

# The Approach of Product Identity about Ceramic Brand Companies in Taiwan

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**Abstract:** Product identity is the norm that industries set up to create a consistent image among diverse product series, and a crucial factor linking business philosophy and the property of product design. It plays a great influence on the expression of the corporate philosophy and the conveying of corporate image. Taiwan's ceramics industry has produced many successful brand building cases over the years. This study intended to explore, through case study and interviews, how some ceramics industries had succeeded in brand building and product identity management. Further discussion focused on the designing method that industries adopt in establishing product identity. The study acquired seven conclusions: 1) Product identity should have three different purposes: providing consistence, generating an identity and conveying brand image connotation; 2) Corporate organization mode could play a positive role in conveying the ideas that brand aimed to transmit; 3) Repeated checking and reviewing of designing process may assure the product's conformance to brand appeal; 4) Most successful companies tended to adopt differentiation strategy; 5) Texture, color and unique technique comprised the major part of product identity created by most brand companies; 6) Design style and trademark arrangement were the most frequently used designing methods, while texture was the next in sequence; 7) Company's unique technique could be the key to product identity building.

**Keywords:** *Brand, Brand Management, Product Identity*

## **1. Introduction**

As globalization continues, Taiwan companies will face more competitions because extensive products are entering in the existing market. Therefore, Taiwanese industries gradually turned from OEM (original equipment manufacturing) to OBM (own branding manufacturing) in order to maintain business competitiveness. Thus, brand management and brand identity are important to Taiwan companies. Aaker (1996) believed that establishing and managing brand names must start with brand identity, which serves as an important provider for the structural direction, goal and meaning of the company brand name. Lin (1987) illustrated that corporate identity system (CIS) can be divided into three parts: mind identity (MI), behavior identity (BI) and visual identity (VI). Products, a part of visual identity, can be considered as the most direct and concrete areas while consumers contact companies or brands.

Product identity (PI) is the norm that industries set up to create a consistent image among diverse product series. Although it is only one of many links within CIS, product identity is nevertheless on the front line which contacts directly with consumers. However, current VI consists mostly of trademark and standard font, while the importance of PI has long been neglected (Chen, 2001). In fact, PI has been used in many international brands and companies. For example, Japanese brand MUJI prefers to show black, white and gray on its products to convey an idea of natural style; American brand APPLE is easily discriminated from other brands because most of its products are white, and APPLE owns its unique operation mode. Taiwan's ceramics industry also has produced many successful brand building cases over the years. The research goal in this paper intended to explore, through case study, how ceramics industries have succeeded in brand building and PI management. Further discussions focused on the designing method that industries adopted in establishing PI.

## **2. Literature Review**

### **2.1 Brand Management**

According to the American Marketing Association, a brand is a name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers. The legal term for brand is

trademark. A brand may identify one item, a family of items, or all items of that seller. If used for the firm as a whole, the preferred term is trade name <sup>[3]</sup>. Many studies about brand management involve brand equity and brand assets. For example, Faircloth et al. (2001) pointed that to contribute to positive brand development and management, brand equity must move beyond its growing. Upshaw (1995) believed brand management referring to brand assets which can be divided into brand valuation and brand identity. Keller (1993) presented brand equity from the viewpoint of the individual consumer. The Consumer-Based Brand Equity (CEBE) was defined as the differential effect of brand knowledge on consumer response to the marketing of the brand. Aaker (1992) considered that brand equity is a set of brand assets and liabilities; it is linked to the brand's name and symbol; it can subtract from, as well as add to, the value provided by a product or services; it provides value to customers as well as to a firm. Five brand equity assets are the source of the value created including brand loyalty, brand name awareness, perceived brand quality, brand association in addition to perceived quality, and other proprietary brand assets (e.g. patents, trademarks, channel relationships), as shown in Table 1.

Aaker (1996) also considered that brand management and brand building can focus on brand identity and developed a comprehensive brand identity planning model to ensure that a company's brand identity has texture and depth. The model indicates brand strategists to consider the brand as: a product, an organization, a person, and a symbol. Each perspective is distinct. About brand as a product, all product-related attribute can create a value proposition by offering something extra like features, services, or emotional benefits. Therefore, we believe PI playing an important role in brand management.

Table 1: Brand equity generates values

Brand Equity	Values
Brand Loyalty	Reduced marketing costs; Trade leverage; Attracting new customers; Time to respond to competitive treats
Brand Awareness	Anchor to which other associations can be attached; Familiarity-linking; Signal of substance/commitment; Brand to be considered
Brand Quality	Reason-to-buy; Differentiate or position; Price; Channel member interest; Extensions
Brand Association	Help process and retrieve information; Differentiate or position; Reason-to-buy; Create positive attitude and feelings; Extensions
Other Proprietary Brand Assets	Competitive advantage

## **2.2 PI: Product Identity**

In CIS, product is one part of VI and also the most familiar part for consumers to recognize a company. Within various categories of consumer goods, it is easy to name a number of brands that are not only known for high quality products but also for their recognizable design. These brands use specific design features consistently over their product lineups (Karjalainen, 2007). Therefore, when specific features occur in all products bringing consistency, a company's PI can be defined. Chan (2000) pointed out that a style is recognized by means of perception across products. Perception is to recognize, be aware of, or understand the message revealed in a product. If a set of features (forms) occurs repetitiously in a number of products, a style emerges. The term feature covers patterns (detail treatments), physical forms (materials and treatments), or characteristics (textures and colors). Chen and Owen (1997) suggested that people can distinguish products from six aspects: form elements, joining relationships, detail treatments, materials, colour treatments and textures. In words, PI is an important part in CIS, and brand can be identified through coherent product style. However, brand identity in Taiwan focuses mostly on graphic design, and PI's applications are less explored in CIS and brand related issue.

## **3. Methods**

For the purpose of understanding existing brand management and designing methods of PI, case study and interviews are used in this study.

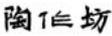
### **3.1 Cases Selection**

The cases selection for interviews focused on several conditions. Selected cases must belong to Taiwan ceramic companies which have activities of R&D (research and development), design, production and marketing. These ceramic companies must own registered names, trademarks, or brands. Besides, larger scale and higher profit ceramic companies were chosen because their experiences were worthy of being a paradigm for other companies. Based on these criteria, five brands were chosen for interviews: *Franz*, *Tang Dynasty*, *Liven Chain*, *Lin's Ceramics*, and *Formosart*. Brand *Liven Chain* and *Tang Dynasty* belong to the same company. All five cases possess the ability of mass production.

### 3.2 In-depth Interviews

Before interviews, we executed a pilot interview to emend questions and find two results. Dividing PI into several aspects beforehand (e.g. form, color, texture, and operation) may limit the participant's thought. PI may be influenced by the inner management mode of companies. Therefore, reflecting on pilot interview results, questions for the interview included two parts: product design and brand management. In product design, we analyzed and concluded each case's PI designing methods first, then asked participant suggestions to modify them. In brand management, we asked participants about inner management information. That is, special rules and norms in order to maintain a consistent brand image. Detail of the cases and the interview participants are shown in Table 2:

Table 2: Detail of cases and interview participants

	Case 1	Case 2	Case 3	Case 4	Case 5
Company	Franz	Creative Teamwork Studios		Aurlia	ChinaArt Ceramic
Brand	Franz 	Tang Dynasty 	Liven Chain 	Lin's Ceramics 	Formosart 
Foundation time	2001	1986	1999	1983	1972
Scale (employees)	830	250		41	12
Profit (NT./year)	6-7 hundred million dollars	2.2 hundred million dollars		1 hundred million dollars	1800 ten thousand dollars
Interview participants	Mr. Lee	Miss Hsieh		Mr. Lin	Mr. Hsu
Professional title	Designer	Product Manager		General Manager	Factory Chief

## 4. Results and Discussions

This study illustrated approaches of building PI in two aspects: brand management and product design.

### 4.1 Brand Management

Brand management is discussed in four aspects: 1) brand name concept; 2) corporate organization mode; 3) checking and reviewing of designing process; and 4) brand strategy. We noticed that every case possesses a clear and definite brand name concept, which is mostly an invisible spirit symbol. Brand name concept is a key for companies to decide product style and differentiation.

Otherwise, the deeper each employee understands brand name concept, the more effective companies can work its brand strategy. Many cases preferred to adopt an easier-communication mode that can get more contact opportunities between employees and decision makers. For example, leaders in *Franz* are taking turns in each department so all employees has chances to take part in making the core policy; policy-making at *Formosart* is made by all members. PI can answer brand name concepts easily due to better communication.

The checking and reviewing of designing process could be a key approach for companies to administer PI so that the products would match the brand image. When more repeated checks and reviewing are executed in a company, stronger PI and product images will be built. Furthermore, both the leader's thinking and the salesmen's opinions are useful for making the product's conformance to market and brand appeal.

Almost all cases (except *Formosart*) adopted differentiation as the competitive strategy to achieve market segmentation and PI building. Besides, most cases adopted new product strategies, and only two cases (*Liven Chain* and *Lin's Ceramics*) adopted new market strategies. Because the ceramics industry in Taiwan is in a mature stage, it is hard to find new markets. Moreover, cases mostly sell products with higher price to keep their market positioning, so a price war almost did not occur here.

## **4.2 Product design**

In Table 3, product design is discussed through design style, trademark arrangement, product form, color, texture, operational mode, and unique techniques. First of all, all cases adopted design styles and trademark arrangements as PI. Design style which could be a common designing method to convey unique feeling and brand name concept. Trademark arrangement could be the most direct way for consumers to recognize a brand.

Product forms could be divided into shape element, design subject, pattern, accessories and detail treatments. The majority cases adopted shape element and design subject to build PI. Cases with higher profits and larger scales (*Franz*, *Tang Dynasty* and *Liven Chain*) preferred using specific design subjects (e.g. mascots or Nature)

to display their brand name features. The other cases used similar shape elements to display product consistency. We inferred that *Franz*, *Tang Dynasty* and *Liven Chain* have better capital to develop techniques and more categories of products, so their products displayed different design subjects and less shape element consistency. Some cases with lower profits and smaller scales (*Lin's Ceramics* and *Formosart*) may use similar patterns, though not that frequently. Besides, consistent accessories and detail treatments are rarely adopted in the ceramic industry.

Concerning color, main color and special color should be discussed. Every case adopted a main color to get PI and brand identity. Main colors were often the same as company standard colors, so that visual feeling would be unified, and special colors are rarely adopted.

In texture, materials and surface treatments should be discussed. Each case adopted same argil material in all products in order to maintain consistency, because argil could play an important role in ceramic industry. Besides, we found out that surface treatments can influence the consumer's feeling and impression toward brand and product, so it is also an important designing method in ceramic industry.

Table3: Summary of PI building

Brand name		Franz	Tang Dynasty	Liven Chain	Lin's Ceramics	Formosart
Design style		●	●	●	●	●
Trademark arrangement		●	●	●	●	●
Form	Shape element	○	○	○	●	●
	Design subject	●	●	●		●
	Pattern				○	●
	Accessories				○	
	Detail treatments	○			○	
Color	Main color	○	●	●	●	●
	Special color		●	●		
Texture	Material	●	●	●	●	●
	Surface treatments	●	○	○	●	●
Operational mode	Operation				○	
	Function			●	○	
Other	Unique technique	●	●	●		

● all products adopted

○ parts of products adopted or unclear

Consistent use of the operational mode as PI is rarely adopted, because the ceramic product's operational mode is usually very simple and similar. In these cases, the most that could be done was to make the product's operational and function natures match its brand name concept. For example, the brand name concepts of *Liven Chain* and *Lin's Ceramics* both placed emphasis on the product operational mode.

In this study, unique technique was also an important method about PI building. Cases with higher profits and larger scales (*Franz, Tang Dynasty* and *Liven Chain*) used unique techniques to produce product form, color and functions that can bring brand features and differentiation in market.

## **5. Conclusions**

This study acquired the following conclusions:

1. PI may have three different purposes: providing consistence, generating an identity, and conveying brand image connotation. PI can be adopted to build solid product image and maintain brand loyalty. Through unique technique and product design, brands could be discriminated from their competitors, and brand value could also be increased by PI. In addition, PI could be a media to convey brand image connotation that is similar to corporate identity.
2. Corporate organization mode could play a positive role in conveying the ideas that brand aims to transmit. The easier-communication mode is usually adopted by some successful companies because employees could understand brand name concepts and policies completely and directly.
3. Repeated checking and reviewing of the designing process may ensure the product's conformance to brand appeal. Opinions of all members should need to be seriously considered for perfecting products in any scope.
4. Most successful companies tended to adopt a differentiation strategy. It may be the easiest strategy for brands to build PI. When companies propose to show its brand feature and differentiation, they must put lots of time and effort for PI to highlight product style.
5. Texture, color and unique techniques comprised a major part of PI created by most brand companies, while

the form was the next and least-used function. Because the company goal and brand appeal were different, the major part of PI might be different.

6. Design style and trademark arrangement were the most frequently used designing methods, while texture was the next in sequence. Companies used same design style in products in order to achieve consistent PI, because consumers could easily sense the design style. Trademark arrangement was also the most common and direct way to show PI. Moreover, companies also put emphasis on texture selection and surface treatment to fit brand image together with bringing differentiation and identification.
7. The company's unique technique was the key to PI building. Through the company's unique technique, the product form, color and functions could be turned into brand name special features that other brand names could not imitate, and maintain its unique differentiation in the market.

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