

A Study on Establishment of Concept and Elements of Brand Design Management

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Abstract: Modern corporations tend to pursue design-oriented management structures in order to improve competitive power and brand value through the enhancement of design power. It is certainly true that Design Management and Brand Management as a business company's recent issue are core strategies for the contemporary business companies targeting the most powerful brand-asset-value establishment. But this study suggests that these two concepts should have organic relationship on the diachronic point of view. In the other words, only when the design-oriented Brand Management and brand-asset-value oriented Design Management is realized, it could be the most desirable business management strategy for its powerful brand-asset-value.

On this premise, Design Management and Brand Management should be developed as a synthetic concept which should be understood as one system, not the independent separate concept, in order to create the brand-asset-value in the more and more competitive environment. This concept is defined as "Brand Design Management" in this study. First, I defined the concept of the Brand Design Management on the diachronic point of view understood as one system through the theoretical consideration of each Brand Management and Design Management. Second, I extracted "Purpose", "Personal", "Personality", "Project", "Positioning" and "Practice" as the elements of Brand Design Management through the experts' interview based on the element of Brand Management and Design Management.

This study aims to be the guidelines for business management strategy in order to increment the company's brand value by defining the concept of Brand Design Management and extracting the necessary elements.

Keyword: *Brand Design Management, Brand Management, Design Management*

1. Introduction

1.1 Background of the Study

As the era has been changed by the industrial development, the business management also has experienced the great changes. Since the product purchase standard has changed from 'quality' to 'design' owing to the equalization of the technologies and the psychological satisfaction expected by the customers who purchase product has increased, the paradigm of the business management in the 21st century is focusing more on the importance of 'design' and 'brand'. These two elements have become a measure to satisfy the emotional needs of consumers and a core factor for the competitive edge of a company. Therefore, we have entered into an era of

so called 'brand design management' in which the issues of the brand management focusing on design of which ultimate goal is the enhancement of the brand value have to be handled synthetically rather than dealing with the 'design management' or the 'brand management' as an individual concept.

However, although we recognize the importance of the brand and design, we have focused more on the design development for the brand design and individual brand development rather than considering the overall outlook of the brand as a whole. On the other hand, in general, the brand management has been focusing more on the brand itself in terms of the marketing rather than focusing on the design. Therefore, the brand design management is required as a management skill focusing on design as a more extended concept beyond the scope of brand design or brand management.

1.2. Purpose and Scope of the Study

This study is focusing on finding out the elements of the brand design management which is required to establish the brand design management system and establish the concept of the brand design management as the management skill laying stress on the design by studying the management skills focusing on the design which is handled by the design management and complement such managerial skills to the brand management. For the management of the brand design management system, the organization of a new system and the comprehensive management are required. However, the elements and system of the brand design management based on above mentioned aspects has not been studied yet. Therefore, it is required to define the elements of the brand design management above all. The purpose of this study is to define the concept of the brand design management and draw out the elements of the brand design management which is the basis of the management of the brand design management system.

2. Concept and Elements of the Brand Management

2.1. Concept of the Brand Management

The meaning of the brand management has translated differently from the scholars and brand managers according to their point of view on managing the brand. After David A. Aaker(1991) who is considered as the forerunner of this field suggested the concept of the 'Brand Equity' for the first time, the importance of the brand management has highlighted and he contributes to the enhancement of the recognition on the importance of the brand management. From the late 1990's, many scholars had started to study more seriously on the brand management. In 2002, the Korea Brand Management Association (KBMA) made a definition on the brand management as follows based on the survey on the 30 kinds of brand management cases.

The brand management refers to a new management paradigm based on the relationship between customer vs product, product vs service and customer vs company unlike the traditional company management focusing on simple manufacturing industry. It means a serious of effort to create, operate and evaluate the brand which helps to communicate the relationships between the parties.[1]

This concept can be summarized as the "serious of management process which create, operate and evaluate the brand in order to establish a strong brand equity" focusing on customers.

2.2. Elements of the Brand Management

The researchers who studied on the concept of the brand management provide the concept of the brand management and information on what is to be managed for the brand management for us. In this study, the elements of the brand management are presented by integrating the opinions of the preceding researchers. The elements of the brand management shall be as the following <Table 1>.

Table 1. The domain and elements of the brand management suggested by the studies of preceding researchers

Researcher	Year	The field of Brand Management	Elements
David A. Aaker[2]	1996	<ul style="list-style-type: none"> • Comprehensive brand management (brand identity, brand position, brand system and brand equity, etc.) 	Brand Identity Brand System Brand Equity
David Arnold[3]	1998	<ul style="list-style-type: none"> • Support for the brand through the R&D, sales, production and finance which are the traditional function of a company. • Harmony between the external marketing environment and various capacities of the company • Harmony between the short-term profit goal and middle and long-term investment for development • Harmony between investment on the products and concept on the customers • A management process integrating the invested factors (market analysis, brand status analysis, setting the goal on future positioning, marketing mix test, and evaluation on implement) 	Brand Personality Brand Attribute Positioning Brand Strategy Setting the goal Evaluation on implement
Jean Norl Kapferer[4]	1998	<ul style="list-style-type: none"> • Establishment and management of the brand identity (Brand characteristics, value system, customer's ego image, culture of special relationships) • Various opinion decision related to the brand • Establishment relationships between product and brand • Management of the brand portfolio 	Brand Identity Brand Personality Brand Portfolio Brand System Brand Extension
Seth[5]	1998	<ul style="list-style-type: none"> • A brand management system for a right opinion decision regarding the long-term and enterprise-wide problems 	Brand Management System
Torten H. Nilson[6]	1998	<ul style="list-style-type: none"> • Including all the factors that can make the identity of the brand be recognizable to the customers such as products, services, advertisement, salesmen and telephone operator. 	Brand Positioning Brand Personality
Kevin Lane Keller[7]	1998	<ul style="list-style-type: none"> • All the marketing programs and activities which create, manage and evaluate the brand equity 	Brand Equity
Czerniawski & Malonry Delano Duncan Marconi Pringle & Thompson Upshaw	1999 1998 1997 1999 1990 1995	<ul style="list-style-type: none"> • Establishment of the brand asset • Establishment of the brand identity 	Brand Asset Brand Identity
Korea Brand Management Association[1]	2002	<ul style="list-style-type: none"> • The communication regarding the relationships between company and customer • A series of management procedure creating, operating and managing the brand 	Brand Personality Brand Equity

The results of the preceding researchers which is described by the above table can be a crucial clue regarding what is the most important thing to be considered for the brand management and what is the scope of the brand management. However, considering that the full-fledged study on the brand management has started not long ago and it has regarded as a part of the marketing which is the subordinate level to the brand management so far, this study finds out significant elements out of factors of the brand management which is asserted by the existing study rather than categorizing the above mentioned concept as they are.

- **Brand Identity** - It is a series of unique association of ideas related to the brand which is intended by the brand strategist to create and keep the brand image.
- **Brand Positioning** - As a part of brand identity and value suggestion to be delivered to the target customers, it refers to suggestion of strong points surpassing the rival brands.[2]
- **Brand Personality** - It refers to a series of the "humane qualities" which is related to the brand.[8]
- **Brand System** - It refers to a condition which is composed of entangled relationships between specific brand and subordinate brand.
- **Brand Equity** - It refers to both of assets and debts related to a brand, brand name and brand symbol.

Although there can be various kinds of factors to be regarded as the elements of the brand management, this study suggests a total of five (5) elements of the brand management such as ‚Brand Identity’, ‚Brand Personality’, ‚Brand Positioning’, ‚Brand System’, and ‚Brand Equity’ based on the assertions of the preceding researchers. Since the ‚Brand Positioning’ and ‚Brand Personality’ are the elements taking a role as the measures to establish the Brand Identity after all, these two elements can be included into the scope of the Brand Identity. However, they are categorized in separation from the brand identity since they are significant elements to manage the brand above all. The Brand System refers to a concept integrating the brand architecture, brand portfolio, brand extension, and brand leverage. Last but not least, the Brand Equity refers to the existing value of the brand including both of the assets and debts although it is used together with the term of brand property. The creation of the brand equity is the final goal of the brand management.

3. Design-Oriented Management Elements

3.1. Concept of the Design Management

From the very first definition on the design management by the Michael Farr(1966)[9], many scholars and working levelers has suggested various opinions on the design management and more studies has done actively after 1990.

After all, the design management includes not only the management of the design projects to obtain a good outcome, but also the achievement of the mission and goal of the company by means of managing the design recourses and organization. Therefore, the concept of the design management which is defined by this study shall be as follows.

The design management is the activities of designing and operating the system related to the process of developing and managing the design efficiently in order to operate the company focusing on the design.

The design management refers to the integrated management of design on the level of management, organization and strategy, and it also means the management of the design system of the company. It has a thread of connection with the view of the Mark Oakley(1990) who emphasized the dualistic features of the design which is the unity of the company process and management paradigm. The design management is a creation of a suitable business environment in order for the company to achieve the strategic goals and missions through the design. It also means to establish an effective system and manage it efficiently.

3.2. Elements of the Design Management

The preceding studies which give a definition on the design management provides an insight on elements and scope to be handled by the design management. It shall be as following <Table 2>.

Table 2. The scope and elements of the design management defined by the preceding studies

Researcher	Year	The field of Design Management	Elements
Alan Topalian[10]	1980	<ul style="list-style-type: none"> • The level of project Design management • The level of corporate Design management 	Strategy&Purpose Project
	1986	<ul style="list-style-type: none"> • Short-term design management: Managing a design project • Long-term design management: Management of "global design" 	
Mark Oakley[11]	1984	<ul style="list-style-type: none"> • Design Project Management • Design policy Management 	Strategy&Policy Human resources Project
	1990	<ul style="list-style-type: none"> • Managing the integration of design in the corporate structure at the operational level (the project), the organizational level (the department), and the strategic level (the mission) • Managing the design system within the company 	
Patrick Hetzel[5]	1998	<ul style="list-style-type: none"> • Managing design • Managing a company according to design principles • Managing a design firm 	Process
Blaich & Blaich[5]	1998	<ul style="list-style-type: none"> • Contributing to corporate strategic goals by developing and auditing a design policy, articulating the design policy alongside corporate identity and strategy, and using design to identify needs • Managing design resources • Building a network of information and ideas 	Strategy&Policy Human&material resources Information resources
Kyung Won Chung[12]	1998	<ul style="list-style-type: none"> • Corporate Design Management • Design Organization Management • Design Project Management 	Strategy Organization& human resources Project
Earl N. Powell[13]	1998	<ul style="list-style-type: none"> • PURPOSE: Purpose is the fuel of life, giving both energy and direction. Commonly, this term can as said as strategy. • PEOPLE: People are the building blocks of organizations. Their actions and decisions determine their future • PRESENCE: The unwritten dimensions of an organization that operate informally, yet have a powerful influence on decisions and human interactions • PROCESS: The complex process of moving from concept to market demands careful thought and broad expertise. • PROJECT: Managing or working on a project team is much more than just meeting schedules. • PRACTICE: Practice supports the design resource group through the day-to-day operations of finance, performance planning, and human resource development. 	Strategy&Purpose Human resources Organization culture Process Project Practice&Support

Based on such preceding studies, one profession of the design field and one profession of the management field worked together with me for the re-classification of the similar items and draw the final results of the re-classification through comparison and review.

According to the result of the classification, the element of the design management is summarized into the strategy & purpose, personnel & organization, organizational culture & presence, project, and practice & process. And I categorized them into 5 elements such as Purpose, Personnel, Presence, Project and Practice by coordinating the element of the design management.

- **Strategy & Purpose** - The design of purpose is significant for not only the design management, but also the company management. The strategy and purpose are considered as the crucial factors above all when the design management is related to the company management beyond the simple project management or design organization management.
- **Personnel & Organization**- The effective selection, positioning and management of the designers are also an important factor which can not be ruled out. The role of the design manager is significant since the individual personnel is not only a basic unit composing the organization, but also a factor deciding the future of the organization.
- **Organizational Culture & Presence** - It is about the undefined company rules and company culture which is called as the "The Company way". The understanding on the organizational culture is a critical element for the effective design management.
- **Project** - The successful management of the design project on the level of short-term is a momentous factor since it can function as an important bridgehead to secure the competitive edge through the design and design-oriented company operation in the long run.
- **Practice & Process**- It is a supportive factor helping the normal element management of the design management in the course of carrying out the design management and it includes integrated management of design, management and support of information and idea, development and support of human resource and financial support. It refers to a series of process from beginning to end, from long term to short term.

4. Concept and Elements of the Brand Design Management

4.1. Concept of the Brand Design management

The brand management defined by this study refers to the establishment of the brand identity as a ultimate goal of the company and establishment / operation of a management system for that. In case of the design management, it refers to not only the design-oriented company management, but also development of effective design and operation of the effective management system for the design-oriented company management. Under such condition where the integrated system to create, develop, operate and manage the brand is demanded, the design management is related to the creation and development of the brand (it means the brand related to the meaning of "perception" including the entire process such as product, advertisement, production ,package, marketing and research, etc.) and includes the concept of brand management for the strategy, goal and evaluation of the brand equity which shall be pursued by the company ultimately. Followings are the definition of the 'Brand Design Management' suggested by this study based on the above mentioned propositions.

The Brand Design Management refers to various activities related to the establishment and operation of the system for the effective creation, development and management of the design oriented company brand.

4.2. Extraction of the Brand Design Management Elements

The elements which are extracted in advance are used as the evidential materials to abstract the elements of the brand design management. The extracted elements are explained fully through the 1:1 profound interview with the professionals in design and management field by the researchers, and the responses are collected from the interviewees on the relevance as the elements to be manage chronically for the management system as a brand

management system focusing on the design when the above mentioned factors are operated in one broader management system called brand design management.

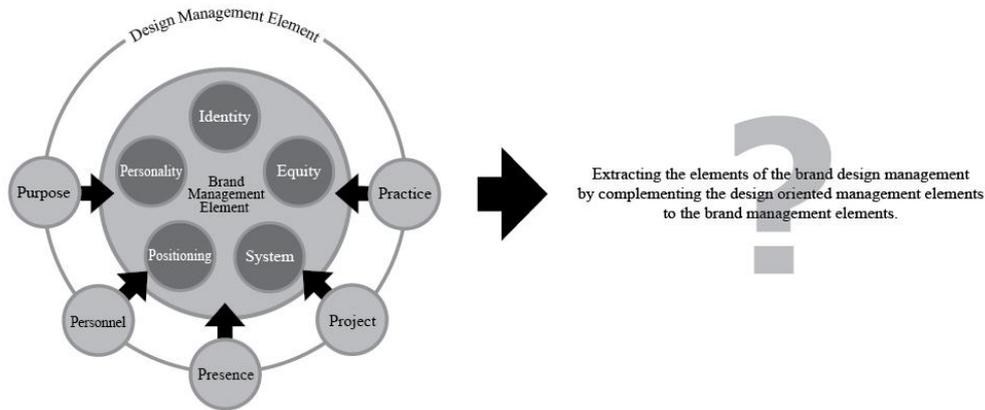


Figure.1 Extraction Process of the Brand Design Management Elements

In the course of the interview, the elements of the brand management and design management are explained fully with the purpose, concept and contents of the brand design management. And responses are collected regarding 25 sets of relevancy matrix (5 elements of the brand management × 5 elements of the design management) with respect to the 5 elements of the brand management and 5 elements of the design management. The accountability of the response results are secured by selecting a total of 20 interviewees from the people who work in each field; 10 from the design field and 10 from the management field (each of the group is compose of 5 from the academy and 5 from the enterprise)

Table 3. Overview Row Points^a

Design Management Elements	Mass	Score in Dimension		Inertia	Contribution				
		1	2		Of Point to Inertia of Dimension		Of Dimension to Inertia of Point		Total
					1	2	1	2	
Purpose	.294	-.955	.153	.114	.643	.025	.981	.016	.998
Personnel	.250	.314	-.719	.046	.059	.479	.224	.762	.986
Presence	.206	.634	.794	.070	.198	.481	.494	.504	.999
Project	.147	.528	-.068	.018	.098	.003	.974	.011	.984
Practice	.103	-.056	-.181	.008	.001	.012	.018	.119	.136
Active Total	1.000			.255	1.000	1.000			

a. Symmetrical normalization

Table 4. Overview Column Points^a

Brand Management Elements	Mass	Score in Dimension		Inertia	Contribution				
		1	2		Of Point to Inertia of Dimension		Of Dimension to Inertia of Point		Total
					1	2	1	2	
Identity	.176	-.672	.252	.037	.191	.042	.894	.082	.975
Positioning	.147	.540	-1.098	.066	.103	.656	.269	.721	.990
Personality	.206	.911	.628	.094	.410	.300	.761	.234	.995
System	.162	-.872	-.008	.052	.295	.000	.988	.000	.988
Equity	.309	-.024	-.044	.005	.000	.002	.014	.030	.043
Active Total	1.000			.255	1.000	1.000			

a. Symmetrical normalization

The seven-point scale (1- no relevancy, 7- high relevancy) measurement is used to classify the response which is used for the statistical analysis through the coding process. The SPSSWin is used as a program for the data analysis which is done in order to analyze the interview contents to abstract the elements of the brand design management. For the analysis method, the correspondence and agreement analysis method is used in order to figure out the relevancy through the similarity analysis of the line and column. The analysis results shall be as the following <Table 4>and <Table 5>. The <Figure 2> is the relevancy described by the preference method.

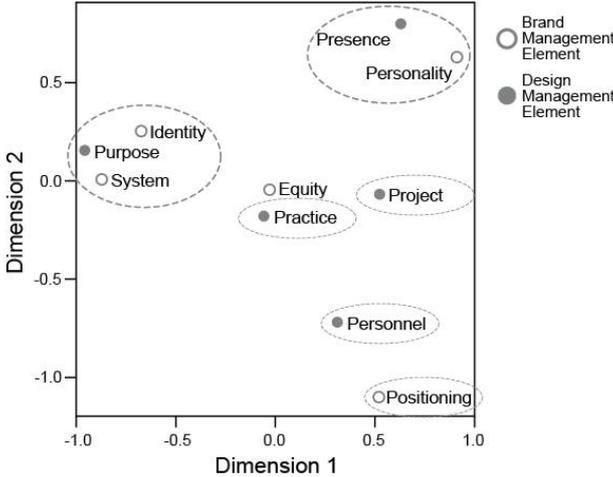


Figure.2 Row and Column Points Symmetrical Normalization

If the distance is close on the < Figure 3>, it means that the relevancy between the two elements is high since the relevancy of each element is measured by the interview. The establishment of the brand equity which is the ultimate goal of the brand design management shows a close relevancy with all the elements rather than having a relevancy with an individual element as it is positioned in the center of the horizontal axis (0.0) and vertical axis (0.0). In case of the relevancy between the individual elements, Purpose, Identity and System show similar relevancy and Presence and Personality show similar relevancy as a differentiated element. in addition to this, it seems to be desirable to consider the four element such as the Project, Practice, Personnel, Positioning as an individual element rather than finding out the relevancy.

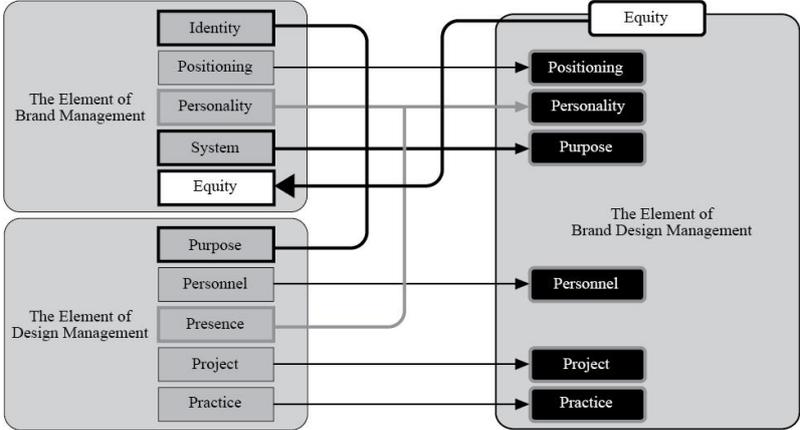


Figure.3 Extraction of brand design management elements

Therefore, in this study, the 'Identity' and 'System' element which are included into the elements of the brand management are categorized into a single element with the 'Purpose' which is the element of the design management. Also the 'Presence' which is the element of the design management and 'Personality' which is the element of the brand management are considered as a one element. And one element of the brand management which is 'Positioning' and 3 other elements of the design management such as 'Personnel', 'Project and, 'Practice' are composed of the 6 elements of the brand design management. Following <Table 4> is a diagram describing the process of extracting the brand design management elements.

4.2.1. Purpose

Although the brand identity and purpose can be interpreted somewhat differently, both concepts are required to be regarded and managed as the same factor in the aspect of long term plan and purpose to establish a strong brand equity. In case of the brand system of which goal is the efficient management of the overall hierarchy of the brand for the brand management, those two factors are required to be considered as a similar factor as a long-term management road map with the purpose and identity under one management system so-called brand design management.

4.2.2. Personnel

The personnel is a matter related to the human resources and organizational management and it is about the selection and disposition of human resources and role of managers. Although it is a matter of internal system of the design management, it is an element which should be managed with importance.

4.2.3. Positioning

It is matter about where to put the brand under the big frame of the brand identity. It is an element handling the relationships between customer and brand, and an important element to be handled from the very early stage of planning the development.

4.2.4. Personality

It can be understood in line with the importance of the understanding on the organizational culture for the design management and personality management for the brand management. The personality as an element of the brand management is considered as being similar to the presence of the design management. It is because that the company culture or organizational characteristics is reflected to the brand as they stand and establish the brand personality naturally.

4.2.5. Project

After setting the purpose, various projects such as internal coordination project and external coordination project are carried out in order to achieve the purpose. An operation system is required realize an efficient brand design management through the effective management of such projects. It does not mean a simple successful management of the project, but means that a single efficient organization structure and systematic management are required for the purpose of achieving the project successfully as an element and a practice method for the brand design management,

4.2.6. Practice

The practice has supportive features helping the normal management and operation of the above mentioned 5 elements of the brand design management. Although the other 5 elements of the brand design management are

designed respectively without any problem, a unified management system is required in order to tackle various bottle neck problems occurred in the course of operating the entire system.

Although the brand equity is the only element which is not included into the other elements out of elements of the brand management and design management, it is handled as an ultimted goal of the brand design management rather than considering it as the element of the brand design management since the brand equity is not a management factor, but an all-inclusive concept made naturally when the purpose, positioning, personality, human resources, project and practice management is carried out efficiently and successfully.

5. Conclusion

The purpose of this study is to identify the matters to be managed preponderantly in operating a company focusing on the design and brand which has emerged as the core value in business management. This study is started from the necessity for the design and operation of a new company management system which is oriented towards the design. Therefore, the concept and necessity of the brand design management is suggested by this study by reviewing the existing studies on the brand management and design management in the above mentioned respect. A total of 6 elements are suggested to be handled by the brand design management such as Purpose, Personnel, Positioning, Personality, Project and Practice. It is believed that the results of this study may bring forward a guide line and insight for the studies related to the brand design management by making a clear definition on the scope of the concept and elements of the brand design management which is required for the future studies on the brand design management system.

In future study, I would like to suggest a specific implementation method through the theoretical and case study on the 6 elements of the brand design management suggested by this study in order to establish the brand design management system which .is the ultimate purpose of this study.

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