BRAND-ORIENTED TOUCH-POINT DESIGN

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ABSTRACT

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In this paper the authors argue that too many organisations remain satisfied with the development of “good” products or services themselves without turning them into unique multisensory touch-point experiences. The former serves as the prerequisite for the creation of sustainable (organisational) brands. But successful and enduring brand development will be decided exclusively at the so-called touch-points with the public. Only there – e.g., through the presentation of the product, the consultancy discussion, the communication image or the shop design – customers form continuously judgements about the particular experiences and decide whether to give preference to this offering or to choose a competitor.

Many companies do not consider the design of the touch-points of their brand. In practice most of the time only abstract definitions of missions, visions, strategies exist on paper or in the minds of a few executives, but are not reflected at the touch-points. This means that a major potential to establish customer resonance remains unused.

After introducing the main characteristics of brand, brand identity and touch-point experiences the authors discuss drivers of this widely spread phenomena and derive a framework for designing brand oriented touch-point experiences. The latter follows the guidelines for artifact development of the design science research approach.

The underlying reasons and framework have been evolving during two decades of practitioner researcher collaboration, applying action research approaches and techniques with CEOs and owners of mainly family owned companies. For the purpose of this paper underlying drivers of poor touch-point designs and the derived approach will be highlighted by cases from different companies such as Zillertal Beer, a regional brewery in Tyrol, Ruetz bakery chain, Nespresso, Illy, Neuburger, a manufacturer of meatloaf or IKB, a Tyrolean supplier of energy and many more.
Introduction

The development into strong brands is exclusively driven by multisensory touch-points experiences of the various system partners of an organisation. Only there, e.g. through the presentation of the product, the personal interaction with employees, the shop or web-shop design, the self provided services mechanisms, the pricing, the promotion activities, the mode of payment, delivery or packaging, customers and other stakeholders form a judgement about the overall experience and decide whether to give preference to this offering or to choose the one of a competitor.

Too many owners and top managers of organisations do not consider the design of their touch-points as the major source to exploit their brands energy potential. They regards successful listings with intermediaries and availability of their new products on the shelves of their own or franchised off- or online shops, as necessary and sufficient conditions for creating strong brands. This means that a major potential to establish customer resonance remains unused.

In contrast to this widely spread concept the authors argue that the “good product” is just the prerequisite for the creation of strong brands. Much more important is the consistent translation of the “good product” into exciting multisensory touch-point experiences. Without this belief and its realization even the best products are endangered to remain on their shelves and cannot exploit the full brand energy potential for the whole organisation. To help entrepreneurs and executives to dissolve this limited and brand damaging view and to provide academia with alternative views about the brand construct and its creation, the authors discuss their observations from the action research collaborations and establish a framework for developing brand oriented touch-point experiences. The development of the “Brand-oriented Touch-Point Design” (BTD) framework is based on the design science research approach of Hevner et al. (2004). As a kind of prerequisite for the discussion of the various propositions, the authors introduce their understanding of a brand respectively organisational brand identity, which is based on McCracken’s (1986) original meaning making model and Collins & Porras (1996) building your company’s vision approach. Then a conceptualization of concrete multisensory experience based on Brakus, Schmitt & Zarantonello (2008), Vincent (2012) together with the consumer decision journey of Court et al. (2009) is presented.

Organizational Brand Identity (OBI)

The construct of organisational brand identity is based on McCrackens (1986) original meaning making model, where culture stands as the original source and location of the general abstract categories of meaning from which brands ultimately must draw. These categories represent fundamental coordinates of meanings used to interpret the brand and link the organisational identity to the external environment (see also Mark and Pearson 2001; Batey 2008)

Additionally, the brand is dissolved from the product level and moved up to the organizational or corporate level. This perspective takes on board Collins and Parros (1996) elaborations on company visions, where they distinguish between core ideologies composed of core values and core purpose and envisioned future. This way OBI consists of externally driven socio cultural meaning fields and the company’s driving core competence equalling Collins and Parros (1996) description of the company’s core
purpose. The envisioned future relates to the on-going establishment of the chosen socio-cultural meaning fields supported by the driving core competence and is part of the OBI (Botschen et al. 2014).

As a logical consequence, organisational brand identity is described as the particular combination of socio-cultural meanings a company would like to represent and to be associated with its relevant groups of stakeholders on the long term (Botschen et al. 2012). Embedded into the centre of the unique combination of socio-cultural meanings is the driving core competence. The embedded future driving core competence represents the fundamental ken to successfully occupy the intended meanings system on the long run (Botschen et al. 2014). Figure 1 gives an example of the organisational identity of a regional Austrian brewery called Zillertal Beer.

Figure 1: OBI of Zillertal Beer

This way brands become carriers of socio cultural meanings in established or newly created contexts and can be defined as resonating meaning-portfolio driven by the company’s core competence and created through all touch-point experiences of the organisation (Botschen et al. 2014).

In the next section, the characteristics of multisensory touch-point experiences along the customer journey are introduced.

Resonating Touch-Point Experiences and the Customer Journey

Ultimately the intended organisational brand identity needs to be materialised at relevant touch-pointsto becomesensual perceivable by customers, employees and other relevant stakeholders. The accumulated experiences determine the mode and intensity of resonance (Tipler and Mosca 2009) – very positive via neutral to very negative, none to very strong and so forth. We adopt Brakus et al. (2009) dimensions of brand experiences and apply it to all ‘signs of life’ during touch-point encounters; e.g. the product, service itself, promotion campaigns, shopping environments or the personal selling behaviour. Thus, touch-point experiences are conceptualized as subjective, internal consumer sensations, feelings, and cognitions, which are evoked through the interpretation of perceived stimuli that are part of any tangible or intangible organisational expression. The interpretation results in particular behavioural responses and a specific type of resonance. According to
Brakus et al. (2009) these touch-point experiences are composed of

- Sensory stimuli: when the expression makes a strong impression by appealing to our senses
- Emotional stimuli: when the expression conjures strong feelings or sentiments
- Cognitive stimuli: when the expression makes us think, or induces us to think in a specific way

Take the example of ‘alpine strawberries’ when they are first listed and sold in a supermarket chain. Sensory stimulation occurs through intense red colour, shape and size. The testing opportunity allows judging sensory dimensions such as structure, smell and taste. The connotation of ‘alpine’ stimulates feelings about mountains, pure air and induces good product quality. Intellectual associations might include small craft farming practices, which could justify higher prices.

The three evaluation and association components together initiate or avoid particular shopping or buying behaviours. The following consumption experiences together with the earlier perceptions determine the overall resonance, e.g. very strong and very positive in the case of the discovered, bought and consumed alpine strawberries, and continuous rebuying and recommendation. According to Court et al (2009) the consumer decision process resembles a circular journey, with the four phases of initial consideration, active evaluation or the process of researching potential purchases, closure, when the offering is bought and post purchase, when it is consumed and experienced. Every phase stimulates and determines behavioural changes and continuous rebuy:

- The consideration phase where the prospect considers an initial set of offerings based on perceptions and exposure to stimuli at recent touch-points, e.g. product presented in shops, service, advertisement, browsing the internet or a shop, mouth-to-ear, tastings.
- The evaluation phase during which the prospect adds or subtracts alternatives as he/she evaluates the quality of the provided solutions depending on the perceived cost-value relation.
- The closure phase, where the prospect selects the most preferred solution and buys
- The post purchase phase, where the shopper consumes the product or service, builds expectations based on the experiences and decides if he/she will rebuy and recommend to others or not (Court et al., 2009)

All phases often contain many touch-points where continuously sensory, emotional and cognitive stimulations, responses and evaluations take place. These lead to behavioural consequences and the overall judgment of the touch-point experiences. The better and more stable these experiences, the stronger the organisational brand equity generation and the stronger enduring positive resonance.

**Development of the Framework “Brand-oriented Touch-point Design”**

After this introductory clarification of the particular understanding of brand and touch-point experiences the development of Artifact “Brand-oriented Touch-point Design (BTD)” is shown.

The development of the BTD framework is based on the design science research approach of Hevner et al. (2004). Design science, as originally conceptualized by Simon (1996), supports a pragmatic research paradigm that calls for the creation of innovative artifacts to
solve real-world problems. Thus, design science research combines a focus on the artifact with a high priority on relevance in the application domain.

Figure 2 shows the functioning of the design research cycle (Hevner and Chatterjee, 2010).

Figure 2: Design Science Research Cycle & Guidelines

The “Relevance Cycle” bridges the contextual environment of the research project with the design science activities. The “Rigor Cycle” connects the design science activities with the knowledge base of scientific foundations that underlie the research project. The “Design Cycle” iterates between the core activities of building and evaluating artifacts and processes of the research.

The internal design cycle describes the nature as generating design alternatives and evaluating them against requirements until a satisfactory design is achieved. The requirements are the input from the relevance cycle and the design and evaluation theories and methods are drawn from the rigor cycle. All constructing and evaluating activities of the evolving artifact must be based on relevance and rigor.

In the next chapters the authors apply the design science research approach to the development of the artifact “Brand oriented Touch-point Design (BTD)”. The design
science research approach for the evolution of the artifact follow the guidelines described in Figure 2. They are a condensed version of the guidelines and questions discussed in contributions by Hevner et al. (2004), March and Storey (2008) and Hevner and Chatterjee (2010).

The Identified Organisational Problem

During twenty years of long term collaborative inquiries with several dozens of organisations of different sizes and industries, analysed touch-point experiences did rarely support or enrich company specific offerings. Even well known vehicle variants of Audi or BMW have a hard time to be supported through their sales people and sales environment. They tend to sit in front of their computers or tablets and take care of their internal information networks instead of empathetically serving visiting prospects. Too many other tasks, processes and standardised trainings limit or hinder product enriching product or service behaviour at relevant customer encounters. As a consequence, alternatives become deselected although the product or service itself seemed highly attractive during the initial consideration phase. This widely spread mechanism can be observed in any industry and across cultures. Excellent or outstanding touch-point experiences mutate into rare assets. During the many long-term collaborative inquiries three main underlying rationales could be observed.

Cause number one can be described, as lack of a shared meaning and competence set the organisation would like to represent. Identified underlying reasons for this deficit have been:

- the meaning-set is vague or not conscious at all
- it exists in the head of a or few persons but is not shared
- it is known but there is only little or no identification with it
- it is too abstract and cannot become a steering wheel for the whole organisation
- it is not appealing to potential customers or other external stakeholders
- it is highly interchangeable with the ones of competing organisations
- there is only little or no knowledge how to create it

In the case of existence of an organisational meaning set it was rather abstract and replaceable, e.g. high quality, innovative, best service, rarely shared, vague instead of explicit, not a steering vehicle for organisational decision making.

Without the existence of an internally and externally attractive and concretised meaning set it becomes difficult to develop adequate product or service offerings and to design corresponding and supportive touch-point experiences. (For a detailed description of a brand-driven strategic identity development approach see Botschen, Markus Webhofer, 2011 or Botschen, Bernhart and Kurt Promberger, 2014).

The second hindering phenomena to create delighting touch-point experiences can be characterised as a lack of translating the set into touch-point journeys with specified concrete experiences. The reasons for this weakness can be found among others in:

- poorer wrong identification of leveraging touch-points across journey phases
- overlooking inner hopes during concretisation of derived experiences
- a gap between the claimed and actual touch-point performance

Often touch-points are limited to the established logic of the industry (Kim and Maubourgne, 2005) and not connected to the entire customer journey. The identification
of new leveraging touch-points or the modification of existing ones might have strong impact on the consideration, evaluation and closure phases of the prospects’ decision journeys (Court et al., 2009). Paul Tolchinsky’s concept of inner hope (2014) is based on the assumption that what consumers truly hope for is more than they express they want. This observation can have a strong impact on the translation of the shared meaning set into concrete touch-point experiences. An example of Tiga Tirol, a regional public petroleum provider, should substantiate this phenomenon. After ordering a new gas connection to substitute the old heating system, the local gas service provider proposed a date for the construction work for installing the new gas connection. The typical expectations concerning duration, accompanying service activities, hygienic standards etc. have been excelled several times. All neighbours in the street were friendly informed and asked to park outside the area at the particular day. The whole construction work and pipe connection for six meters was done in six hours. All affected flowers and bushes were dug out and planted again. The particular part of the garden almost looked better then before. The cellar, where the new gas therm was installed was hovered and cleaned. Finally, the public service company sponsored the whole installation without bureaucracy in the amount of fifty per cent of the investment. All these touch-point experiences excelled any hidden inner hopes of the client and contributed to enormousenduring resonance and continuous mouth to ear promotion. Inner hopes can hardly be identified via traditional market research technique, some of them are almost unconscious and only become aware when they are lived through with the specific touch-point experience.

The third crucial identified shortfall concerns the creation and performance of the specified touch-point experiences. Here again various matters have been witnessed:

- overlooking minor faults or damaging details, which disturb the positive overall experience
- third party interventions, e.g. agencies, consultants, architects, trainers, tastings, who promote their own “identities” and do not fit and support the development of the intended organisational brand identity
- the delegation of performing touch-point experiences to overburdened or stressed employees

Prospects tend to compose the whole Gestalt even if they observe only parts of it. If a dried up herb of basil disturbs the zone of fresh produce, the whole area of fruit and vegetable becomes damaged. If the confidential chat with the doctor in the lately decorated twin bedded room of a private hospital is not supported through a folding screen to the neighbour the zone of intimacy is bothered. If you need to draw a process number when four employees are waiting for the next client you will not judge this as a delightful touch-point experience. If borrowed boring third party personnel perform your product tastings, even the “best product” will not energise your organisational brand.

**Demonstration of missing adequate solution exists in knowledge base**

Although the relevance and importance of touch-point experiences is widely researched and acknowledged in marketing, management and other disciplines, no approach which bridges the strategic content with the concrete derived experiences at touch-points can be found in the literature.

Marketing activities for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large have never achieved leadership roles at the top level of organisations.
Branding definitions are numerous. They reach from the creation of a unique product name to brands as complex social phenomena. Across all description attempts one common denominator seems to evolve, brands contain and transfer meanings; in short, brands are carrier of meanings. Missing branding answers concern: Who is the brand? Where do the meanings come from? How can those meanings become the steering wheel for the whole organisation across all functional and hierarchical fields and levels? The socio-cultural perspective is one approach to understanding why humans behave the way they do. Socio-cultural research tries to understand why and how particular entities evolve, grow, survive, erode and disappear. This way it seeks to understand personality development and corresponding human behaviour by examining the attracting meanings of social groups and subgroups in which the individual is a member (Botschen and Krischan, 2015).

**Development of novel artifact that addresses problem**

As a consequence the proposed new artifact “Brand oriented Touch-Point Design” needs to specify how the intended organisational brand identity can be consistently translated into attractive touch-point experiences to create enduring positive resonance. This way the intended organisational brand identity becomes the enacted. Figure 3 describes the new artifact termed as a framework for “Brand-oriented Touch-Point Design”.

Figure 3: Framework for “Brand-oriented Touch-Point Design”.

![Framework for Brand-oriented Touch-Point Design](image)

The initiating driver for the entire process is the organisational brand identity. As described above it is the shared mental picture of top executives about the future meaning set and driving core competence of the organisation. The conceptualisations of the 7 Ps are
driven by the meaning set of the intended organisational brand identity. This way new
products or services are logically derived form the company’s steering wheel. The same
happens to the other elements of the extended marketing mix. At the same time the most
appropriate touch-point journey following the four phases of the prospects decision-
making process needs to be determined. Successful brand-builders consciously resist
investing everywhere that potential customers can be reached. Instead, they identify and
then spend aggressively only on the interactions they know will have the most impact on
revenue growth and profitability. These touch-points ideally have the strongest leverage
effect in each phase. Neuburger, a very successful producer of meat loaf, created a product
tasting encounter, which seduced more than ninety per cent of store visitors to enjoy an
excellent multisensory experience. Especially trained, dressed and equipped company
employees perform at this important touch-point. The touch-point is relevant along all four
phases of the consumer decision journey. Due to the very tasteful experience prospects are
invited to consider Neuburger as an attractive food alternative. At the same time the
tasting itself allows to evaluate and add the particular offering to others. Additionally,
the prospect can buy the product right after the tasting at the deli or cooling shelf of the shop,
or the multisensory tasting experiences already impact on potential rebuy or product
recommendations.
As described in the Neuburger example, the organisational meaning set must become
perceivable throughout the whole touch-point journey. If the specified touch-point
experiences are reproduced in a similar way, positive enduring resonance, e.g. purchase,
rebuy, sympathy, recommendations, acceptance of premium prices, brand loyalty will be
created. By this means the intended brand identity of the organisation becomes on-going
charged. The intended turns into the enacted. As indicated through the two circles in
Figure 3, identity charging ideally takes place though positive resonance by other
stakeholders as well. Schmidt (2007) considers brand development foremost as an internal
project that unites groups of people around a common strategic vision providing sense and
direction besides reaching out to the traditional customer-stakeholder audience.

How is the New Artifact Grounded in the Knowledge Base

At present the novel artifact contains and integrates elements from anthropological and
cultural studies about the creation, evolution and growth of communities on the base of
shared meanings, organisational identity research, the 7 Ps of the extended Mix of the
service marketing literature and the touch-point management literature including the
consumer decision journey.

Rigorous evaluation enabling the assessment of its utility

The described artifact evolved in more than twenty long-term collaborative inquiries of
practitioners and researchers since the mid nineties. Most of the collaborations are still on-
going and prove that the shared developed intended organisational brand identities became
a fundamental steering wheel for the conceptualisations of the 7 Ps and corresponding
touch-points with the strongest lever for charging the organisational brand identity. The
continuous feed-back loops with the involved entrepreneurs and top executives as well as
various touch-point analyses emphasise the functioning and acceptance of the novel
artifact. Using the example of the food retailer Mpreis: The continuous translating of the
meaning set of aesthetically pleasing food shopping over twenty years bestowed the
company with the biggest market share and highest growth rate in the region. Besides that
customers like the sexy supermarket appearance, burgomasters of other regions invite the owners to build Mpreis supermarkets in their regions and delegates of retail companies from all over the world come to visit and explore the aesthetically pleasing touch-point experiences of this unique food retailer.

**What new knowledge is added to knowledge base?**

With the BTD – framework, the authors bring a new perspective on how organisations can turn themselves into powerful organisational brands. The brand identity charging mechanism takes intended organisational brand identity as the steering wheel for all decision-making, and connects it through the 7 Ps to the design of the most relevant touch-points following the four phases of the customer journey. From this point of view, strong brands are carriers of resonating meanings. Brands do only exist on the organisational level. Products, services, employees behaviours are materialisations of the organisational brand identities which allow system partners to perceive them with their senses. The continuous reproduction of the brand-oriented touch-point design promotes the individual identification of employees and positive resonance on the side of customers and other relevant stakeholders.

**Summary**

For a consumer to feel connected to an organisation, they need interactive and personalized experiences. The mission is not just to tell a story that audiences connect with – it’s to inspire them to embody the story, help craft the story, and bring others into the story through their own personal connection to it. Ideally surpassing industry established audience’s expectations facilitates lingering in the audience’s memories well after the moment of interaction leaving an enduring strong impression afterwards.

Companies that perceive the product as just one major organisational brand driver in the design of delightful touch-point experiences outperform their competitors. Take the example of Illy Coffee versus Nespresso. Both companies have best quality products. In contrast to Illy who focuses on selling and listing their products to gastronomy and food retailers, Nespresso tried to have control over their brand’s meaning set throughout all touch-point experiences. The assortment is one major important element during all touch-point experiences, but all other components such as the design of the Nespresso Boutiques, the employees appearance and behaviours, the 24/7 internet availability and direct delivery together with the Nespresso Community contribute to the continuous energy loadings of the Nespresso brand.

The described BTD-framework should make entrepreneurs, CEO’s, managers and academics become aware that without a shared mental picture about the intended identity, the consistent translation into the 7 Ps and the corresponding design of multisensory touch-point experiences remains fortune and intuition. Without these transferring mechanisms the product or service is often weakened through necessary price promotions and can hardly respectively never achieve its full brand potential.

**References**


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