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Making Services More Tangible using Ingredient Branding Strategy

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Abstract

Purpose – Intangibility is one of the main characteristics of services that create difficulties for users in perceived expectations of service. This viewpoint paper aims to highlight the role played by Ingredient Branding (IB) a strategy implemented to make service more tangible.

Design/Approach – The paper starts from a literature review on service branding. Subsequently, an overview of IB is proposed. This literature review from two perspectives highlights several concepts that underpin service intangibility. In addition, illustrative examples show the practical use of IB strategies in the service sector.

Findings – The paper identifies two different IB strategies: “necessary” and “optional”. It shows that there are links between service levels (expected-core service or extended-supplementary service) and IB strategies. By dealing with these links effectively, it appears that IB is a strengthening strategy that could offer distinct competitive advantage.

Originality/value of Paper - The paper is the first step in a stream of research that analyses IB as a strategy for strengthening service branding in order to make the intangible tangible. Moreover, a conceptualization of IB in the service sector is presented for the first time; this makes a much needed contribution to the literature.

Practical implications - Starting from the two perspectives of IB strategies, managers of service companies could reduce perceived risk experienced by users with regard to core services and make more incisive positioning of supplementary services. In this way, they could differentiate the offer in comparison with their competitors. The analysis highlights that managers, in order to do better, they have to consider several factors which play a very important role in implementing IB strategy.

Key words: ingredient branding, service branding, service levels and components, co-branding

Introduction

Branding theory has been developed mainly in the context of consumer products, yet most economies are characterised by companies selling services instead of products. Understanding how branding works in service markets is consequently, a priority.

In this paper some of the distinctive features of ingredient branding (IB) (Siano *et al.*, 2009) – a basic concept of branding management – are discussed in order to understand their process of evolution in the service sector.

Starting from this theoretical standpoint, the paper collocates IB strategy in the context of service branding; IB as a special form of alliance enables service branding to be implemented. Subsequently, the paper presents indications on the state of the art and developments with respect to both issues by means of illustrative examples.

The aim of the paper is to highlight the role played by IB strategy in order to make services more tangible. It is well known that intangibility is one of the main features characterizing services and contributes to creating barriers in terms of perceived consumer expectations of promised services. The paper aims to suggest a new perspective that considers IB implemented by firms main involved in the service sector.

A definition of IB in the service sector is presented for the first time in the paper, thus narrowing the gap in service and branding literature. In this respect, the following research questions are:

- it is possible to explore the role of IB in the service sector?
- it is possible to implement the IB strategy to make services more tangible, reducing the perceived risk experienced by users?
- it is possible to identify the specific corporate communication tools used by service companies?

To these research questions, the paper tries to answer in the following sections.

Literature review on service branding and ingredient branding

Few research contributions have been published on service brands despite the fact that a service economy is developing today. Literature evidences that services have typically salient features, but to date, their implications for brand management have not been fully explored, especially in terms of achieving brand management goals thanks to strategic alliances. To understand how successful service brands can be developed and sustained, the paper argues that there is a link between branding services and the concept of IB, as a particular form of alliance. It appears that on the basis of brand management through strategic alliances, inspiration for service brand strategies can be evoked. Consequently, by taking IB into consideration, ways of limiting the problems of intangibility and heterogeneous quality can be found and opportunities for relationship building identified.

However, debate on product-service differences persists (Berry and Leonard, 1980; Blankson and Kalafatis, 1999; Berry and Leonard, 2000) and it is generally accepted that services can be difficult to identify because of the fact that they are intangible on both a mental and physical plane (Levitt, 1981; Rushton and Carson, 1985).

In particular, discussion focuses on the fact that services are, different from products (Murray and Schlater, 1990; Cunningham, Lawrence, Young, Clifford and Moonkyu Lee, 1997; Gronroos, 1990) and are characterized by numerous features, such as: intangibility, inseparability production/consumption, different degrees of quality and perishability (Rathmell, 1966; Shostack, 1977; Gronroos, 1978; Rushton and Carson, 1985; Bateson, 1995).

Starting from these observations on service brands, several authors have considered inseparability production/consumption an opportunity (Norman and Ramirez, 1994; Onkvisit and Shaw, 1989) to concretize the concept of prosumer, a new kind of consumer who takes part in the creation of services as a co-producer of value and consequently, of brand too (Priporas and Poimenidis, 2008).

As concerns intangibility, it is important for companies to transform this feature by attributing a brand to their services, based on a solid corporate identity thus bringing to mind functional and emotional values (Heskett, 1987; Kotter and Heskett, 1992; Fournier, 1998; Melewar and Storrie, 2001). In addition, it is generally perceived that “tangible products differ in that they can usually, or to some degree, be directly experienced-seen, touched, smelled, or tasted, as well as tested.

Often this can be done before buying” (Levitt, 1981: 96). On the contrary, services (intangible products) “can seldom be tried out, inspected, or tested in advance” (Levitt, 1981: 96).

Furthermore, in order to reduce differences in quality, it might be useful for companies in a preliminary phase to transmit to staff, values that are aligned with the brand (Kunde, 2000) then strengthen such cultural values by means of training programmes and communicational processes (Schein, 1984; Murray and Schlacter, 1990; Lovelock, Vandermerwe and Lewis, 1999). This could compensate for the fact that services cannot be standardized, as products can (Rathmell, 1966; Sasser, 1976).

Finally, as regards perishability, it is clear that good reputation linked with strong brand awareness might be a successful way of solving this problem (Fombrun, 1996).

Literature tends to focus either on the existence of pure products and/or services (Shostack, 1977; Gronroos, 1978) or as a continuum that links them (Rathmell, 1966). This also involves considerations about service brands. According to Levitt (1981) customers do not buy products/services, but have different expectations which could be considered a mix of tangible and intangible components connected, in other words, to functional and emotional values typical of brands (Vrontis, 1998).

Although it is clear that a different approach is needed in managing service branding, this does not imply that the brand with its specific functional and emotional values, differs as concerns product and service sectors (de Chernatony and Dall’Olmo Riley, 1999).

The paper attempts to explore the service theory in terms of its implications for branding taking into specific consideration IB and its importance for building service brand. The point is that service brands, treated thanks to IB, shape something that, to some extent, is tangible. This challenging opportunity to convert an intangible element to a tangible one, is related to the fact that intangible service organisations involve numerous tangible resources as well; examples are catering and insurance for airplane companies and spa centres for hotel companies, etc.. According to de Chernatony:

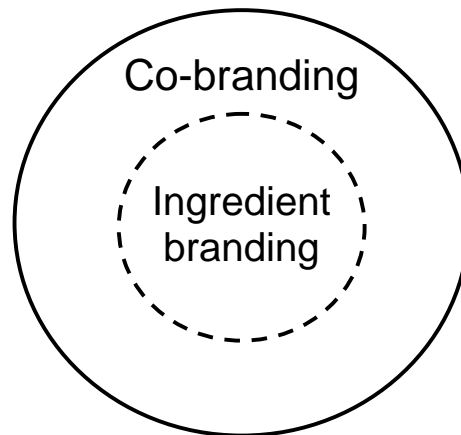
“the relevance of intangibility in service organisations is not the ratio of intangibles to tangibles required to provide the service. It is instead, about the way that good customer service is achieved and how the expectations of the brand promise are fulfilled” (1999: 21).

For a service company this occurs by means of another of its key characteristic: the inseparability of production/consumption. In fact, the service is perceived as satisfactory when the customer experiences what is known as a “service encounter” (Bowen, Chase and Cummings, 1990; de Chernatony and McDonald, 1998). The latter, influenced by the attitudes and motivation of the service company staff, creates a balance between tangible and intangible resources in several specific service companies. It is fundamental consequently, that the brand and its values are accepted by the staff of the service company considering that service brands depend significantly on such acceptance.

According to the most recent service branding literature, the focus is shifting away from information and knowledge towards connectivity and relationships. The implication is a need to look at service branding from different theoretical perspectives that consider managing brand services by implementing strategic alliances between different brands (Ohmae, 1989; Parkhe, 1993; Lorange and Roos, 1992; de Chernatony, 1993; Dall’Olmo Riley and de Chernatony, 2000). A consistent brand provides a real alternative for service companies desiring differentiation (Melewar and Otubanjo, 2007). In this context, the paper argues that a strong brand alliance can play an important role in services through reducing consumer perceived risk and overcoming low levels of trust (Mitchell and Greatorex, 1993; Mitchell and McGoldrick, 1995). Among the different promotional alliances IB plays a key role (Norris, 1992; Desai and Keller, 2002). Figure 1 shows the fact that IB is a particular kind of co-branding alliance.

IB is a special form of alliance between two brands, based on firm cooperation in designing and delivering the product, with particular emphasis on the recognition and identification of the components used in the end product (Pfoertsch and Mueller, 2006; Luczak *et al.*, 2007). IB is an accepted marketing device (Norris, 1992; Dover, 1997) although its significance has only started to emerge (Kotler and Keller, 2006; Kotler and Pfoertsch, 2006). In today’s global economy, companies have to establish and maintain competitive advantage, create commercial success in the market and provide criteria to differentiate them from the competition (Trinquecoste, 1999; Bartlett *et al.*, 2004).

Figure 1 - Ingredient branding as a form of co-branding



Source: Authors

Until recently, the focus was on tangible, but has now shifted towards intangible resources, such as brands (Carpenter *et al.*, 1994; Kapferer, 2001; Keller and Webster, 2004) and customer loyalty. For this purpose, companies and organizations favour branding efforts that create value for both consumers and companies. This has also had an impact on service marketing, where the fundamentals of IB apply. To succeed in finding customers for intangibles it is important to create surrogates (metaphors, similes, symbols) for tangibility (Levitt, 1981). For this reason, in today's fast-changing markets scenario, IB is becoming a major marketing strategy as demonstrated by the increasing number of products sold with embedded branded components. For Levitt brand promise, implemented also thanks to IB, could resolve the paradox about this specific feature characterizing services: "the most important thing to know about intangible products is that the customers usually don't know what they're getting until they *don't* get it" (1981: 100).

To clarify the relative concepts and characteristics linked to IB, the main features are outlined in Table 1 below:

Table 1 - An overview of Ingredient Branding definitions and features

Definitions	Authors
“The strategy is an example of a broader marketing trend reflected by the increasing number of firms that are establishing brand alliances by linking themselves through their products or other aspects of their marketing program to other firms or brands”.	Desai and Keller, 2002: 73.
“Ingredient branding is a special form of alliance between two brands, based on their cooperation for designing and delivering the product, with particular emphasis on the possibility to recognize and identify the used components in the final product”.	Luczak <i>et al.</i> 2007: 125.
Features	
Branded ingredients affect consumer product quality perceptions, confidence in product quality perceptions, product evaluations, taste perceptions, purchase likelihoods, and reservation prices of host brands of varying quality.	Norris, 1992
Branded ingredients consistently and positively affected moderate-quality host brands, but only occasionally positively affected higher-quality host brands.	Norris, 1992
A widely used pull strategy to stimulate demand is ingredient branding, i.e. branding aimed at downstream customers, as exemplified by the familiar Intel Inside campaign.	Norris, 1992
Ingredient branding, in which key attributes of one brand are incorporated into another brand as ingredients, is becoming increasingly popular among marketers.	Rao, Qu and Ruekert, 1999 Shocker <i>et. al.</i> , 1994
Ingredient branding offers a potential for successful brand management and increased profits for companies along with product offerings that create added value for the customer. If the customer understands and knows the function, features and benefits of a component (ingredient), he or she will pay more attentions to this offering, and if it creates a unique product offering it can lead to loyal and profitable customer relationships.	McCarthy and Norris, 1999 Havenstein, 2004
The ingredient branding surpasses the limitations and dangers of a too narrow and single-sided customer-supplier relationship.	Kleinaltenkamp, 2001
As the component brand is identified on the product containing the component, firms wanting to pursue an ingredient branding strategy need to cooperate with their customers to effectuate a co-branding alliance. While there are many studies on ingredient branding, most of them concern horizontal alliances instead of vertical ones.	Desai and Keller, 2002
Branding a more important ingredient (e.g., scent versus packaging in the case of Tide detergent) should facilitate the host brand’s differentiation and evaluations to a greater extent.	Desai and Keller, 2002
Almost all the brands adopting an ingredient branding strategy have adopted a few common elements in their implementation.	Desai and Keller, 2002
Ingredient branding occurs when a component part or service of the end product is promoted to the final user. This promotion can occur from two perspectives: the manufacturer’s perspective or the supplier’s perspective.	Pfoertsch and Mueller, 2006

The elements highlighted in grey in Table 1 were selected as specifically suitable for our analytic study on IB.

In short, this alliance is cemented when a component part or service of the end product is promoted to the final user. Evidence would appear to indicate that branded ingredients affect consumer product quality perceptions, product evaluations, likelihood of purchase and

reservation prices of host brands of varying quality (Norris, 1992). Certainly, if the customer understands and knows the function, features and benefits of a component (ingredient), he will pay more attention to this offer, and if it creates a unique product offer it can lead to loyal and profitable customer relationships (Desai and Keller, 2002). Promotion can be from two perspectives: the manufacturer's or the supplier's (Pfoertsch and Mueller, 2006).

Furthermore, even if authors focus on manufactures – and therefore only take into account products - the paper highlights the fact that IB can benefit not only them but service providers too.

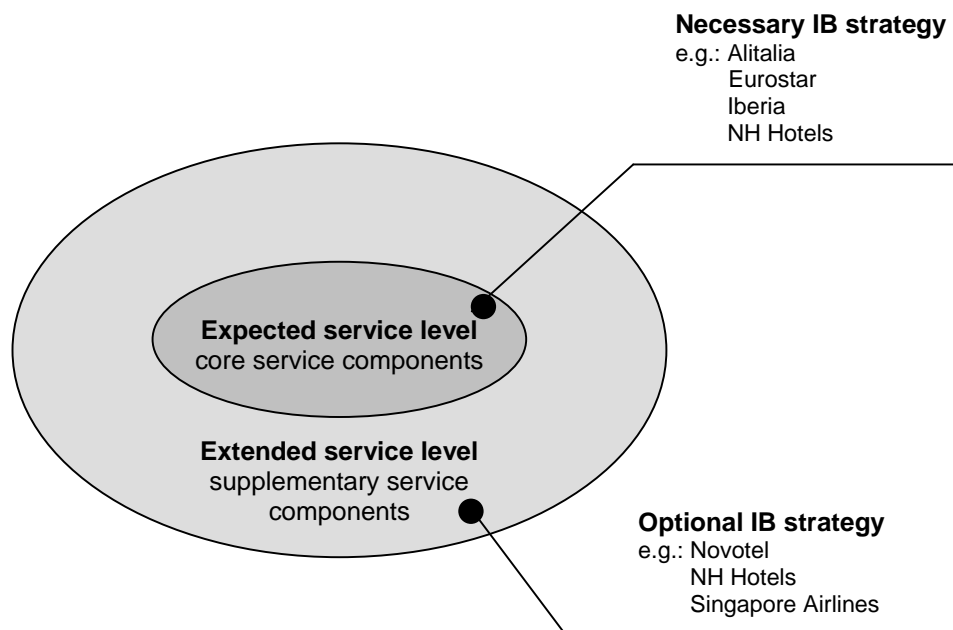
Discussion and illustrative examples

Starting from the premise that it can be difficult for users to estimate the value of intangible services, it is important that they identify tangible signs of the intangible (Rushton and Carson, 1985). In this context, the IB makes tangible the perceived consumer expectations (Rushton and Carson, 1985).

In the service sector IB can assume different features depending on whether service, considered as an ingredient, refers either to core (basic) service components or to supplementary (additional and or auxiliary) service components (Grönroos, 1982; Normann, 1984; Eiglier and Langeard, 1987). This study presupposes that the expression core service corresponds to the expression service “expected” in the product level model (Levitt, 1980) or better, refers to all those attributes and characteristics that customers expect to receive from a required service. It concerns basic irrenounceable elements of the service that users know are available thanks to technological progress, safety rules and standard quality of life levels. A core service is, therefore, the basic promise that companies make to customers (Grönroos, 1982; McDougall and Levesque, 2000). Not guaranteeing a core service in its minimal levels of expected quality means that service companies do not reach the minimal standard level necessary for competing in the market. In other words, when the service, considered as an ingredient, is an integral part of the promised core service offered, IB plays a “fundamental” role because the ingredient service brand is useful for strengthening perceptions of tangibility and reliability and the promise of core service quality, essential for the competitiveness of the offer.

In short, IB allows customers to identify corporate partners and allows for consequently, the traceability of the service, a guarantee factor for potential customers. Figure 2 shows that there is a link between IB in its quality of essential strategy and expected service level with respect to core service components.

Figure 2 - Links between service levels and IB strategies



Source: Authors

For instance, the insurance available and meals served on board for passengers who have to take a plane or a train could be considered components of the core service that travellers expect to receive when they use the service. Companies involved in the transport sector service (e.g. Alitalia, Iberia, Eurostar) and hotel chains (e.g. NH Hotels) apply IB to increase confidence in the core service thanks to the use of supplier brand image, or in specific cases, thanks to the insurance available and food served.

Aerea Italiana S.p.A. (Italian for Alitalia - Italian Air Company), is an Italian airline, which bought assets as a result of the liquidation process of the old Alitalia Company - Linee Aeree Italiane and the Company Air One. On January 2009, Air One and Alitalia began the process of merging their networks, their fleets and their entire administrative and commercial structure. The new Alitalia is run by private entrepreneurs who are well versed in quality of service and close attention to customers' needs. For this reason, Alitalia has clinched a successful IB alliance with the Group Chef Italia, particularly with the Society AIR Chef 2000.

Started in 1995 as part of the Group Chef Italia, the Society AIR Chef 2000 is a leader in the sector of in-flight catering and retail catering. Both the allied companies are fully aware that quality of service and close attention to customers' needs are essential for them to succeed and grow. Indeed, the new Alitalia and Society AIR Chef 2000 share the same main inspiration: passengers are the focal point of the company development strategy.

Offering both a complete service that provides not only flight service but also particular Italian cuisine, they show their commitment to providing top quality services on board so that every travel experience is characterized by a distinctive touch of Italian style. With regard to the co-branding activities put in place by both brands, Alitalia and Society AIR Chef 2000 have communicated their alliance through press releases and corporate web sites.

Moreover, specific determinants have played a role in this particular IB strategy. One of these is the previous existing strategic relationships between Alitalia and Society AIR Chef 2000 that started in 1995. This strategic relationships was expressed thanks to a core theme coherent to corporate mission and value system of the two companies.

Eurostar is the high-speed rail service directly linking the UK to France and Belgium via the Channel Tunnel. It started operating in 1994, providing city centre to city centre services. Eurostar has chosen Mondial Assistance to offer its customers travel insurance solutions tailored to their individual needs. Mondial UK is a leading provider of assistance and third party travel insurance administration, conducting business with or on behalf of major blue chip companies. In terms of IB, this concerned Belgium, France and the UK with a potential to insure up to 7.85 million passengers choosing to cross the English Channel with Eurostar during 2006.

Considering potential goals thanks to IB, Mondial Assistance have created an insurance offer that enables customers to purchase their insurance on the www.eurostar.com website at the same time as they book their trip. Eurostar and Mondial Assistance both have an excellent reputation and their expertise in e-commerce is widely recognised in Europe. It is therefore perfectly natural that Eurostar chose Mondial Assistance to implement IB. Thanks to IB, in fact, they can offer all their passengers – businessmen, families, skiers – very attractive insurance solutions and policies specifically adapted to their needs. Concerning the co-branding activities employed, both companies, Eurostar and Mondial Assistance have communicated their partnership through press releases and corporate web sites. In addition, several factors have influenced the IB strategy implementation. The previous existing strategic relationships between Eurostar and Mondial Assistance that began since Eurostar started operating in 1994. Moreover, the two companies decided to communicate to their publics through a core theme coherent to their corporate mission and values.

Iberia, Líneas Aéreas de España, S.A. is Spain's national airline. Based in Madrid, it operates an extensive international network of services. In addition to transporting passengers and freight, Iberia carries out related activities, such as aircraft maintenance, luggage management in airport, IT systems, and in-flight catering. In order to guarantee high standard service, Iberia has clinched an IB alliance with Mediterranea Catering S.r.l., an Italian leader in restaurant and catering service sector since 1980. They started their activity with one of the biggest and most famous restaurants in Catania, appreciated for the good quality and service.

Thanks to their joint professionalism, these companies are able to ensure a high standard of product in their flight and catering service. Iberia selected Mediterranea Catering to implement IB especially in consideration of the fact that its legally authorized establishments are near several airports. Consequently, its food can be taken rapidly from the place of production to the plane; this allows for higher quality and competitive prices. Iberia and Mediterranea Catering have communicated their involvement in a co-branding strategy through press releases and corporate web sites. Besides, peculiar factors have played a significant role in implementing this IB strategy. The previous existing strategic relationships that Iberia and Mediterranea Catering chose to put into place in order to extensively collaborate and cooperate. This relationship put the basis for the creation of a core theme of the messages coherent to mission and values of the companies analysed.

The NH Hotels Group ranks third in the European business hotels classification. NH Hotels stands out in quality both as regards services and facilities, intended to please all tastes, uniform, and making the customer feel comfortable.

The restaurants are another priority for hotels in the chain, offering customers first-rate cuisine. Furthermore, the prestigious restaurateur Ferrán Adriá has entered into an IB agreement with NH Hoteles, launching new concepts such as "nhube", pioneering spaces in the hotel sector combining food, leisure and rest for the chain's customers and with "Fast Good".

Ferran Adriá, the famous Spanish chef is regarded as one of today's great innovators of world cuisine. "Fast-Good"'s gastronomic offer is simple and highly innovative as are the ingredients it uses for making traditional fast-food meals have until now only been used in haute-cuisine.

Thanks to this IB alliance, NH Hotels, Ferrán Adriá and Fast Good are providing a number of areas which make the entire service functional and dynamic. Consequently, the service offered could be seen as a pioneering concept in the hotel world which combines eating, leisure and relaxation for hotel guests, in other words, a revolution in the hotel sector.

The first hotel destined to have an "nhube" will be NH Balboa, in Madrid – a pilot project for testing the new product, which will be adapted to meet the requirements of the guests and to reflect their suggestions and recommendations. "nhube" will subsequently be installed in other hotels belonging to the chain.

Actually, the implementation of this IB strategy was influenced by the preliminary comakership communication made by NH Hotels to reach Ferrán Adriá and Fast Good in order to involve them into promotional alliances. This fact made the ground to the creation of the core theme, communicated in the IB strategy, coherent to corporate culture and mission of both service companies.

In these case histories, the services offered by partners are an integral part of the offer made by companies that are mainly involved in transport and hotel services. Supplier brands strengthen perceptions of tangibility of services.

Novotel is an international brand of contemporary hotel designed for living. It is one of a number of hotel chains owned by the French hotel group Accor.

Novotel is introducing innovative Internet areas in its hotels: the “Web Corner on a Mac” with 24-inch iMacs. Web Corners on a Mac are the result of the implementation of a joint IB strategy between Novotel and Apple in order to offer a useful supplementary service to their customers.

The materials used for the desks and stools are smooth and respect the sustainable development standards so important to Novotel. It has taken many steps to prove its commitment to the environment. In July 2007 it signed a partnership agreement with Green Globe International, the world’s leading environmental certification program for responsible tourism.

Clients will have free access to the Internet, in 20-minute sessions, to all desktop functions. The first “Web Corner on a Mac,” in the lobby of the Novotel Budapest Congress, was a huge success. In two months over 6,000 connections were made, equal to 100 per day. The iMacs were in use 10 hours a day on average. Among the first guests to test this new concept, 92% considered it to be useful and 95% said they would use it again. Today, Novotel is launching the rollout of its “Web Corner on a Mac” in its downtown hotels. It will be a standard service in all new openings in the future.

Moreover, in 2003, Novotel and Orange, a key brand of France Telecom, one of the world’s leading telecommunications operators, joined forces to provide high-speed Internet access in more than 1,300 hotels across France operating under the different Accor brands. Thanks to this IB, Accor customers in France have high-speed Internet access at their disposal in lobbies, bars, meeting rooms and some guestrooms. Since October 2007, a further 220 hotels have extended their network coverage and are now totally WiFi-enabled, offering Internet access in all guestrooms and public areas. In addition, the partnership has expanded to include 50 hotels in Belgium and 80 in the United Kingdom. As part of its partnership with Orange, Accor offers its services to Orange mobile phone subscribers in France. In fact, customers can now book a room at any Accor hotel in the world simply by dialling 711 (travel section) from France.

With regard to the co-branding activities put in place by Novotel and Apple, they are communicated thanks to press releases. While, Novotel and Orange communicate their alliance through their corporate web sites.

Finally, the previous existing strategic relationships between the partners; the preliminary comakership communication that involved both companies in the creation of co-branding alliance; the core theme communicated implementing IB coherent to mission and values of Novotel and Orange are three factors that characterised this IB strategy.

However, on the contrary, when IB plays an “optional” role there is a different scenario; especially, where the core service is practically identical for all competitors, the choice of users can be influenced by the supplementary services offered (Normann, 1984). In this circumstance, the brand of the ingredient service is used to strengthen the perception of tangibility and reliability and the promise of quality of supplementary service components. Figure 1 shows that there is a link between optional IB and extended service level concerning supplementary service components. These components can make the core service more attractive to customers because they mean differentiating offers. In actual fact, they define the “extended” service, as additional services that distinguish the service companies’ offer compared to other competitors (Boyd and Levy, 1963). A service company can decide, therefore, to implement IB in order to strengthen the perception of tangibility of the “extended” service and to reinforce its traceability elements; two favourable effects that improve a service company’s strong points and consequently increase its competitiveness factor. Examples of optional IB are developed in the hotel sector, where players tend to take advantage of the brand image of ICT suppliers (e.g. Novotel) and of fitness suppliers (e.g. NH Hotels) to differentiate optional services available at their hotels.

The NH Hotels Group has created another IB alliance with Elysium. The Elysium Spanish centre specializes in hydrotherapy, fitness and beauty. It is the hallmark of NH hotels and defines a new way of experiencing the hotel services, linking them with hydrotherapy centres, health and beauty, spas, massages, muscle therapy and specific treatments.

Through their joint strategy, Elysium and NH Hotels have created places where the most important thing is to achieve high standard levels of relaxation, health and well being. For this reason, companies have opened similar centres in Marbella (Hotel NH Alanda), in Seville (Hotel NH Central Convenciones) and in Madrid (Hotel NH Eurobuilding).

With regard to the co-branding activities put in place by NH Hotels, Ferrán Adriá and Fast Good, they have communicated their alliance through press releases and different sections of corporate web sites. As concerns the co-branding created by NH Hotels and Elysium, this is presented to customers in a section of both corporate web sites.

In actual fact, NH Hotels Group and Elysium IB strategy was influenced by the previous existing strategic relationships between partners; the preliminary comakership communication made by NH Hotels to reach its partner in order to put into practice co-branding and then the core theme of the messages coherent to corporate mission and value system.

Another example of optional IB implemented in the service sector involves the airline industry.

Singapore Airlines has a strong presence in the Southeast Asian area and is one of the major users of routes between Europe and Australia. For its top aircraft, Singapore Airlines have opted luxury furniture for their 471 passengers on board. Actually, Singapore Airlines Suites have a private room for every passenger. Created by the French designer Givenchy, the area is a model of contemporary elegance. The seats, offer a high standard of comfort, have electronic control, ample leg room and personal screens for privacy. Every seat has a laptop computer adaptor, while, passengers who don't have to work can relax with KrisWorld, a system of entertainment on board. Moreover, for the first time, it is possible to watch films during the flight with sound effects from Dolby Headphones. In addition, World Gourmet Cuisine, an international group of chefs, aims to create a *par excellence* experience for passengers that of dining in a first class restaurant.

The secondary data concerning the case histories presented in this section were selected from company literature, company profile documents, press releases and content of web sites.

Summary and conclusion

The intangibility of services necessitates the use of symbols, metaphors, similes and other rhetorical devices of reality to render services more tangible and to raise customer perception and expectations of the promised service in advance. The main symbol used by service company is brand. It is largely assumed, that for a service company, its brand is a tool that enables greater customer perception of tangibility as the brand represents in substantial terms, the organization which produces and supplies the service.

Based on this premise, the central idea on which the paper focuses is that service companies should take advantage of this strategy considering that as thanks to IB, companies strengthen customer perception of tangibility enabling them to perceive promised service in advance. The reason for this could be due to the fact that the service is made more tangible by using at one and the same time, several symbols (brands). One consequence of the application of IB for service companies is that customer trust is increased not only because of the greater perception of tangibility created by the combined use of these symbols but also thanks to the fact that the

positive perception of their own brand with brands of service component suppliers is strengthened. In effect, applying IB allows service companies to lever at the same time on their own brand image and on brand images of service component suppliers. Moreover, it is worth remembering that service companies could also take advantage of applied promotional alliance strategies in terms of sharing the costs incurred in implementing co-branding.

Starting from the proposed analysis, several important practical implications for service companies could be underlined. About advantages of IB, it is necessary that managers of service companies develop skills to implement this strategy. However, the mayor managerial implications involve the optional IB strategy. Actually, applying this strategy, managers of service companies not only could make the service more tangible and reduce perceived risk experienced by users with regard to core services, but also, they could reach a more incisive positioning of supplementary services. In this way, they could differentiate the offer in comparison with competitors. Managers, in order to do better, have to take into consideration several relevant factors which play a very important role in implementing IB strategy. The examples show that three are the main factors: (1) the previous existing strategic relationships between partners; (2) the preliminary comakership communication made by partners in order to involve all of them into promotional alliances (co-branding alliance); (3) the core theme of the IB strategy coherent to corporate mission and value system of involved service companies.

In addition, the examples illustrated in the study, show, nevertheless, that IB is applied by means of an extremely limited number of communication media. These case histories show clearly that service companies use only two - press release and corporate website - communication tools to implement their IB strategy. Future research could verify whether these tools are widespread generally in other service companies and should this be the case, it could be useful to analyse if this potential underutilization of communicational tools could potential affect or not the efficacy of IB.

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