Experiences have a great potential to generate a sustainable and significant competitive advantage. Joseph Pine and James Gilmore [1999] presented evidences and case studies about the importance of experiences in the development of companies' value proposition. Their Experience Economy Theory suggests that business activities, like innovation, need to introduce experiential variables, focusing on the generation of unique and memorable experiences.

Accordingly, the brand shows great potential to promote sustainable and significant competitive advantage in the Experience Economy. The main reason behind is that brands connect business strategy to customer through touchpoints interaction, bringing to life more distinctive experiences [Karjalainen 2003], [Roscam 2010], [Hestad 2013].

When designing touchpoints, for example, products, several authors highlighted the importance of aligning brand values and customer experiences [Karjalainen 2003], [Clatworthy 2013], [Newbery and Farnham 2013], [Da Motta Filho 2014]. However, brand values are not always properly embedded in the touchpoints giving rise to inconsistent brand experiences. These inconsistencies might be due to distortions occurring during the touchpoint design process [Karjalainen 2003].

Those inconsistencies result in gaps between what the brand wants to communicate and what the customer perceives and they are represented through the Brand Gap [Neumeier 2003], [Hestard 2013]. Identifying and understanding the Brand Gap might help to perform design actions that create better brand experiences.

1.1 Objective and research questions

The aim of this article is to define a framework which helps identifying and understanding inconsistencies in the brand experience construction through the Brand Gap definition.

This article is based on a literature review on the field of brand experience, experience design and customer experience. The article explores the role of design and the role of the customer when it comes to design for brand experience. Firstly, the way in which design brings brand to tangible elements is described. Secondly, how interaction with tangible elements impacts the customer perception is understood. Finally, the framework which helps to define the Brand Gap is presented.

2. Design for brand experience

With regard to the Experience Economy, not only is the brand a mere label or logo that identifies the manufacturer or owner, but it has also become a strategic asset able to generate sustainable competitive advantage. As a result, brands such as Ikea, Coca Cola and Virgin are providing customers with unique experiences associated to the brand that strengthen sensory, cognitive, emotional, social and behavioural character of consumers [Brakus et al. 2009].

In this context, the concept of brand experience is highlighted. Brand experience is defined as a set of perceptions that consumers have while interacting with different branded products and services [Alloza 2008].

Marketing field approach on brand experience is focused on storytelling [Hestad 2013]. Brand experience, however, goes beyond simply telling stories. Indeed, consumers interact with the brand in multiple moments and through different channels. So, the set of those interactions are the ones which build brand experiences in the consumer's mind [Roscam 2010]. From the design perspective, those interactions are defined as touchpoints.

The most important aspects to take into account when building brand experiences are detailed below.

2.1 The “Remembered Experience” vs “Lived Experience”

Regarding brand experience, there are two concepts worth analysing deeply: The “Remembered Experience” and the “Lived Experience” [Forlizzi and Ford 2000].

The former is defined as the knowledge and memories accumulated through life lessons and events. This concept is directly related to the customer purchase decision making of a particular brand. Since humans spend most of the time thinking about memories of the past or anticipating future events, it is the quality of those memories that impacts on their decisions [Hassenzahl 2010].

The latter is defined as an experience with a beginning and an end, being an action that could lead people to changes [Dewey 1934]. In practical terms, the “Lived Experience” can be understood as each of individual experiences with a brand. The same consumer could have multiple and diverse experiences regarding the brand.

Thus, the “Remembered Experience” is built through all the experiences that consumer lived in regards to a brand [Carlson 1997]. Several authors pointed out this duality of experiences [Boswijk et al. 2005], [Wright and McCarthy 2010], [Hassenzahl 2010]. They state that both, momentary and accumulated, must be taken into consideration when referring to experiences.

However, being the “Remembered Experience” a host of “Lived Experiences”, companies should undertake actions that affect the customer experience with a brand in the near future. Therefore, they would be able to slowly switch “Remembered Experience”. One of the most important means that companies have to improve the consumer’s experience is the activity of design and innovation.

2.2 Brand touchpoints

Brands do not interact with consumers through a single element, but they do through various interactions. These interactions, called brand touchpoints, are those points with which a consumer comes into contact with a brand. Therefore, each brand touchpoints need to be designed so us to it delivers brand values in a consistent manner, in order to evoke and strengthen the brand at every point of the experience [Roscam 2010].

In this context, brand touchpoint design goes beyond providing a specific aesthetic related to the brand logo. Each brand touchpoint needs to be designed in such a way that it delivers brand values in an optimum way. Regarding brand experience construction, brand touchpoints should be designed based on the following five layers showed in Figure 1: The sensorial layer (a) refers to the aesthetic aspects, the behavioural layer (b) explores the type of interaction that customers have with the brand touchpoints, the functional layer(c) meets the functional attributes and benefits provided by each touchpoints to customers, the construction layer (d) describes the sort of technologies, materials and processes used and, finally, the mental layer (e) defines the meaning and emotions evoked by each touchpoint [Roscam 2010].

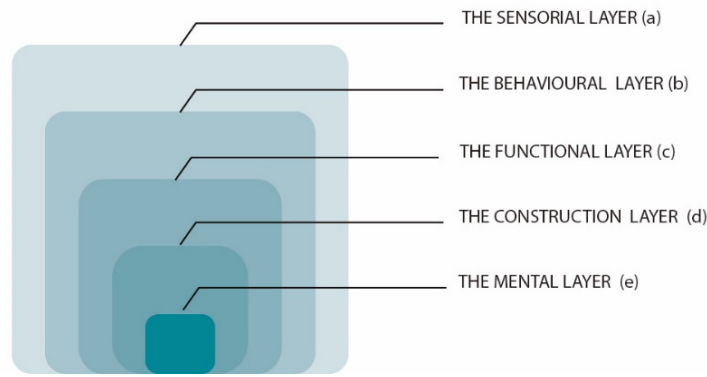


Figure 1. Design layers based on Roscam [2010]

However, an individual brand touchpoint is only a building block in the total brand experience. In addition to the importance of designing each individual brand touchpoint, it is also relevant to consider its role in the entire brand experience. Roscam [2010] uses a musical metaphor to express this idea. The brand experience is like a symphony. All brand touchpoints combined form an orchestra playing the symphony, so the task of each brand touchpoint is to contribute to the symphony by playing its specific part in harmony with the other brand touchpoints. In summary, it is necessary to orchestrate brand touchpoints in consonance with brand values.

Depending on the context, the target consumer or the consumer emotional situation, among others, may alter the above mentioned interactions over time. Therefore, it is important to understand that the brand experience is not only one time experience, but it is also the sum of several experiences [Roscam 2010].

2.3 Time and the experience journey

Each individual experience is a sequence of interactions over time. “Lived Experience” holds three key timing sequences: Pre, During and Post. For example, if the main action is to purchase a product, the experience of the purchase action involves three key sequences defined as: Pre-purchase, purchase and Post-purchase [David and Dunn 2002]. The Pre-purchase refers to the sequences happening before the main action of purchasing, purchase refers to the main action of purchasing and Post-purchase refers to the actions happening after the main action of purchasing.

Experience occurs over time and through different touchpoints. The time aspects are represented through the journey, referred as a customer journey. The journey framework considers both the emotional and the physical sides and helps to understand how customers behave along the journey, what they feel and which their attitudes and motivations are [Zomerdijk and Voss 2010].

The experience that customers have through brand touchpoints interaction will define what customers think and feel about the organization and how they understand and envision the brand.

2.4 Design approach for brand experience construction

Several authors focused on transforming distinctive brand values onto significant experiences using design. Getting brand values across requires the adequate designing skills. According to Roscam [2010], designers know how to transform abstract ideas, such as the brand, into specific forms, such as brand touchpoints.

When brand values are not embedded in the brand touchpoints design process, customers will get a diffuse and incoherent brand meaning every time they interact with different brand touchpoints. Conversely, if the brand is used to drive the design of the brand touchpoints, the customer perception regarding the brand meaning will be unified and consistent, leading to a unique, strong brand experience which will promote a tighter relationship between consumers and the company [Newbery and Farnham 2013].

The importance of design in brand values transformation is shown in the Semantic Transformation Model by Karjalainen [2003]. According to this model, the design activity stands as a central axis between the brand and consumer perception as it is shown in Figure 2. In addition, there is always a

certain amount of distortion involved in the Semantic Transformation which happens, specifically in two key moments: At the point in which brand values become brand touchpoints and at the point in which consumers interact with previously designed brand touchpoints and a specific brand perception is arisen.

Clatworthy [2012], within his method AT ONE, presented the Target Experience Tool, which is used to target experiences with respect to brand values and brand strategy. This model starts out from the brand DNA concept and suggests transforming the brand DNA into elements that have greater emotional and experiential associations. Those elements will be the ones which will form the definition of the aforementioned Target Experience.

Newbery and Farnham [2013] proposed a methodology to embed the brand in the design process so that brand experiences become engagement experiences. The basis of their methodology is to work in parallel both brand related aspects and customer experience related aspects.

Da Motta Filho [2014] presented a model that begins with the analysis and evaluation of the current consumer experience. This analysis helps to identify elements which make that experience unique and positive. Da Motta Filho [2014] proposed to use those elements as a driver to design an ideal brand experience.

The later author considered that every brand has attached an experience, even if it has not being consciously design for it. He considered the positive aspects of the current brand experience and he used them as a basis to define the new one.

3. Customer perception of brand experience

Brakus et al. [2009] defined brand experience as sensation, feeling and cognition and behavioural responses evoked by brand related stimuli. Experiences occur everywhere and at every moments, for instance when customers search for a product, enter a shop, receive a service. Whether the experience is intentionally design or not, whenever customers interact with a brand touchpoint, they get an impression of what the brand is all about.

During the experience journey, the touchpoints are the elements that carry out the brand values to the customer. Depending on what customers see, touch and feel they get one or another impression.

Customers are not just exposed to touchpoints utilitarian attribute but also to a variety of brand related stimuli. As an example, some of the stimulus received might be colour, typefaces, slogans, characters and shape [Keller 1987], [Gorn et al. 1997], [Veryzer and Hutchison 1998].

Brakus et al. [2009] argued that exist a considerable agreement in the categorization of the experiences by philosophes, cognitive scientists and management thinks on the existence on five experience dimension. Brakus et al. [2009] proposed a scale based on 4 out of 5 dimensions to evaluate the brand experience: sensory (a), affective (b), intellectual (c), and behavioural (d) dimension.

- The sensory dimension (a) is related to the aesthetic and sensory perception of the customer, based on the five senses (sight, hearing, touch, taste and smell).
- The affective dimension (b) has to do with customer feelings and emotions to a brand. So, this dimension attempts to provide the type of emotion related to a brand such as joy, fun, pride, nostalgia or frustration.
- The intellectual dimension (c) is related to experiences which encourage consumers to think, arousing their curiosity and creativity. In addition, this dimension examines whether brands stimulate debate and generate controversy.
- The behavioural dimension (d) is about consumer behaviour patterns in the long term and imitation of models and lifestyles

The scale explores the customer impressions, feelings actions and emotions using three items per dimensions. For instance, related to sensory dimensions they search if the brand makes a strong impression on the customer visual sense or other senses, if they find the brand interesting in sensory way or if the brand appeals to the senses.

Brand Experience Scale does not analyse how each touchpoints contribute to the brand experience construction instead it focuses on more holistic view of the brand experience related to “Remembered Experience”.

4. Brand Gap

In ideal situations, products function as manifestation of brand identity evoking certain association to the customer which are aligned to strategically defined brand messages [Karjalainen 2003]. However, brand messages embedded in touchpoints leave room to ambiguous interpretations. This ambiguity shows a gap between the brand and the customer and it happens when brand intention and the perceived experience do not match properly. Neumeier [2003] uses the Brand Gap concept to describe this idea. The concept encompasses the vision of the company in the form of brand values and the vision of the customer in the form of customer perceived experience.

Brands make use of brand values to define what they want to transmit. Brand values are characteristics that describe how an organization is, how it works and how it relates to their consumers [Newbery and Farnham 2013]. These values are general attributes which should guide and encompass company's products and service innovation in order to create a consistent and coherent brand experience.

The experience evoked by brand related stimuli is a set of sensations, feelings, cognitions and behavioural responses related to touchpoints [Brakus et al. 2009]. Each time the consumer interacts with a touchpoint a response is generated. During an experience, the consumer can interact with more than one touchpoint, being the perceived experience the sum of the responses generated through them.

The Semantic Transformation Model defined by Karjalainen [2003] is the design approach that best visualizes the existence of the Brand Gap. This model emphasizes the existence of distortion that might lead to the gaps between what the brand wants to communicate and the real experience perceived.

The distortions occur in two phases of the model, (1) between the brand and design and (2) between the design and the customer perception. The first distortion occurs when brand values are embedded in the touchpoints. Brand values, intangible by nature, are translated into design characteristics such as, colour, form, material and technology. Later, these characteristics are converted into touchpoints, which are ultimately the points of contact between the brand and the consumer.

The second distortion is due to the differences between the customer interpretation of the touchpoints and the reaction expected by the designer. The customer while interacting with the different touchpoints of the entire experience, assign values and meanings based on what they are seeing, listening or touching [Roscam 2010]. For example, one black product might have different connotations such as elegance, exclusivity, loneliness or sadness.

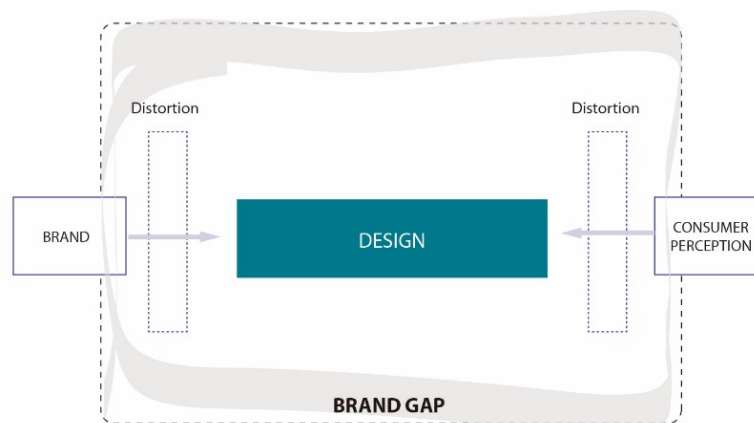


Figure 2. Brand Gap visualization based on the Semantic Transformation Model of Karjalainen [2003]

The fact that the brand does not evoke the desired values and meanings is mainly due to the aforementioned distortions. These distortions lead to inconsistencies and gaps between the values that the brand wants to communicate and the meanings the customer perceives. Those gaps are defined as the Brand Gap and they exist owing to distortions occurred in the Semantic Transformation Model [Karjalainen 2003].

The identification and analysis of differences between senders (companies and brands) and receptors (customers), together with understanding the context in which these differences occur, provides an

interesting approach for innovation opportunity identification not previously addressed, as it is shown in Figure 3.

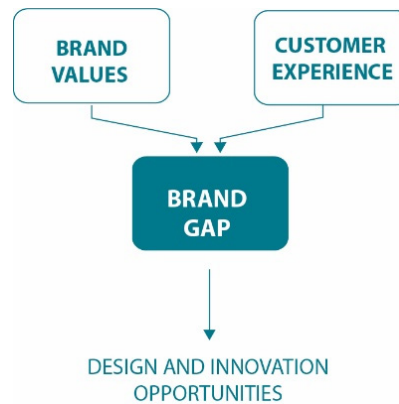


Figure 3. Brand Gap framework

The framework balances the experience from the brand perspective and from the customer perspective with the help of design .Thereby, firstly we explore the brand view (1), secondly the customer view (2) and finally the journey (3). This is visualized in the Figure 4.

The brand view (1) tends to understand how brand values are transformed into touchpoints. This transformation goes beyond providing a specific aesthetic related to the brand logo. Each touchpoint needs to be designed so us to it delivers brand values in an optimum way. The brand view involves deconstructing the touchpoints in design layers in order to provide information about design criteria used to communicate brand values [Roscam 2010].

The customer view (2) acts on sensations, feelings, and cognitions evoked by given brand stimuli. Each touchpoints create a response in the way of sensory, affective, behavioural and intellectual response [Brakus et al. 2009]. The customer view involves observing and identifying what the customer think, feel, act and behave during the journey and while interacting with different touchpoints.

The framework proposes to make a picture with both views of the brand experience, the brand view and the customer view. Firstly, understanding how the brand values have been made tangible along the journey. Secondly by interpreting how customers perceive, feel and act. These two views allow us to work on the construction and deconstruction brand path.

Thereby, understanding brand values and how these values are embedded in each of the brand touchpoints, companies could identify the reasons behind the emotions and feelings expressed by the customer. Thus, companies will be able to define and consider the Brand Gap over the journey (3).

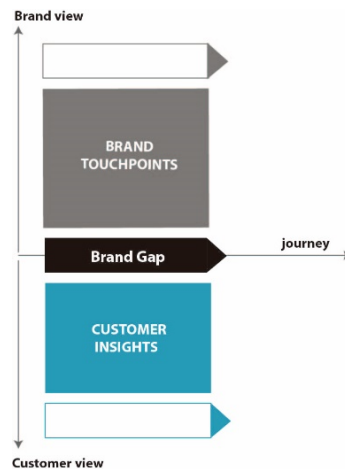


Figure 4. Brand Gap visualization framework

5. Discussion

Despite the awareness of the brand as a strategic asset capable of generating competitive advantage, several studies highlighted that the brand remains undervalued, especially in the field of design and innovation [Munchbach 2014], [ESADE 2014]. One of the reasons is the lack of methods and guidelines to integrate the brand as a key element in design and innovation processes [Clatworthy 2012], [Newbery and Farnham 2013].

The proposed framework introduced a new approach in brand experience construction based on the current experience analysis. Existing brands already have certain touchpoints in the market that generate a particular experience in the mind of the consumers [Da Motta Filho 2014]. However, distortions exist between what the brand wants to communicate and the perceived customer experience [Karjalainen 2003]. The review literature showed that existing methods tend to construct ideal brand experiences instead of understanding distortion occurred in current brand experiences. Our framework approached brand experience by exploring the reasons behind the existing distortions in real brand experiences.

In addition, the proposed framework brought together two domains of brand experience [Karjalainen 2003], [Roscam 2010], which were addressed separately when it comes to design for brand experience [Neumeier 2003]: (1) how the brand was embedded in touchpoints (deconstruction) and (2) how the customer interpreted and perceived them (construction). The former analyses which are the design cues used to transform brand values into touchpoint base on the five designs layer [Roscam 2010]. The latter explores the feeling and emotional existing when customer interact with touchpoints based on the dimension proposed by Brakus et al. [2009].

When customers and brands are isolated in the design processes distortions appear between what the brand wants to communicate and the perception customers have when interacting with brand touchpoints. Our framework helps us to identify and understand the reasons behind these distortions exploring three aspects: customer view (1), brand view (2) and the journey (3).

The brand view (1) explores how deep the brand values are embedded in touchpoints by deconstructing the current touchpoints in design layers. Thereby, the use of incorrect design criteria and cues when delivering brand values could be highlighted. For example, that the colour used to design the touchpoint is not linked to the brand logo, or that the meaning of the product is completely diffuse.

The customer view (2) shows how deep the customer is involved in the experience by observing and asking customer in a real situation. Consequently, we could discover if the impact touchpoints have in the different dimensions is the correct one. For instance, analysing aesthetic dimension, we could know if the customers have positive or negative responses when it comes to aesthetic aspects of the brand touchpoints. In addition we could also discover that the behavioural dimension is not covered by the current brand touchpoints.

The journey (3) might highlight the existing noise over time. This is done by observing how each layer and each dimension progress along the way. Observing the evolution of each layer we could know the way in which design cues have been embedded along the time. Besides; we could learn how the customer is affected observing dimension.

Thereby, interpreting how brand values were embedded in each of the brand touchpoints, and identifying the reasons behind the feelings and emotions of customers, companies could be able to define and understand existing distortions and reasons behind them. Consequently, allowing the definition of the Brand Gap. This fact opens the opportunity to use the comprehension of these distortions in order to drive design action which will improve the current brand experience.

6. Further research

The framework is presented in a theoretical state. Therefore, there is a need to test it through practical case studies that involve staff of the company, designers and consumers.

These case studies will enable testing, not only, the framework comprehensibility and usability, but also, the interest the results could have for the company.

The framework provides guidelines to activate innovation in the context of design for brand experience. Although the theoretical framework must be demonstrated empirically by means of case studies, it can be anticipated that the innovation guidelines envisioned in each brand gap level might bring innovation and improvement at touchpoints, or question and experience level.

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