

Semiotics and Strategic Brand Management

Laura R. Oswald
Associate Professor, the University of Illinois
loswald@uiuc.edu

Semiotics and Brand Equity

Over the past ten years or so, brand strategy researchers have come to recognize the importance of brand communication in building and sustaining brand equity, the value attached to a brand name or logo that supercedes product attributes and differentiates brands in the competitive arena (See Sherry 1987, Umiker-Sebeok 1987, Aaker 1991, 1995; Schmidt 1995, Floch 2005, Holt 2004, Mick & Oswald 2007, Ries & Trout 2000). The contribution of brand meanings and perceptions to profitability – the Coca Cola brand is valued at over \$70 billion - testifies to the power of symbolic representation to capture the hearts and minds of consumers by means of visual, audio, and verbal signs. The semiotic – or symbolic - dimension of brands is therefore instrumental for building awareness, positive associations, and long-term customer loyalty, and contributes to trademark ownership and operational advantages such as channel and media clout. Consequently, managing brand equity means managing brand semiotics.

Thus rather than define brand semiotics as a supplement to the traditional marketing toolbox of product, price, promotion and placement, I propose that brand equity management is entirely semiotic, and that a brand can be defined as a *system of signs* and symbols that engages the consumer in an imaginary/symbolic process that contributes tangible value to a product offering. This process may

include a vicarious experience, a relationship, or need fulfillment and may operate at the levels of product, price, promotion, or

A brand is a system of signs and symbols that engages the consumer in an imaginary/symbolic process that contributes tangible value to a product offering.

placement. Semiotics is thus a cornerstone of brand equity management, since symbolic communication ties consumption to the form of brand communication in advertising, packaging, and brand logo.

The Complexity of Marketing Sign Systems

As a sign system, brand communication is achieved through a complex matrix of signifying elements, including material, structural, conventional, contextual, and performative dimensions. Let me illustrate this reference to the logo for the McDonald's (on the right).

- *Material* – a visual icon.
- *Structural* – golden arches, red background, brand name superimposed on the arches in white, squared font. The arches located to the left of the square so the logo moves off to the right, suggesting movement.
- *Conventional or Codified* – the golden arches, the color scheme, and the brand name consistently signify the company and brand offerings for the McDonald's company. Anywhere in the world, in various languages, this logo tells the consumer that a burger and fries are not far away. (French McDonald's, on the right)



- *Contextual* – The time and place in which the logo is situated contributes to the subjective connotations of this sign system. For example, while some consumers in the U.S. market may associate McDonald’s with cheap, unhealthy fast food, in many markets in the world, such as China, McDonald’s represents a special treat. The contextual environment may also embed brand communication in cultural archetypes and myth, creating either positive or negative associations derived from local interpretations of the message. (Example below)
- *Performative* – Marketing sign systems engage consumer/spectators in a communication event by means of codes inscribing subject positions for I and you in representation. This dimension is crucial for building brand relationship and for calling the consumer to action, i.e. making a brand choice.

Controlling for Cultural Nuances

Marketers have more or less control over the material, structural and conventional elements of brand communication, but risk miscommunication and ambivalence at the levels of the contextual and performative elements. A case in point is the representation of women in an annual report for the McDonald’s corporation dating back to 1996. By decoding gender archetypes in the ads, I reveal an unfortunate stereotype about the role of women that could tarnish the brand.

Before I show that case, I will introduce the reader to elementary semiotic analysis of a cultural archetype that was placed on the side of a Pioneer Satellite in 1970, with the express purpose, according to NASA scientists, of communicating universal meanings about mankind to the potential interlocutors from outer space. (Image, right) A two-stage semiotic analysis reveals the difficulty of this task. Even if there were space creatures who ‘read’ visual communication in the expected way, they would not obtain an objective, universal understanding of mankind but a stereotypical communication about the dominance of the white male in the West at the end of the millennium.

A cursory binary analysis of the organization of the figures in the frame, the direction of their looks, and the details of their presentation, leads to paradigmatic oppositions linking the male to power, speech, action, and self-control, and linking the female to passivity, silence, inaction and lack of control. The male stands upright and strong in the foreground, feet planted squarely on the ground, looking out with authority towards the spectator and communicating with his right hand. The female slouches in the background, looking to him (is “spoken” through him?), relaxed, hands at her sides. The binary analysis is summarized in the following grid:

Plotting the Cultural Archetype	
Male	Female
Foreground	Background
Upright	Slouching
Strong	Weak
Looking	Looked at
Speaking	Silent
Power	Lack of Power

Implications for Brand Equity

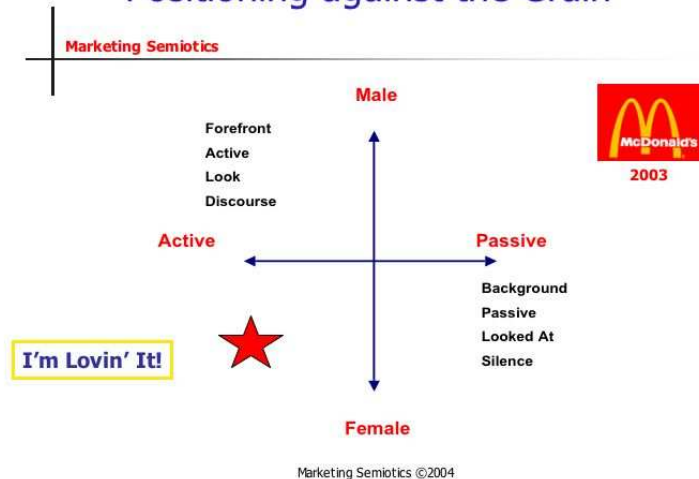
A quick look at the representation of women in an old (1996) annual report for the McDonald's corporation illustrates the implications of the cultural context for brand communication. In the following ad, the two men engage in a power play – shaking hands, addressing each other with speech and looks, standing strongly and securely in the foreground of the image. The woman sits silently in the background, at a level below the men, eyes looking up to them as if to silence her own voice by listening to the men. The majority of the ads in this particular annual report repeat this pattern, supporting a discourse about the role of women in the brand legacy that belies the marketing strategy of a brand targeted, at that time, to moms and kids.

The following binary grid demonstrates how the representation of cultural archetypes translates into brand positioning, and suggests ways a more relevant brand positioning in 2003 transcended cultural stereotype and included active females.

1996 Annual Report

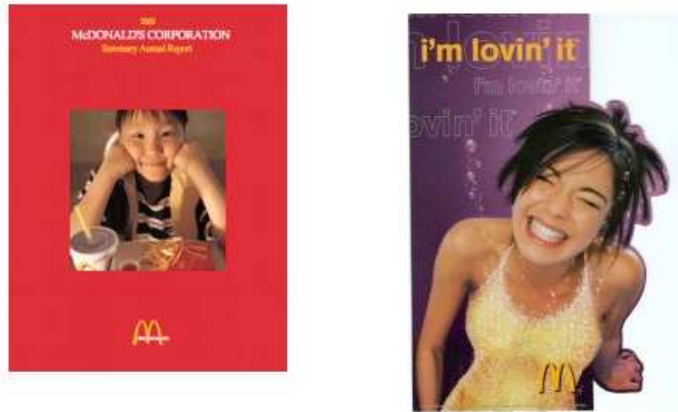


Positioning against the Grain



McDonald's made the correction in future advertising, signaling a strategic response to the changing cultural environment. In following years, both the annual report and advertising communicated multicultural, assertive women looking straight into the camera, reflecting the post-modern nuances of global consumer culture. (Ads attached.)

McDonald's Repositioning 2003



Conclusions

Semiotics has important applications to strategic brand management by helping researchers clarify brand identity, personality, and associations the brand communicates in relation to its history (in diachronic perspective) and in relation to the current competitive environment (in synchronic perspective). By locating the meaning of logo, packaging, and advertising messages in the broader system of the brand positioning discourse, semiotic analysis enables marketers to tie brand communication to marketing strategy and brand legacy, and remain relevant in a changing cultural environment.

References

- Aaker, David (1991) *Managing Brand Equity*, New York: Free Press.
- _____ (1995) *Building Strong Brands*, New York: Free Press.
- Floch, Jean-Marie (2005) *Semiotics, Marketing and Communication: Beneath the Signs, the Strategies*, translated by Robin Orr Bodkin, New York: Palgrave Macmillan.
- Holt, Douglas (2004), *How Brands Become Icons: The Principles of Cultural Branding*, Cambridge: Harvard University Press.
- Umiker-Sebeok, Jean (1987), *Marketing and semiotics: Selected papers from the Copenhagen symposium* (Studies from the Marketing Institute), Berlin: Mouton de Gruyter.
- Mick, David Glen and Laura Oswald (2007), "The Semiotic Paradigm on Meaning in the Marketplace," in *Handbook of Qualitative Research Methods in Marketing*, Russell W. Belk, editor, Northampton: Edward Elgar Publishing.
- Oswald, Laura (forthcoming), *Marketing Semiotics: Signs, Strategies, and Brand Value*, London, Oxford University Press.
- Ries, Al and Jack Trout (2000) *Positioning: The Battle for Your Mind*, New York: McGraw-Hill.
- Schmidt, Bernd (1995), "Issues of Corporate Identity in East Asia," *Columbia Journal of World Business*, Winter.
- Sherry, John, with Eduardo Camargo (1987), "May Your Life Be Marvelous: English Language



Laura Oswald, Ph.D. is Associate Professor of Advertising and Consumer Behavior at the University of Illinois, Champaign-Urbana and director of *Marketing Semiotics Inc.* Dr. Oswald is an expert in the areas of brand strategy, consumer research, and semiotics – a branch of anthropology devoted to understanding the ways signs and symbols shape culture. In her teaching, academic research and consulting practice Dr. Oswald applies semiotics to a spectrum of research modalities, including the SignScape analysis of cultural trends, the BrandScape mapping the competitive field, and the MindScape analysis of consumer behavior, derived from depth interviews and on-site ethnographies in North

America, Europe and the Far East. Her academic research and consulting practice encompass a variety of application areas, including automotive, cosmetics, food, entertainment, electronics, retailing, health care, corporate culture and public policy. Dr. Oswald also has extensive research and teaching experience in the international arena, having taught in the MBA programs at Nanyang Business School in Singapore and at the ESSEC Business School in Paris, France. She has published scholarly research in books and journals including *the Journal of Consumer Research*, *Poetics Today*, *Semiotica*, and *Advances in Consumer Research*, on current issues in semiotic theory, cross-cultural consumer behavior, advertising effects, and brand strategy. Dr. Oswald is currently conducting research on cross-cultural attitudes and behaviors in the luxury category, interviewing affluent consumers in Chicago, New York, Paris and Shanghai. Her new book, *Marketing Semiotics: Signs, Strategies, and Brand Value*, will be published by Oxford University press next year.

Recent publications on Brand Semiotics:

Marketing Semiotics: Signs, Strategies, and Brand Value, London, Oxford University Press.

“The Semiotic Paradigm in Consumer Research,” with David Glen Mick, for the *Handbook of Qualitative Research Methods in Marketing*, ed. Russell Belk, (Forthcoming).

“Semiotics and Ethnography: Leveraging Research to Build Brand Strategy and Advertising for the African American Segment,” in Proceedings from the Annual Conference of the Advertising Research Foundation, 2006.

“*Videographia: Video Ethnography and Postmodern Consumer Research*,” *Advances in Consumer Research*, Volume 30, 2003.

“Branding the American Family: A Strategic Study of the Culture, Composition and Consumer Behavior of Families in the New Millennium,” *Journal of Popular Culture*. Vol. 73, No. 2, November 2003.

“Branding China: Interviews with Women in Shanghai,” *Columbia University Global Brand Leadership Newsletter*, March 2002.

“Culture Swapping: the Ethnogenesis of Middle Class Haitian-American Immigrants,” in *Journal of Consumer Research*, Vol. 25, March 1999, pp. 303-318.

"The Place and Space of Consumption in a Material World," in *Design Issues*. Spring, 1996, pp. 48-62.