

## **Chapter 5: Summary and Conclusions**

This chapter summarises the findings of the research, discusses their managerial implications, assesses their contributions to theory relating to corporate brand management and corporate communication and suggests future research directions on using corporate advertising and ad-like communication activities in corporate brand management.

### **5.1. Summary of the Thesis**

Much attention has been devoted recently to corporate brands. Companies go to great lengths to enhance their image in the minds of consumers, investors, employees, community members and any other relevant constituencies. Companies are increasingly targeting these constituencies using corporate advertising and a whole array of communication activities, including events, sponsorships and exhibitions, rather than relying on the press and other third parties (e.g. financial analysts and governmental officials) to inform and persuade. Despite the important role of corporate advertising and ad-like communication activities in building a corporate brand, there has been a dearth of research on how corporate communication works. Worse still, extant research fails to explain how corporate communication programmes for building corporate brands should be designed. Managers need a more thorough understanding of how to select among means of enhancing the image of a company and increasing its awareness. These means of corporate brand communication extend well beyond conventional advertising media and include events, sponsoring activities, trade shows, websites, and many more. These ad-like means of corporate brand communication have been regarded in this thesis as if they were additional communication tools, like the traditional advertising media. The purpose of this research has been to provide guidance for using corporate communication in corporate brand management by developing a decision-making model to assist managers in corporate communication tool selection.

In this thesis, a corporate brand has been defined as a name, term, sign, symbol or design or a combination of these elements intended to identify and differentiate the company behind the entire product offering in the minds of a company's constituencies. Today, companies attempt to identify and differentiate their corporate brands due to internal changes, as well as increased competition for consumers, but also increased competition in supply markets, which seems to be better faced by companies with strong corporate brands. A useful way in which companies identify and differentiate their corporate brands is by using corporate

advertising and ad-like communication activities, characterised by the goal-oriented transmission of information identified with the corporate brand, or not any one specific product brand, aimed at eliciting responses from a company's main constituencies and addressed directly towards them. This form of communication directly targets a company's main constituencies (i.e. consumers, investors, employees and community members), without mediation of the press or any other third parties. The relationship between the company and its ultimate constituencies is thus immediate and the communication process is single-staged. More importantly, the message that constituencies receive is controlled by the company, which makes this form of communication a prime tool for shaping beliefs and evaluations of the company. Corporate communication stimuli from a company to its ultimate constituencies is indeed an important form of corporate promotion, which is employed by an increasing number of companies and accounts for a rising share of the corporate communication budget.

How corporate advertising and ad-like communication activities create constituencies' psychological and behavioural responses, that is, how it works, has been explained using behavioural science theory for developing a conceptual S-O-R framework. The framework, which focuses on long-lasting memory effects from communication, explains how communication works as follows: corporate communication stimuli (e.g. a corporate advert) affect knowledge structures in constituencies' minds, that is, corporate brand knowledge, understood as a corporate brand node in memory linked to a variety of associations, and operationalised in terms of corporate brand awareness and corporate image. Resulting corporate brand knowledge from communication is moderated by both characteristics of the targeted constituency and characteristics of the communication stimulus itself. This thesis specifically identified and reviewed two constituency-related moderators — a constituency's prior corporate brand knowledge and processing goals — as well as five stimulus-related moderators — modality, message, execution, time and place — that demonstrably and systematically enhance or lessen corporate communication effects. In turn, corporate brand knowledge may favourably affect constituencies' behavioural responses to a firm as considerable research confirms. Indeed, a growing number of empirical studies have demonstrated positive behavioural responses due to positive corporate brand knowledge in constituencies' minds, including stimulation of consumers' buying intentions, better relationships with suppliers and distributors, acceptance and legitimacy in society, increased employee motivation and greater support from investors. Compared with previously developed models, the proposed framework seems more appropriate for explaining how corporate communication works because it