Interpretation of Brand Concept and Functions: Theoretical Approach

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Abstract
The article discusses the concept and functions of a brand. When discussing the brand conception in scholarly literature it is emphasized that brand delivers additional value that distinguishes the offer from the competitors’ offers aimed at satisfying the same need of the consumers. Brand becomes a tool in competitive fight because the aim is long-term loyalty and attachment of customers through individualized needs. Therefore we can distinguish several scientific approaches that reveal the multisidedness of description of contents of both the concept of a brand and functions of a brand.

The article presents approaches towards change within the content of the brand conception by distinguishing three main attitudes and discusses the classification of the brand functions. The article deals with the problem question: what are the contents of a brand and its functions?

Keywords: brand, competition, brand functions.

Introduction
In the XXI century the intensifying competition on a global market as well as the expanded and qualitatively different activities of companies make the non-material competitive instruments important again. A brand is increasingly more often regarded as an instrument of competiveness, as it becomes an exclusive feature that cannot be copied easily. For a user a brand is no longer a means for item identification only, it is now an expression of individualized needs. For a company a brand is a tool of competitive advantage.

The growing importance of a brand in scholarly literature shows up during broad and diverse discussions on the concept and functions of a brand: this concept is interpreted variously – a number of different approaches and points of view are presented. It becomes difficult for companies to manage what has no clear parameters, and sometimes a brand is simplified to elemental level: its physical look.

With attitudes in society undergoing changes and new consumption tendencies emerging, with competition in business environment becoming more intense and new technologies being developed, the concept and functions of a brand change as well.

Change in contents of concept and functions of a brand enables the discussion of the contents of the concepts themselves by distinguishing major directions for interpretation of the concept of a brand, by discussing the functions that are changing – this is a constant subject for scholarly research. In scientific literature on marketing attention to brand emerged around 1990. In 1989 Aaker emphasized that the main source of competitive advantage for a company is a brand.

It can be stated that it was the basis of brand conception that includes brand functions, brand as a personality and other aspects. According to Janonis and Virvilaite (2007), it is the brand that is one of the hard-to-imitate/copy assets.

The relevance and novelty of this article in related to discussion of change in the contents of the concept and functions of a brand, by distinguishing the major approaches and interpretations that are found in scholarly literature. Analysis of contents of concepts is a constant subject for scholarly research.

The problem question: what are the contents of a brand and its functions?

The aim is to theoretically discuss the contents of the concept and functions of a brand.

Research methods used in this article are systemic, comparative, and logical-critical analysis of scholarly literature.

Interpretation of brand concept: dominant approaches
There are rather broad discussions on theoretical concept of a brand in scholarly literature. Brand is given to the good that the producer wants to distinguish. Lury (1998) points out that marking of goods in the name of the producer or the owner as a phenomenon appeared nine thousand year ago.

In scholarly literature on marketing attention to brand started to become clear around 1990s. In 1989 Aker emphasized that the main source of a company’s competitiveness is its brand. It can be stated that it was the basis of brand conception that inclu-
des brand functions and aspects of brand as a personality.

Hankinson (2005) distinguished four essential groups of problems with brand concept, which reflect the fields of scientific discussions:

1. Discussions on brand understanding that is actualized both as aims and as values represented by it;
2. Multifacetedness of brand communication: brand as a communicative message to both external and internal audiences;
3. Insights into brand as use of strategic resources of an organization in seeking aims of the company;
4. Problems with active and deliberate brand management.

The latter insights by Hankinson (2005) reveal the ambiguity of concept and functions of a brand: a brand involves increasingly more elements of contents and simultaneously increasingly more different functions. As the concept of a brand was developed, the contents of the concept itself changed as well.

Going deeper into the concept of brand, we can note that this concept has been treated in scholarly literature variously. First, it is a must to overview theoretical understanding of a brand in general. One of the most frequent definitions is name, symbol or sign attached to certain goods in order to strengthen and facilitate their recognition for the consumers as well as to inform consumers about benefit or added value delivered by that good (see Aaker; 1990; Aaker, 1996; Aaker, 2001; Aaker et al., 1990; Aaker et al., 2000 and other authors). The latter interpretation of brand can be called the classical one.

Ghodeswar (2008) states that there is a rooted interpretation of brand as a distinguishing name and/or symbols (e.g., logotype or package design) intended not only to identify goods or services of one merchant or a group of merchants, but also to distinguish these goods or services from those of competitors. Ghodeswar (2008), Weibacher (1995) emphasize that in this case information conveyed by brand becomes a decisive factor. This information determines relations between consumers and the good and can be explained as accumulation of long-term experience of consumers. A successful brand is recognized (can be recognized as a product, a service, a location, etc.), but simultaneously the consumer realizes corresponding, unique, added value that meets the needs of the consumer best (de Chernatony et al., 1992).

American Marketing Association (1960) defines a brand as a “name, term, sign, symbol or design, or a combination of them intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of other sellers”. This one-dimensional definition of a brand was criticized because it was too oriented towards a good and only visible differences were regarded as the main distinguishing features of a brand (see Arnold, 1992; Cra- nier, 1995).

Despite the criticism, a slightly modified definition of a brand has remained in literature on marketing until the present day (see Watkins, 1986; Aaker, 1991; Stanton et al., 2001; Doyle, 1990; Dibb et al., 1997). A brand concept content definition version proposed by Bennett (2005) is rather often used: a brand can be a name, a symbol or any other feature that identifies benefit or service of any one merchant, i.e., that distinguishes the good from goods or services of other merchants. In this case the role of brand in distinguishing the goods is emphasized.

As theoretical and practical insights into marketing change, so does the content of a brand concept, because the main focus is shifted from a brand as an element of identification of a good to a brand as a symbol, exclusive promise, value (to both consumer and producer (company)).

It can be suggested that understanding of a brand is thus broadened/deepened, i.e., it is emphasized that a brand no longer is “any feature”, that various aspects of content of brand (in particular such aspects as values, emotions, etc.) are taken into consideration.

Analyzing the conception of a brand, scientists stress that a brand is first of all the value the consumer receives when buying/choosing the brand, it is also noted that a brand is an image in the minds of consumers (see Boulding, 1956; Keller, 1993), a brand is explained as a sign, a mark, a symbol of personality of a consumer (Alt et al., 1988; Goodyear, 1993; Aaker, 1996), a brand is a kind of value systems (Sheth et al., 1991), a brand is added value for a customer (Le- vitt, 1962, de Chernatony et al., 1992; Murphy, 1990, 1997; Wolfe, 1993; Doyle, 1994 and others). Aurske- viciene, Kuvykaite (2001) note that in marketing theory added value has no quantitative expression and is regarded as benefit received by consumer.

O’Cass et al. (2002) discuss the brand dimensions and their identification as consumer makes decisions on buying/choosing; in this way the attitude to the brand is disclosed and consumption intentions are illustrated. The problems with naming of contents of conception of a brand are discussed by Woodruff et al. (1993), Haley (1996), Masberg (1996), Gibler et al. (1997), Hirschman et al. (1997), Price et al. (2000). To summarize it can be said that most often it is emphasized that brands are not easy to measure “objects” only; they are related to essential features that satisfy rational, emotional, social, cultural, and other needs of consumers.
Systemic analysis of scholarly literature made it possible to distinguish three dominant approaches to the contents of the concept of a brand:

1. **A brand is seen as a functional means of identification.** The representatives of this approach say that a brand distinguishes goods or services from the other ones, i.e., the purpose of a brand is to help a consumer to distinguish, to identify, etc. (see Kvykaite, 2001; Klimas, 2006; and others). This approach could be criticized for too narrow definition of the purpose of a brand and, most likely, it would be possible to suggest that historically this approach was the first one. After all, the first function of a brand, according to Lury (1989), is to identify the goods.

2. **A brand is explained as a complex of different elements.** Scientists taking this approach define a brand as a complex of various (emotional, physical, rational, aesthetic, etc.) elements, which shapes an image, opinion, and the like (see Hart et al., 1998; de Chernatony, 1999; Aleliunaite et al., 2000; Aaker, 1992 and others). A brand is no longer explained as a means of identification only, now there also are attempts to define how and by what to attract consumer’s attention, most often by developing/emphasizing coherence of functional and emotive elements and features. The representatives of this approach highlight the aspects of brand value, brand identity, and brand image.

3. **A brand is defined as a promise of uniqueness.** Scientists representing this approach emphasize that a brand expresses values, it is “a unique, reliable promise to consumers” (see Buzzel et al., 1987; Kapferer, 1992; and others). Thus the aspect of perceived quality (functional, emotional value) is included into the brand concept and this should be associated with functions of a brand.

The three problem aspects of definition of contents of concept of a brand that were distinguished are first of all related to interpretation of concept of brand: in the first place it is entered into what is encompassed by a brand and how a brand could be described.

The three distinguished approaches towards description of contents of a concept of a brand not only reveal the changed contents, but also illustrate the evolution of theoretical concepts of marketing. Interpretation of a brand as a functional means for identification is among the first historically evolved. Scientists advocating this approach maintain that a brand first of all distinguishes particular goods or services among others.

A brand as a complex of various elements – in this group of attitudes of scientists the complexity as well as links among various elements are emphasized. A brand is treated much more broadly – not only as a functional means for identification.

The third distinguished group of attitudes of scientists reveals yet other contents of a concept of a brand: a brand is seen as a promise. In this case a brand becomes a commitment to consumers, a guarantee of the quality perceived/expected.

The identified approaches to concept of a brand reveal that, on the one hand, the concept itself is interpreted variously; on the other hand, a brand increasingly more often tends to be associated with intangible elements.

To sum up the scientific discussions, the following definition of the concept of a brand can be provided: a brand is a combination of various (physical, emotional, aesthetical, etc.) elements, which determines a unique promise for customers.

**Identification of brand functions**

When discussing a brand in scholarly literature, two concepts are used: function and benefit. Benefits delivered by a brand actualize the definition of functions or purpose. In scholarly literature (Aaker, 1991, 1996, 2001; de Chernatony et al., 2003; Gregory, 2004. Hankinson et al., 1995; Hart et al., 1998; Kapferer, 2003, 2008; Aleliunaite et al., 2000; Amber, 1997; Kupryte et al., 2003; and others) functions of a brand are now steadily classified into two groups: for a consumer and for a brand owner (a producer, a company, and the like).

Such classification is based on highlighting the value delivered by a brand with a view to answer the question of who benefits? Amber (1997) states that brand functions can be classified by criteria of usefulness: functional, psychological, economic usefulness. This aspect is also related to definition of brand as a promise of uniqueness. Lantieri (2009) points out that in the XXI century increasingly more attention is paid to psychological usefulness of a brand, which evidently develop orientation towards consumers.

Meanwhile Park et al. (1986) propose to classify the benefits of a brand by the level of satisfaction of needs, and distinguish three variants. First, functional needs (viewed as simply the solution of problems of consuming) of users are satisfied, in this case a brand is essentially not important and most often associated with external attributes (logotype, package, and so on) only. Experiential needs are associated with a brand (as a complex of various elements, emphasizing the emotional aspect, attachment, links). Consumer’s experience is often associated with the factor of perceived quality as well (Aaker and Joachimsthaler, 2000). Experience determines favourism from consumers’ as well as their lower sensitivity to price changes.
Park et al. (1986) put a special emphasis on symbolic conception of benefit of a brand, noting that in this case the consumer’s relation to a brand is already important: a brand often becomes a symbol, an expression, a sign of exclusiveness. This particularly relates to a brand as an instrument of competitiveness.

Panigyrakis et al. (1999) relate brand functions to role of the brand managers, which they sum-up by identifying the main activity functions (such as market analysis, brand development plan preparation, development and coordination, etc.). This emphasizes responsibility of managers for value and profit of a brand.

Among the main functions of a brand we can mention that a brand impels a consumer to identify the origin of goods or services (a producer), to distinguish the good or service from others (a consumer distinguishes goods or services by their brand and expects the same quality) and promotes the producer, its goods, therefore a registered trademark is used, which is exclusive, informative, attractive and memorized by a customer and the one of a kind on the market. This finds agreement of many scientists (see Aaker, 1996; Davis, 2002; de Chernatony, 2001; Kuvykaite, 2001; Kupryte et al., 2001; Nilson, 2000; Chaudhuri, 1999; and others). This function is related to conception of a brand as a means of identification.

Different scientists identify a different number of brand functions (5-10 functions for customers, 6-10 functions for companies, see Figure 1).

The carried out logical-critical analysis of scholarly literature enabled distinguishing five functions of a brand for the consumer:
- simplification of decision to purchase;
- guarantees or reduction of risk;
- communicative;
- personalization;
- satisfaction stimulation.

All these functions are related to the aspect of psychological usefulness, and decision to purchase and reduction of risk are additionally related to functional usefulness of a brand.

It should be mentioned that the carried out analysis of scholarly literature (see Aaker, 1996; Davis, 2002; de Chernatony, 2001; Kuvykaite, 2001; Kupryte et al., 2001; Nilson, 2000; Brown, 1960; and others) has revealed that in this case there is a tendency to identify much more functions — as much as eight.

Brand functions for the owner (producer, company, and the like) of the brand:
- communicative;
- defence function;
- barrier against competitors’ entry to the market;
- positioning tool;
- financial benefit;
- image creation;
- customer loyalty building;
- simplification function.

It must be noted that some functions could be connected/merged, because the aims sought to be achieved are similar or close. For example, defence and barrier against competitors’ entry to the market are essentially the functions of defensive (protective) nature. There could also be a discussion on positioning, communicative and company image creation functions, as the latter are related to communication and image (both of company and of brand) building. Functions of financial benefit and simplification could be intermingled as well.

Communicative and positioning, defence and protection, financial benefit, customer loyalty – these four brand functions for companies (producers) would encompass the benefits delivered by the brand.

Empirical and scientific research into various aspects of functions of a brand well developed not only interpretations of conception of a brand, but...
so revealed the criteria of perceived quality and commitment (see McNeal et al., 1981; Shimp, 1993; Janiszewski et al., 2000). On the other hand, empirical research into functions of a brand elevated the advantages of value of a brand for a consumer. Burnett et al. (2007) stress that a consumer’s relation to a brand must be emotive, experiential.

To sum up the problem points of definition of contents of functions of a brand, it must be mentioned that first of all the benefits delivered by a brand are emphasized, by identifying quite a number of functions at the same time. The latter are traditionally sorted into two groups.

Conclusions

To sum up it can be said that most often it is emphasized that brands are not just simple and easily measured “objects”, but are related to essential peculiarities that satisfy the customers’ rational, emotional, social and cultural or other wishes and needs. Interpretation of contents of both the concept and functions of a brand reflects the change in marketing ideas and conceptions: a shift from functional identification to brand as a symbol (this is also related to change in contents of the functions and the concept).

Analysis of scholarly literature has revealed the problem points of description of contents of a concept of a brand when the conception of a brand was qualitatively expanding: there was a move from a brand as a functional tool of identification to a brand as a promise of uniqueness and a combination of various elements (emotional, physical, aesthetic, etc.) elements, which determines the changed process of integrated marketing communication, but also reveals the problem aspect of a lifecycle of a brand. In different approaches of scientists to the concept of a brand one can identify the perspective of longevity, because it is noted that successful brands are those that adapt to environment and thrive in a long run despite the competing brands.

Therefore we can present a revised concept of a brand: a brand is a complex of various (emotional, physical, aesthetic, etc.) elements, which determines a unique promise for customers.

The three distinguished approaches towards description of contents of a concept of a brand not only reveal the changed contents, but also illustrate the evolution of theoretical concepts of marketing. Interpretation of a brand as a functional means for identification is among the first historically evolved. Scientists advocating this approach maintain that a brand first of all distinguishes particular goods or services among others.

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The identified approaches to the concept of a brand reveal that, on the one hand, the concept itself is interpreted variously; on the other hand, a brand increasingly more often tends to be associated to intangible elements.

Meanwhile scholarly literature analysis has revealed that first the benefits brought by a brand are emphasized, identifying many functions at the same time. Brand benefit aspect reveals the system of functions of a brand, because both customers and producers seek various aspects of usefulness of a brand (ranging from functional to symbolic). Brand helps a producer to build a group of loyal buyers, facilitates competition on the market and also creates added value and helps to position the product.

Therefore the benefits of a brand reveal brand functions that are traditionally arranged into two groups: for companies and for customers. However, brand benefit analysis also gives rise to discussion of functional, experiential, and symbolic levels.

Communication and positioning, defence and protection, financial benefit, customer loyalty – these are the four brand functions for companies (producers), which encompass the benefits brought by a brand.

Brand functions for customers that reveal the main aspects of brand purpose for customers are simplification of decision to buy; guarantees or reduction of risk; communication; personalization; and satisfaction stimulation.

References

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Prekės ženklo sąvokos ir funkcinį interpretavimus: teorinė prieiga

Santrauka

Mokslineje literatūroje, aptariant prekės ženklo konceptiją, akcentuojama, jog prekės ženklas suteikia papildomą vertę, kuri išskiria pasiūlymą iš konkurenčius pasiūlymus, skirtų tam pačiam vartotojų poreikiui tenkinti, prekės ženklas tampa konkurencines kovos įrankių, nes siekiama ilgalaikio vartotojų lojalumo ir prasisrišimo per individualizuotus poreikius. Mokslinei analizėi potink savesnės požiūris. Didėjant prekės ženklo svarbai mokslinei literatūroje, išryškėja plačiai ir įvairiai diskutuojant apie prekės ženklą konceptą ir funkcijas: ta pati sąvoka interpretuojama įvairiais požiūriais bei interpretacijas. Sąvokų turinio analizė – nuo prekės ženklo sąvokos ir funkcijų turinio kaitos aptarimu, atspindi mokslinių diskusijų kryptis: ta pati prekės ženklas yra įvairių konceptų ir funkcijų samprata, kurios atspindi mokslinių diskusijų kryptis

1. Diskusijos apie prekės ženklo sampratos interpretavimą, kai sąvokos daugiai išskiria požiūrių skirtingus požiūrius.

2. Prekės ženklo kaip komunikacijos instrumento daugiaiapakaitiskumas: taipats prekės ženklas yra komunikacinė įvairių išorinės ir vidinės auditorijos, o tai gali lemti (dažnai ir lemti) skirtingus komunikacijos būdus ir laukiamus rezultatus.

3. Įžvalgos apie prekės ženklo mažesnį aplinkos strateginių organizacijų išteklių (pa)naudojimą, siekiant bendrųjų įmonės tikslų.

4. Aktyvaus ir sąmoningo prekės ženklo valdymo problemas, kurios dažnai neatitinka proceso dedamųjačių įvairių įzvilgų analizė, bet ir igalina pastebėti tarp disciplininį požiūrį.

Didėjanti prekės ženklo svarba mokslineje literatūroje išryškėja plačiai ir įvairiai diskutuojant apie prekės ženklo konceptą ir funkcijas: ta pati sąvoka interpretuojama įvairiu požiūriu, pateikiami nemažai skirtingų požiūrių ar požiūrių. Šiomis darosi sudėtinga valdymo problema tinka aptarti jo turinį, išskiriant pagrindines prekės ženklo sąvokos interpretavimo kryptis, kiant įtakos funkcijas.

Straipsnio **probleeminis klausimas**: koks yra prekės ženklų ir funkcijų turinys?

**Straipsnio tikslas** – teoriniu aspektu aptarti prekės ženklų sąvokos ir funkcijų turinys.

**Tyrimo metodai**: sisteminė, lyginamoji, loginė-kritinė mokslinės literatūros analizė.

Šiame straipsnyje nagrinėjama prekės ženklų sąvokų ir funkcijų analizė, lyginant ir sisteminant įvairių mokslo šakų įtakas. Pirmojo straipsnyje dalyje aptariami trys mokslo šakos – literatūroje dominuojantys prekės ženklų ir funkcijų aspektai. Mokslinėje literatūroje yra dvi sąvokos: prekės ženklų ir funkcijų turinys.


**Mokslinės literatūros analizė**: sisteminė, lyginamoji, loginė-kritinė mokslinės literatūros analizė leido identifikuoti penkias prekės ženklų funkcijas vartotojams: (a)skirstyti, (a)tpažinti, (a)identifikuoti prekes ir prekės ženklo savininkui. Lantieri (2009) pažymėjo, jog XXI a. įmonės įvairiais būdais įvairių funkcijų susijimą įvertina ir gali susijungti prie prekės ženklo funkcijų turinio. Vartotojai gali priskirti prekės ženklo funkcijas įvairių funkcijų kompleksams: įvairių (įmonės, naujai priimamą prekės ženklo funkcijų kompleksą) funkcijų, sudarytų iš įvairių funkcijų kompleksų. Šis požiūris atstovai teigia, kad prekės ženklo funkcijų kompleksai gali būti kategorizuojami į dvi grupes: varotojų funkcijų kompleksas ir prekės ženklo funkcijų kompleksas.
Viena vertus, empiriniai ir moksliniai tyrimai apie prekės ženklo funkcijas suponavo ne tik šios sampratos turinio kaitą, bet ir atskleidė suvokiamos kokybės, išsijaungimo kriterijus. Kita vertus, prekės ženklo funkcijų empiriniai tyrimai išskelė vertės vartotojui privalumus, nes vartotojo santykis su prekės ženklu turi būti emocinis, patirtinis.

Prekės ženklą linkstama labiau sieti su naudos kriterijais, todėl galima išskirti tokius aspektus: lengvesnis identifikavimas, naudos reprezentavimas, lengvesnis įvertinimas, pozicijos rinkoje aktualizavimas, domėjimosi skatinimas, pagalba buriant lojalių vartotojų ratą, gynyba nuo konkurencijos, išskirtinio privalumo sukūrimas ir pozicionavimas.

**Pagrindiniai žodžiai:** prekės ženklas, konkurencija, prekės ženklo funkcijos.

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