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“Prescription for a Brand in Change”

-A case study of Apoteket AB

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Helena Bjarne

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Abstract

Title:	Prescription for a Brand in Change
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Authors:	Helena Bjarne, Linn af Klint and Anna Philipson
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Keywords:	Branding, Change, Corporate Brand, Internal Brand Building
Purpose:	The purpose with our research is to study the internal work process with a brand in order to successfully adapt the brand to changes in the market. We intend to investigate the challenge a company faces when creating a modified brand based on the foundation of an already existing strong brand. Through this research we aim at creating a useful foundation for other companies in their brand building process when meeting an extensive change.
Methodology:	Our research evolves from a social constructionism orientation. In congruence with our purpose of investigating the internal aspects of brand building we have decided to choose a qualitative research orientation constituted by a case study. The findings are based on qualitative interviews and a secondary data study where reviews of official documents such as annual reports and websites have been used.
Theoretical Framework:	Theories of Corporate Brand, Internal Brand Building, Brand Management, Brand Commitment and Brand Heritage are used to understand how to manage a brand in change.
Empirical Foundation:	The empirical material, which is the base of the analysis, consists of a review of official documents and qualitative interviews with individuals within different levels of the organisation Apoteket AB. We also conducted interviews with the advertising agency of the firm as well as a branding expert.
Conclusions:	We have detected a number of important factors when adapting a brand to an extensive change. In order to successfully manage to alter the brand and keep its strength a well-functioned internal communication, a commitment to the brand and the change, implementation of the brand and updating the brand are needed. We have developed a model with the factors we have distinguished for companies to utilize when facing an external challenge influencing the conditions for the brand.

1. INTRODUCTION	6
1.1 INTRODUCTION TO THE RESEARCH AREA	6
1.2 PROBLEM DISCUSSION	8
1.2.1 <i>Gap in Current Research</i>	8
1.2.2 <i>Change in market conditions</i>	9
1.3 RESEARCH QUESTION	11
1.4 PURPOSE	11
1.5 LIMITATIONS	12
1.6 DISPOSITION	13
2. METHODOLOGICAL CONSIDERATIONS	14
2.1 CHOICE OF SUBJECT	14
2.2 SCIENTIFIC APPROACH	15
2.3 CHOICE OF RESEARCH DESIGN AND METHOD	15
2.4 CHOICE OF CASE COMPANY	17
2.5 QUALITATIVE STUDY	18
2.5.1 <i>In depth interviews</i>	18
2.5.2 <i>Interview respondents</i>	19
2.5.3 <i>Preparations and interview guide</i>	20
2.5.4 <i>Conducting the interviews</i>	20
2.5.5 <i>Compilation of interviews</i>	22
2.6 CHOICE OF THEORETICAL FRAMEWORK	22
2.6.1 <i>Usage of theory and combining theory and empirical material</i>	23
2.7 QUALITY OF STUDY	24
2.7.1 <i>Credibility</i>	25
2.7.2 <i>Transferability</i>	25
2.7.3 <i>Dependability</i>	26
2.7.4 <i>Confirmability</i>	26
2.7.5 <i>Authenticity</i>	27
2.8 DIFFICULTIES DURING RESEARCH	27
2.9 CRITICISM OF SOURCES AND RESEARCH METHODS	28
2.10 DELIMITATIONS	29
3. THEORETICAL FRAMEWORK	30
THEORETICAL DISPOSITION	30
3.1 THE CORPORATE BRAND AS A FOUNDATION	32
3.2 INTERNAL BRAND BUILDING	35
3.2.1 <i>Brand audit</i>	38
3.2.2 <i>Brand identity</i>	40
3.2.2.1 <i>Changing the Brand identity</i>	42
3.2.3 <i>Brand Positioning</i>	43
3.2.3.1 <i>Revitalizing and repositioning of a brand</i>	44
3.2.3.2 <i>Service- and Retail Brands</i>	48
3.3 BRAND COMMITMENT AND BRAND MANAGEMENT	52
3.4 BRAND HERITAGE	59
3.5 APPLICATION OF THE THEORETICAL FRAMEWORK	62
FIG. 7 THEORETICAL IMPLICATIONS	63
4. ANALYSIS	64
4.1 COMPANY BACKGROUND	64
4.1.1 <i>Reregulation of the pharmacy market</i>	65
4.2 ANALYSIS OF INTERVIEWS	67
4.3 UNDERSTANDING OF THE BRAND	69
4.3.1 <i>Who is Apoteket AB?</i>	69
4.3.2 <i>Vision and Mission</i>	70

4.3.3 <i>Who were Apoteket AB?</i>	72
4.3.4 <i>Who does Apoteket AB want to be?</i>	74
4.3.5 <i>Where are Apoteket AB?</i>	77
4.3.6 <i>What is Apoteket AB?</i>	80
4.3.7 <i>How well do the employees understand the brand?</i>	82
4.4 INTERNAL COMMUNICATION	84
4.4.1 <i>Information regarding the change</i>	84
4.4.2 <i>Communication regarding the brand values</i>	86
4.4.2.1 <i>Meetings as a communication tool</i>	86
4.4.2.2 <i>The Intranet as a communication tool</i>	89
4.4.3 <i>Internal communication during a change process</i>	91
4.4.4 <i>Vertical communication for brand building</i>	94
4.5 BRAND COMMITMENT	95
4.5.1 <i>Leadership during a change</i>	96
4.5.2 <i>HR-activities to create Brand commitment</i>	97
4.5.3 <i>Are the employees Brand Committed?</i>	100
4.5.4 <i>Living the brand</i>	102
4.5.5 <i>The work with Brand Commitment during the change</i>	104
4.6 REFLECTIONS OF THE ANALYSIS	105
5. CONCLUSION	110
5.1 FULFILLING OUR PURPOSE	110
5.1.1 <i>Conclusional Discussion</i>	111
5.1.2 <i>Answering the Research Question</i>	114
5.2 IMPLICATIONS AND FUTURE RESEARCH	118
5.2.1 <i>Theoretical Implications</i>	118
5.2.2 <i>Managerial Implications</i>	118
5.2.3 <i>Future Research</i>	119
6. BIBLIOGRAPHY	120
6.1 PUBLISHED SOURCES	120
6.2 ARTICLES	120
6.3 ELETRONIC SOURCES	124
6.4 INTERVIEW RESPONDENTS	125
APPENDIX	126
1. INTERVIEW GUIDES	126
1.1 INTERVIEW GUIDE: EVA FERNVALL, BRAND MANAGER APOTEKET AB	126
1.2 INTERVIEW GUIDE: CHRISTIAN W JANSON, HEAD OF THE BOARD APOTEKET AB	127
1.3 INTERVIEW GUIDE: MARIE LUNDIN, REGIONAL MANAGER APOTEKET AB	128
1.4 INTERVIEW GUIDE: ANNETTE GERBERT AND ANN-MARIE HAGBJER, STORE MANAGERS APOTEKET AB	128
1.5 INTERVIEW GUIDE: STORE EMPLOYEES	128
1.6 INTERVIEW GUIDE: LEIF SORTE, PROJECT MANAGER, FORSMAN & BODENFORS	129
1.7 INTERVIEW GUIDE MATS URDE, BRAND SPECIALIST	129

1. Introduction

In this chapter our aim is to introduce the reader to our research area. We intend to provide an overview of the background to our topic of corporate brands, internal branding and a changeable market situation. Further our problem discussion will pinpoint the research issue by presenting the gap in current research. The purpose and research question is thereafter established and will function as a foundation for our entire research. Thereafter the limitations applicable to our research are stated as well as the deposition of our work.

1.1 Introduction to the research area

The globalisation demands a shift in marketing emphasis and is contributing to a change from product brands to corporate brands. Published in the beginning of the new millennium the disputed book *No Logo*, written by Naomi Klein, set up a lively debate about companies and their brands. The book enlightened the branded world and how the companies stopped focusing on producing products, rather focusing on managing brands. A new type of company, who focused on marketing rather than manufacturing, started to win market shares. Brand image became the core to their success (Klein, 2000). Differentiation based on products or prices were no longer sufficient in the enhanced competitive surrounding. The companies instead also needed to create an identity and add emotions and values connected to the organisation. The company itself are the key element in the differentiation strategy (Harris & de Chernatony, 2001 and Hatch & Schultz, 2003). In the late 1980th Philip Morris bought the company Kraft for a price six times higher than what the company was worth according to its tangible resources. The reason for this was the high value of their corporate brand. This was the start of a corporate branding hysteria (Klein, 2000).

Marketing is under a paradigm shift and an increased focus on corporate marketing is the current situation. Marketing can no longer be limited to the responsibility of top management but must be transferred to an overall conscientiousness by the complete organisation. The internal process of the

company is thereby of growing acknowledgement and importance for successful brand building (Balmer & Greyser, 2006). Hence the rise of corporate marketing and corporate branding has enhanced the awareness of how important the employees are as a branding- and marketing tool (Punjaisri & Wilson, 2007).

With the changing market arrive new and harder conditions, to which a company must adjust. Adapting to changing demands has been a challenge for companies in all times. The companies of the twenty-first century are today operating on a market more alterable than ever. Globalisation, privatisation, mergers and acquisitions and development of advanced technology are some of the factors forming a business environment in constant change. Therefore the companies have to be observant and changeable regarding their strategic work (Kitchen et al, 2002 and Wanberg, 2000).

The external factors such as a changed market structure or a new competitive environment affects the internal work process (Piderit, 2000). The employees are a high valued resource within companies, which the organisations rely upon in order to create products or services. Change within an organisation is often met with suspiciousness and resistance among the employees. This can slow down the change process and lead to negative outcomes such as inefficiency, decrease in productivity and unsatisfied employees (van Dam, 2008 and Wanberg, 2000). Therefore it is of great significance for the company to facilitate the employees' adaptation to the changes.

The internal relation is also of great importance for external success. Gummesson (1987) early stressed the importance of personal relationships with customers and how these are more long lasting than products or brand loyalty. The interaction between the customer and the employee creates a foundation for a long-term relation and loyal customers. The moment of truth, which is the interaction between the customer and the employee, is a very important marketing tool. The employees can be seen as part time marketers who market the company in each interaction with the customers. The internal relations within the firm therefore has to be well functioning in order to create

efficient external marketing (Gummeson, 1987 and Grönroos, 2005). We therefore find it of great significance to focus on the internal perspective during an extensive change in order to develop further research on how successful internal brand building is created.

1.2 Problem discussion

As highlighted in the introduction the brand is one of the most important resources for a company. A strong brand generates value for both customers and the company since it reduces risk. A well-known brand creates an impression of a guarantee and the belief that you are buying a product or service you can trust. The definition of a brand is; “a set of mental associations, held by the consumer, which add to the perceived value of a product or service” (Kapferer, 2008). The building of a strong brand is complex and time consuming (Hakkinen, 2005).

As stated above, the fast-moving business environment raises the importance for companies to be open and adaptable to changes. This also includes the brand that constantly is faced with challenging conditions and new requirements. An external change can affect the work process of the brand and create a need for companies to reevaluate their brand. When facing changes on developing markets it might be essential to adapt or change the brand in order to suit the new conditions. We therefore find the discussion regarding the need to adapt or change a brand because of an external change to be of vast interest.

1.2.1 Gap in Current Research

There is a great amount of literature written on the subject of organisational change. These include different strategies and important aspects for a company to consider regarding how a company should act internally and externally during a change. There is furthermore a significant amount of research done concerning how to implement a brand internally in the company as well as externally on the market. However, we have perceived a gap in research regarding how to manage a brand during an extensive external change. Little has been written about how organisations should change and adapt while having the brand as main focus. We find this strange, since the brand plays a

greater and more important role within the organisations, and the market is becoming more and more turbulent and changeable. In particular we find the aspects of the internal branding process within a big change not yet fully researched. A brand has to be carefully implemented and adapted internally to have a chance of being communicated properly externally. Therefore we find it logical to undertake an internal approach to our study. Since we find this issue up to date and of high relevance for brand building, we hence intend to fill this gap in research. This in order to theoretically contribute to existing companies branding processes and their mapping of the brand situation when facing an extensive change.

1.2.2 Change in market conditions

Reregulation of a market can create a situation where a company suddenly have to face competition. This requires improvements and adaptation to the new market in order to survive. The brand then becomes a highly significant factor that has to be properly managed. The shift in the pharmacy market in Sweden 2009 was a great change, but not totally a unique situation in terms of deregulating a market. Industries are changing all over the world, as an affect of a changing demand. The customer demands a greater variety of suppliers and products. A contributing factor is the EU standards which all members have to consider, and most often result in increased amount of suppliers, and hence more competing firms on the market (Hanner, 2005).

The current situation of the deregulation of the pharmacy market is challenging and complex and therefore relevant for our research. Even though we find the situation unique for Apoteket AB we do not believe it is unique in the matter of a monopoly being exposed to competition, and find this a most interesting phenomena. It is not an inconceivable scenario for this situation to occur in the future among other state owned companies in Sweden. We hence find the situation most relevant and interesting and the results and insights valuable, and hopefully applicable for other companies facing similar situations. In Sweden there has for example recently been a deregulation of the railway market. SJ, Statens Järnvägar, has been an actor on the Swedish railways for over 150 years and is a state owned company that previously have

been a monopoly (www.sj.se). In Sweden there are still a few large state owned companies that are monopolies, for example the wine and liquor monopoly Systembolaget. Systembolaget is today the only actor on the alcohol market in Sweden (www.systembolaget.se). The discussions have been intense regarding whether it should stay a monopoly or not. The discussion for a company in a new condition, like a reregulation, is hence a highly relevant research area. Situations for organisations like SJ and Apoteket AB will probably increase in the future. We therefore find it of great relevance to study internal marketing and corporate branding within this relatively undiscovered market. This, because we believe the importance of brand management will increase when competition rises due to deregulations and changes in the market and our research will therefore be of significance.

The pharmacy market has historically been protected by strict regulations and control. No other retail actor has been so tightly regulated and positioned as a more “soft” retailer with moral and ethical focus rather than sales and profit maximization. The secure environment of the healthcare market has made pharmacies put less focus on marketing, branding and the definition of their type of brand (Schmidt & Pioch, 2005). However the change in the healthcare market has ripped up the protective shield of this industry and pharmacies are increasingly exposed to competition through deregulation. The fact that the Swedish pharmacy was shifting to a deregulated market during 2009 called for complete changes of strategic direction and a clear operational message in order to sustain the position on the evolving market environment (www.apoteket.se).

The deregulation has caught our attention from a branding perspective. We find it interesting to analyse how the transformation from a state-owned monopoly to an open market can influence the brand. To study how a corporate brand develops from a protected situation without competition to an open market with new actors is appealing to us. In order to closely examine this matter we have chosen to study a company in a big change. Our decision of the health sector is, apart from being relevant in the matter of an extensive change, rooted in the conservative and traditional position this industry has in

Sweden. We find it truly remarkable to see the changes such an old-fashioned, state owned business is doing when adapting to a new environment and in the same time preserving one of the strongest brands in Sweden. - How can the top management internally handle this major change of moving from a monopoly situation to an open market where the company meet competition from retailers with business focus? - How can an organisation work with their brand internally to be able to adapt to external changes? Since this is a rather unexploited area, we wish to investigate how the working process is carried out within an organisation, in order to preserve and adapt a strong brand during new market conditions. The previous introduction and problem discussion has led to the following research question.

1.3 Research Question

- *Which internal factors are of importance for a strong and established brand to successfully maintain its strength trough extensive external changes?*

- A case study of the changing business environment of the brand Apoteket AB -

1.4 Purpose

The purpose with our research is to identify certain useful factors for a company to consider when managing a brand through a change. We hope to create a useful foundation for other companies in their internal brand building process when facing an extensive change. Our purpose is hence to make a theoretical and managerial contribution of internal success factors useful when adapting and sustaining a strong brand through a widespread change.

1.5 Limitations

To practically enable the study we have limited our research to not include a number of aspects. We are limiting our research to focus on brand adaptation and brand maintenance during an extensive change and are therefore excluding concerns of organisational change. We have also chosen to leave out the external perspective of the topic, we believe the situation is too new to have established a perception in the minds of the consumers. We are also excluding aspects concerning internal changes in the company; our research will hence only be applicable for organisations facing an external change. Additionally we are limiting our research to corporate brands that are already strong and established on the market. We are hence not including product brands in our study.

1.6 Disposition

Introduction

This chapter is introducing the reader to our chosen topic, and a short background description is given to ease the understanding. The problem discussion will lead down to our research problem and purpose with our study.

Analysis

Within this chapter the reader will be presented relevant empirical findings, analysed from without our theoretical framework.

Methodological considerations

The methodology chapter will clarify our complete work process. Our choice of subject will be elucidated, as well as research design and method during our gathering of theoretical as well as empirical data.

Theory

Our aim with this chapter is to introduce the theoretical background to our topic and construct a framework that we will use when analyzing our empirical material.

Conclusion

This chapter elucidates our results from a theoretical perspective and our contribution to theory.

Summary

In this chapter we summarize our results and give a short description of interesting aspects regarding further research.

2. Methodological considerations

The purpose with this chapter is to give the reader a thorough understanding of our complete work process. We want the reader to follow our development of the thesis, from our original idea to the concluding end. We intend to give an understanding of how empirical, as well as theoretical information has been chosen and gathered. Our deep, qualitative interviews constitute the fundamental part of our empirical material and are complemented by a minor study of secondary data. This in order to gain a holistic picture of the situation our case company has conquered and due to the increasing reliability when using triangulation.

2.1 Choice of Subject

Like the majority of research studies our choice of subject evolved from a mutual interest for a topic which we wanted to increase our knowledge of (Patel & Davidson, 1991). An area of research that interested all of us was the brand aspect of marketing. Following the development of internal marketing and the increased awareness of its importance we found a united area of interest in the internal aspects of brand building (Balmer & Greyser, 2006). Our unified curiosity of how a brand adapts and sustains its strength during an extensive external change made our focus turn to the major change in the pharmacy market. After research of the brand Apoteket AB and conclusions of its strength we agreed upon the relevance of using this brand as a case study of the chosen topic. We found the brand interesting and up to date which will increase the significance of our study. Through thorough studies of existing research and theories of corporate brands, internal branding, brand building, retail branding, internal communication, and brand identity the research area grew more and more precise and clear. The area of study and research question has consequently evolved throughout our increased knowledge and understanding of the theoretical components. This method is a deliberate choice since our intention was to let the study grow as the work process proceeded (Bryman & Bell, 2003).

2.2 Scientific Approach

In order to choose the most applicable business research method we have to review our ontological assumption since this will influence our decision of method (Bryman & Bell, 2007). Given that our research question focuses on the subjective reality of individuals' perceptions our research evolves from a social constructionism orientation. Our decision to concentrate our research on the internal aspects of the branding process also is linked to this orientation since fundamental parts of our research is connected to how reality is constructed by the employees within the organisation (Easterby-Smith et al, 2007).

Since our aim with the research is to develop a theoretical contribution to existing research but at the same time use existing theories to analyse our empirical findings we have chosen to undertake an *iterative* approach of our study. The mixture between deductive and inductive approach allows us to review the empirical material from an existing theoretical frame but simultaneously expand our study with our own findings and contributions (Bryman & Bell, 2005). We consider this approach to be relevant since our purpose with the study is to use existing research to analyse our empirical material and further evolve this theory with our own conclusions.

2.3 Choice of Research design and method

When choosing a suitable research method it is natural for the researcher to consider the different suitable alternatives for the purpose of the study. The aim with the research should guide the researcher to make the correct and most applicable method. The purpose of study should determine what kind of data is needed to fulfil this purpose and hence direct the researcher to a suitable choice of research method. This choice then works as a tool for collecting the appropriate data. The two main methodological paths are either a qualitative or a quantitative approach. Our aim is to determine success factors for maintaining a brand in change and through our initial theoretical scanning we detected a number of intangible factors relevant for approaching or purpose. In congruence with our purpose of investigating and *understanding* the internal aspects of brand building due to an extensive change a need of

primary data is revealed. This data is more likely to answer the questions *why* and *how*, which are vital questions for reaching our purpose. Therefore we have decided to undertake a qualitative perspective as a primary tool for data collection and approach for our study.

The data needed in order to answer our research question is, apart from the primary data mentioned above, also complemented by a study of secondary data. In the beginning of the work process we had a great demand of gaining an understanding of different situations where this kind of problemization had occurred and also about the companies and business environments. We needed a firm platform of knowledge of our case company and the background information of the reregulation in order to proceed in our work. Therefore we have acquired an understanding through reading the Annual Report of Apoteket AB, their homepage and other related WebPages. Through the information obtained we could compare our respondents answers and hence acquire a greater credibility.

Once the approach for the study and the type of data needed was stated we needed to choose the appropriate research method in relation to these factors. Which is the most suitable method for a qualitative approach where primary data is of main importance and our purpose indicate answering questions like how and why? We came down to two alternatives; in-depth interviews with key representatives or a case study. Since our purpose best can be answered by studying a specialized, complex matter within an organization a case study is the most suitable research design for our study. This is elucidated by Eisenhardt (1989) who claims that case studies are especially applicable when the purpose with the research is to gain an understanding of the dynamics of a phenomenon within a definite organisational environment. The case study method also correlates with the theory building approach we have undertaken since it provides the opportunity to combine theory and empirical material, which is our intention (Dubois & Gadde, 2002). Eisenhardt and Graebner (2007) further underline the holistic perspective a case study provides. They claim that the case study facilitates the understanding of *how* a certain situation is perceived within an organization and can ease the comprehension

in a complete contextual sense. We have complemented the case study with in-depth interviews. These interviews are, in accordance with Lundahl and Skärvad (1999), conducted with key persons within the organisation and external specialists. This is hence well related to our aim of gaining an internal picture of how the employees identify the brand building strategy. Eisenhardt and Graebner (2007) further argue that case studies are appropriate when conducting studies of recent events and that the method produces accurate, interesting and testable theory (Eisenhardt & Graebner, 2007). This is to a large extent applicable to our case study since the phenomenon we are conducting our research upon is novel and relatively new and unexplored.

When conducting a case study it is of importance to decide whether to use one or multiple case companies. Yin (1994) argues for the use of one case study if it well correlates and is an exceptional example of the area of research. Dyer and Wilkins also argue for the use of one case company because a deeper and more detailed understanding can be obtained. This is in line with our decision of using one case company. We evaluate the research area of such a complex and unique nature that it demands a careful and detailed case study.

2.4 Choice of case company

The process of choosing an applicable case company for our purpose is complex and demands a lot of consideration. In accordance with Yin (1994) we chose the case company since it was a unique and distinct example of our area of research. With the purpose of gaining a perspective of how a major external change can affect the internal brand building we started by screening the market for an strong brand who was standing in front of an up to date and large-scale business environmental or external change. In order to analyse the situation from a holistic perspective we designed a framework with criteria our case company had to fulfil. These criteria were; a strong corporate brand, a major change for the business, a novel and up-to-date situation, a Swedish company for practical reasons and a seize of the company practically possible to connect to. With all these criteria we found one company that fulfilled them all. We chose Apoteket AB as our case company because they have recently undergone an extensive change due to the deregulation of the government

monopoly and is one of the strongest corporate brands on the Swedish market (Annual Report 2009 Apoteket AB and Anseendebarmetern 2010).

2.5 Qualitative Study

Due to our area of research we have decided to undertake a qualitative approach of our study. Because our intention is to generate theoretical contributions and not reach quantificational results this method is relevant for our research (Bryman & Bell, 2005). Our ambition is to generate a holistic perspective of our study with deep qualitative results, which also support our choice of method. Another argument for our choice of approach is due to the fact that our objective is to analyse and gain a deep understanding of the research area and provide quality and essence to our study. The aim is to gain a comprehension of the employees understanding regarding the internal branding process and how they interpret their reality, which contributes to our choice of methodological approach (Easterby-Smith et al, 2007). A deeper and more detailed focus on our study will generate a holistic but at the same time thorough picture of how the employees perceive the situation and hence contribute to our purpose. Widerberg (2002) emphasizes the importance of keeping an open mindset towards the qualitative research process in order to let the unexpected contribute to the study. We have adopted this view and our intention has been to let, and be prepared for, the process to evolve as we have proceeded in our work. Additionally we have chosen to undertake the method of continuous analysis. This allows us to provide the study with continuous information and adapt for example the interviews with new perspectives and questions. This way the study gets updated and enriched along the way and also provides the most accurate analysis (Patel & Davidson, 1991).

2.5.1 In depth interviews

The aim of in-depth interviews corresponds well with the purpose of our study since the objective is to capture the perception of a certain phenomenon in relation to the interviewee's view of the reality. Even though interviews can be complex and time consuming the fact that the method is considered to be the best method of gathering deep and involved information made us certain of

this choice as the main research technique (Easterby-Smith et al, 2008). The fact that qualitative interviews are a flexible way of collecting qualitative data also contributed to our choice of method. This method allowed us to let the interview evolve as it moved on, we could pose follow up questions and we could change the order on the questions based on the interviewee (Bryman & Bell, 2005). Accordingly our research can develop and adapt to the information from our interviews. This is correlated with the purpose with our research since we intend to investigate different key peoples view of the internal branding. Consequently this method allows us to use information gained during an interview in a later interview and thus increase the understanding and depth of the research.

2.5.2 Interview respondents

The first step in our interview process was to determine which key people to interview and contact these. The brand coordinator of Apoteket AB, Eva Fernvall, was a very important respondent for our purpose of study and our first contact in Apoteket AB. Since we have an internal perspective throughout our study we then contacted a number of employees within Apoteket AB. The internal communication and brand building process is central and to thoroughly study this our aim was to gain the perspective of the complete hieratic chain within Apoteket AB. Our intention and aspiration was to interview the top management level and then gradually move downwards in the organisation in order to practically investigate the communication and internal brand building. Therefore our respondents constitutes of; the Head of Board for Apoteket AB, Brand Manager, Regional Manager, two Store Managers and four Store Assistants. We have also conducted an interview with a Brand Specialist and a project leader of the advertising agency, Forsman & Bodenfors.

Since the objective with our research also is to contribute with a comprehensive result applicable for other companies than Apoteket AB we sought a person not connected to the case company. Given our focus on the internal branding the natural decision fell upon a specialist within this field. We therefore contacted a brand specialist, Mats Urde, who was familiar with the situation and could enrich our study with an outside perspective. Urde also

fulfilled our wish for an objective picture of the internal branding process as a complement to theories and the interviews with employees. Our last respondent connects these two poles and bridge the gap between the employees and the brand specialist. Leif Sorte for the advertising agency of Apoteket AB, Forsman Bodenfors was therefore a suitable respondent for our study. He could fill the position as an objective, external person with a deep comprehension of branding but at the same time very knowledgeable about the specific case company.

2.5.3 Preparations and interview guide

We conducted our interviews using a semi-structured approach. Since our research topic was defined and our purpose had a distinct focus this method was more appropriate than unstructured interviews. Our usage of a case company also contributes to this decision and since our aim is to compare the respondents' answers the interview demands a certain level of structure. We constructed an interview guide with certain topics that we wanted to base our questions upon. These were corporate brand, internal branding, internal communication and retail/service brand during an extensive change. We then constituted about six questions under each category (see Appendix 1.1-1-5). Examples of questions posed are; which is the most useful internal communication tool for you?, which internal components do you consider be the most important when adapting the brand to an extensive change?. The semi structured technique made our interviews more natural and relaxed and our unified experience is that both the questions and answers followed a more logical flow than if we would have used a structured approach. Before performing the interviews we did a pilot test on each other to ensure the dictaphone worked properly and that our questions were comprehensive and clear (Bryman & Bell, 2005).

2.5.4 Conducting the interviews

When carrying out the interviews we made sure we all had read and understood the criteria introduced by Kvale (1996) in order to conduct the most successful interview possible. Before conducting an interview we

presented our research topic in order to make the respondent aware of the areas we intended to touch upon. The questions in the interview guide proved to be very effective but sometimes we changed the questions, changed the order as we posed them or asked follow up questions to interesting points made by the respondent. We recorded all of our interviews and also made complementary notes in order to thoroughly get *what* and *how* the respondents answered. We wanted all of the group members to participate on all interviews so that all could have the same premises gain a holistic an in-depth perspective and more accurately contribute to the analysis (Bryman & Bell, 2005).

The first interview was conducted by one of us after a seminar in Stockholm. The interview was short and stressful since the respondent had little time and a tight schedule. This interview was spontaneous since the group member by coincidence received an invitation to the Reputation Day seminar where Brand Coordinator of Apoteket AB, Eva Fernvall, held a presentation about the challenges for a brand on the new reregulated market. Our planned interview with her was the same afternoon but she cancelled with short notice and we were therefore given a short period of time with her during the seminar. Afterwards we complemented the personal meeting with a telephone interview. This way all our questions got answered and we also gained useful information during the seminar. The telephone interview lasted for 45 minutes and we divided the responsibilities in the group so that one posed the questions and two wrote notes. This division we did in order for the interviewer to fully concentrate on the conversation and not be distracted by taking notes (Bryman & Bell, 2005).

The second interview with Christian W Janson was a personal meeting conducted in his home. We divided the tasks the same way to be as efficient as possible. The interview lasted for 55 minutes. The following interview with Mats Urde was conducted through the telephone and lasted for 40 minutes. The conversation with Leif Sorte was also a telephone interview, which lasted for 45 minutes. During the telephone interviews we put on speakerphone so that all of the group members could listen and be a part of the interview. We

also recorded it both on the telephone and with the dictaphone to be certain of the documentation of their words. The rest of the interviews were carried out personally at the relevant pharmacies, Apoteket Svanen and Apoteket St Lars. These interviews took between 35-60 minutes each to perform.

2.5.5 Compilation of interviews

The transcriptions of interviews were done as soon as possible to ensure the experience was fresh in the group members mind for an as accurate replication as possible. We also saved the recorded tapes for the usage of precise quotations in the analyse chapter. Even though transcription is a time consuming action we decided that it was crucial for our study. Due to the design of our study, where we combine empirical findings with theory in the analysis instead of writing a separate empirical material chapter this technique was of importance for us. This way the transcribed interviews served as an empirical material base, which enabled our continuous work with uniting theory with empirics. This way our analysis became a progressive work process which evolved throughout our study. Consequently this could give us new perspectives, ideas and angles of the topic which contributed with a depth and relevance to our definite result of the study.

2.6 Choice of theoretical framework

Yin (1994) proposes the usage of theory as a blueprint for the research. In qualitative studies the use of grounded theory generation is common and so also in our study. Silverman (1993) means that theories also can be stated in advanced and tested with a qualitative study. Our iterative approach allows us to combine these two and, by the use of a theoretical framework with relevant topics, create a theoretical contribution. We therefore started early to read about topics like internal brand building and the corporate brand. Our objective was to gain as deep knowledge as possible in order to find relevant theories to support and act as guidance for our research process. During the reading process we came across new angles and connecting theories of high relevance for our research question. We found models, texts and concepts of importance for our understanding of the research area.

We first agreed upon the importance of gaining an understanding of the special conditions that a corporate brand has to follow. Thereafter we all approved to the relevance of obtaining knowledge of the internal perspectives an organisation has to think about and how a brand is build internally. With this as a starting point our theoretical framework has then evolved during the work process and we have understood the need of theoretical comprehension about a brand in change and positioning of a brand.

Our main channels for collecting data have been Elin, the search motor for scientific articles and Lovisa, the search motor for written sources. Scientific articles has been our main source of information since these often are up to date and therefore gives a more current theoretical base of the research topic. The books have also served as an important source of information but mainly in the use of theoretical models. As our work has progressed our theoretical framework has developed and evolved throughout the work process.

2.6.1 Usage of theory and combining theory and empirical material

The theoretical framework has worked as guidance for our research and has acted as a pillar for us to build the whole study upon. The importance of a strong theoretical framework is discussed in Strauss and Corbin (1990) and is to a large extent applicable to our use of the theory. The theoretical base of corporate branding and the internal perspectives of branding has been a constant driver for our work which has then been combined with our empirical findings in the analysis. This approach of theoretical use is also underlined by Yin (1994) as an ideal method for case studies. This strategy has hence supported our iterative approach of both confirming existing theory with our empirical data and allowed the creation of further theory development.

Dubois and Gadde (2002) introduce the concept systematic combining which we have used throughout our study. This approach implies constant interplay between the theory and the empirical material. This very well explains our method of constantly analyse and connect the theory with empirical findings. Already in our theoretical framework we introduce vital pillars for internal branding in a company facing an extensive change. These factors are gained

through a thorough screening of existing literature. We have then combined the most frequently mentioned facets and hence aspects of great importance to our work. We have also modified certain theories to better fit our work and underlined the arguments applicable to our research. One example of this is the brand audit of the internal brand building process which emphasizes external factors. Since the external perspective not is valid for our research we have excluded this in our summarizing part of the theoretical chapter. These aspects we have thereafter used as a fundamental base for our empirical data collection and concurrently made connections between theory and empirics. This way we believe the study gains accuracy and depth due to the fact that we can make use of all pieces of empirics and build this on to each other by cross use the information gained in one interview in another.

2.7 Quality of study

The quality measurements of quantitative research, Validity and Reliability, have long been discussed whether or not applicable to qualitative research. A common point of view is that these are very closely connected with measurement and therefore needs to be revised to be valid for qualitative study. Mason (1996) in Bryman and Bell (2005) defines validity as to what extent the researchers observations, identifications or measurements coordinates with his/her intention of research. Reliability stands for the possibility of doing a replication of the study. This measurement is often difficult to fulfil for a qualitative study since the fundamental approach is the changing social world and reality, which is very difficult to freeze (Bryman & Bell, 2005). Therefore some researcher denies the relevance of this dimension in qualitative studies (Tarnovskaya V, 2007). Due to this fact alternative measurement has been introduced by Guba & Lincoln (1994). They instead emphasize the use of trustworthiness and authenticity. The trustworthiness is then divided into four facets; credibility, transferability, dependability and confirmability.

2.7.1 Credibility

The main point of this measurement is that there are multiple explanations of the social reality and credibility is about how well the researcher is communicating a trustworthy picture of the reality explained. In order to ensure credibility we have always made a small summary after every question posed to the interviewee. We did this in order to guarantee that we have interpreted their answer correctly and in line with what they wanted to tell us. We also offered all of our respondents the possibility to view their transcribed interview to reduce the risk of misunderstandings. We are aware that this can result in defensive actions and a possible risk of the respondents taking things back and censure their own words. Luckily this was never the case in our research and very few respondents made use of this offer. Another way of increasing credibility is our use of triangulation (Bryman & Bell, 2007). Our study and analyse of secondary data before conducting our interviews has made it possible to compare our respondents answers. For example we already knew the answer to one of the questions posed to the respondents concerning the core values and our intention was instead to see how well the respondents knew these values. By having a solid platform of information regarding our case company through the secondary data analysis we could interpret related aspects like how well the communication and training functioned within the company.

2.7.2 Transferability

Qualitative research and foremost case studies has been claimed to provide a low level of generalisation since it is very closely connected with a particular context or situation. This is very true and since our objective, in contrast to quantitative research, is to gain a depth rather than a broad picture of the research this matter is relevant for us. In order to still keep a high level of transferability we have made sure to make thick descriptions of the respondents answers and has actively tried to keep the descriptions and analysis as detailed as possible. This enables the reader to gain a deep picture, what Guba and Lincoln (1994) defines as a database, and from this they can judge the relevance of the level of transferability.

2.7.3 Dependability

Reliability is defined as; “to what extent the study can be replicated and yield the same result time after time” (Merriam, 1994). This can be a complicated demand to fulfil in qualitative research since this approach is connected to social, changeable behaviours. The replication of the research will be influenced by the changes in behaviour and interpretations of either a new researcher or new respondents. Hence it is almost impossible to reconstruct an exact copy of a qualitative research. Therefore the dimension of dependability has been introduced as a qualitative equivalence to the quantitative measure of reliability (Guba & Lincoln, 1994). To ensure dependability we have tried to keep an auditing approach to ensure the level of dependability throughout our research process. We have also documented all steps of our work, from research problem to empirical data. We have kept all our notes, interview transcriptions, recorded tapes etc in order for an outside person to follow our study. A method for making sure of the dependability has been to record and transcribe all our interviews and thereby enabling others to use and examine our empirical material. These actions would facilitate a potential replication of our study and hence contribute to the level of dependability.

2.7.4 Confirmability

In order to make sure a high level of confirmability has been obtained throughout our research we tried to be as objective as possible, both in our written and spoken words. We are aware of the fact that personal values and ideals might influence the research process and the difficulty in obtaining a pure objective study. To ensure an as objective picture as possible we for example conducted pilot interviews in order to make sure all researchers had interpreted the question the same way and to pronounce the words as naturally as possible. Another part of our research increasing the confirmability is the critical approach chapter where we outline the possible bias of our study that potentially can affect the results of our research. Our main objective has been to constantly keep an as objective position as possible and not let the result be affected by our own thoughts and principles but rather make a natural replication of the respondents words connected to our theories.

2.7.5 Authenticity

A conscious decision to increase the level of authenticity has been to let a broad number of people, from different positions, within the organisation make their voice heard. In order to gain a picture of this social reality we have not limited our research to for example manager level. We have instead made sure to analyse the different thoughts of the diverse positions within Apoteket AB, from top-level managers to sales assistants. Our objective is that this study will enable the company to view their situation more clearly and the internal adaptations and changes of the brand that needs to be made. This will hence increase the ontological authenticity and hopefully make the employees of Apoteket AB more aware of their position in the brand building process. We are also positive our results will help Apoteket AB in their branding process and that the results can help Apoteket AB as well as other companies meeting a big external change in their work with internal branding. (The study has enabled certain guidelines applicable to implementation within Apoteket AB that we believe will contribute to a successful internal branding process.)

2.8 Difficulties during research

During our research two of the respondents stated they wanted to be anonymous in the thesis. This created a difficult situation for us, since not being able to mention them by name lowers the credibility of their statements (Bryman et al, 2005). Nevertheless, since the rest of the respondents have been mentioned by name we believe the effect is lessened. We are still able to explain detailed facts and statements made by the employees using a pseudonym, which enables our analysis of their arguments.

A second problem we came across during our research was that one of the interview respondents was difficult to interview. It was difficult to get her to answer our questions and she further talked very quietly. We were forced to ask her some of the questions twice and develop attendant questions since she gave very short and concise answers. Due to our past successful interviews where the conversation proceeded without problems we were not prepared for this situation and the interview therefore became halting. The interview also got interrupted once because of an important phone call the respondent had to

take. Since we did repeat some of the questions and used a tape recorder, we still believe that her statements are reliable.

A third problem we experienced is the fact that Apoteket AB still is in an early stage of the change process, which forces us to assume possible outcomes regarding some issues. It results in us being unable to draw definite conclusions regarding the external outcome of the branding process of Apoteket AB. Although, this is not affecting our main research area – the internal branding process during a change, and still enables us to receive relevant results from our research.

2.9 Criticism of sources and research methods

When performing our research and interpreting our results we had to be aware of the fact that we, as researchers, can be influenced by the actuality that we are customers at Apoteket AB. This can result in a subjective view of the material gained for our study and as a result misinterpreted the answers. Our awareness of this issue hence has made us to minimize the affects by constantly keeping it in mind and discussing the respondents answers as objectively as possible (Bryman et al, 2003??). Furthermore we are aware of the fact that respondents sometimes might be giving answers that they considers being the “right” or most suitable thing to say, rather than what actually express their believes in order to make a good impression. This is also something we have considered when interpreting and using the empirical findings, and have been discussing with each other. Moreover we have conducted the interviews in Swedish and translated and interpreted them into English. Since our mother tongue is Swedish, this creates a risk of misconstruction (Bryman et al, 2003). We have tried to avoid the problem by discussing the statements of the respondents carefully in the group, and after the transcribation read each other’s translations.

When performing our research we have mostly been conducting telephone interviews. We are attentive of the possible negative affects of this interview technique, for example misinterpretations due to lack of body language, and not as easy being able to observe if someone is not being truthful (Bryman et

al, 2003). This is something that we have tried to avoid by clearly state the questions to the respondent and sometimes repeating them. Further we have been able to listen to the tape-recorded interviews in their original form several times afterwards and discuss the answers in the group. This allows us to fully concentrate on the respondent during the interview (Bryman et al, 2003).

2.10 Delimitations

When studying how Apoteket AB has managed a great change of their brand, we have taken on an internal perspective, which creates a one-sided viewpoint. Our respondents are primarily people engaged in the company Apoteket AB, which excludes for example the customers as representatives of an external perspective. We are further limiting the research to only focusing on strategies built around the brand change, and how these are communicated within the organisation. We hereby disregard the organisational structural change of Apoteket AB.

The fact that the interview respondents from the stores simply come from two different Pharmacies in Lund and consists of only 6 people is also a limitation to our research. The lack of breadth in the sample size could make the respondents give similar or subjective answers. We are aware of this issue, and since our aim is not to generalise our results, but to gain a deeper understanding of the situation, this is not of vital concern (Bryman et al, 2003). Our sample size its thereby still representative for our qualitative research.

3. Theoretical Framework

In this chapter our purpose is to introduce a theoretical background of the chosen topic. By examining current research and present theories we will construct a framework to develop our further research upon. This section will be the basis for our following analyze and lead us to our conclusion of how to internally manage the brand building process of a strong and established brand in change. A theoretical disposition model will be introduced in the beginning of the chapter in order to guide the reader through our work process with the establishment of the theoretical framework.

Theoretical disposition

We will now present the theoretical framework for our study. In order to create a comprehensive picture of our theory chapter and to give the reader a framework to follow when reading the chapter figure 1 illustrates how the theories will be presented and applied in our study.

The figure illustrates our strategic work process when further conducting our research. The outline clearly describes how the theories are connected to each other and how they will enable us to fulfil our purpose of understanding how a brand internally is successfully adapted to an extensive change. The enhanced focus on Corporate Branding to enable competitive advantage and as a strategy for differentiation has made our decision of using this theory relevant as a starting point for our research. The theory will be used as a foundation for our theoretical approach, since our research is limited to involve corporate brands. We will therefore start with introducing this theory in order to develop an understanding and knowledge for this unique type of brand, which further is highly dependent of internal brand supportive activities. The critical point occurs when the corporate brand meet changes in the business environment and a need for brand adaptation occurs, the arrow between the corporate brand theory and the Brand Management theory illustrates this. Our theory enlightens several building blocks that are important for the brand structure when meeting this challenge. Brand Management is one of the factors. The

Brand Management work can vary depending on the structure of the company. Brand Management is also affected by the employees Brand Commitment that can be strengthened and influenced by the concept of Brand Heritage.

Continuously we aim at gaining in-depth knowledge of Internal Brand Building, which is of great relevance for our study because of our internal focus. We believe it is essential for a company to be familiar with the internal elements that mutually creates the brand to successfully perform a change. Hence we continue our theory chapter by an examination of Internal brand building, discussing the relation between brand audit, brand identity and brand positioning as significant building blocks in the internal brand building process. These aspects can be of relevance during change, where a brand might be in need of reformation. Schmidt and Pioch (2005) highlight the balance between a service brand and a retail brand needed in the pharmacy market. We found this discussion interesting and relevant to our work in terms of establishing the right focus of a brand, which can be seen as a method of positioning. We consequently continue this chapter by briefly discussing the internal driving factors for a successful service brand and retail brand.

The following link in our theoretical model is where the adaptation needs to be made in order to continue to the next step. It is in this link we believe the modification work needs to be done to ensure internal brand strength and hence re-establish a strong corporate brand. This link illustrates our research problem since the main purpose of our study is to evaluate how a strong brand can adapt to changes in the external environment. When studying current research we have found studies regarding Brand Adaptation, but we have detected a lack in this research regarding the internal perspective as focus. Hence, our research aims to fill this gap, contributing to the theories of Internal Brand Adaptation. A successful work process is illustrated in the figure through the arrow leading to the originate component of a strong and established corporate brand. Then the change has been managed and the brand is stable and powerful after the extensive change in business environment.

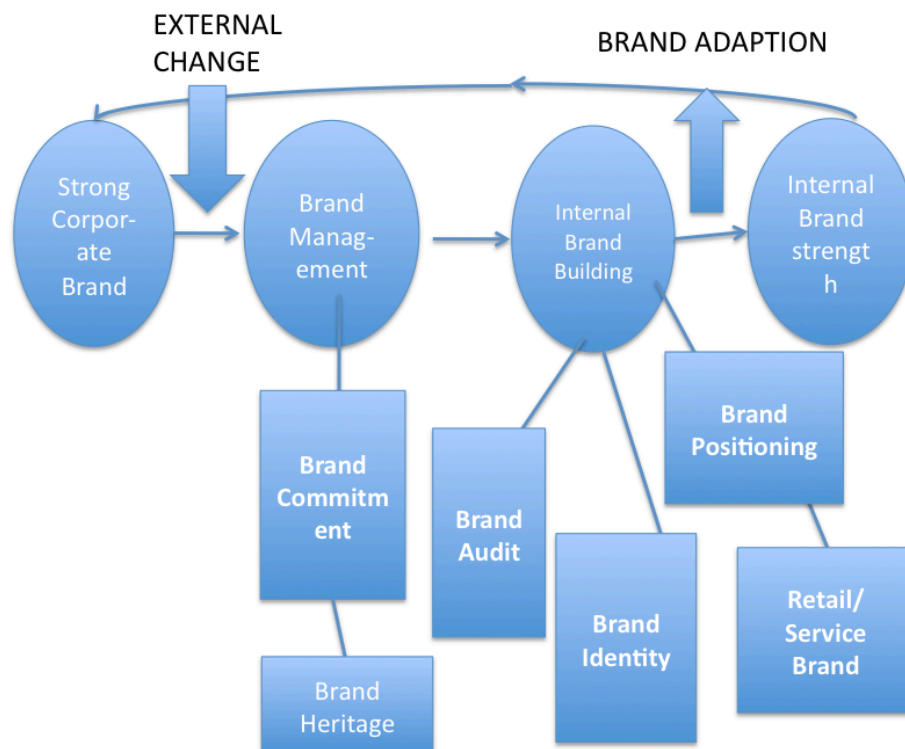


Fig. 1 *Theoretical Disposition*

3.1 The Corporate brand as a foundation

Corporate brands have been studied in current research as one of the most fascinating and interesting topics of the 21st century (Balmer & Gray, 2003). The change from product brands towards corporate brands can also be explained by the globalisation, which calls for a different marketing strategy (Harris & de Chernatony, 2001 and Hatch & Schultz, 2003). Even though not much attention was given to the subject until 1995 the interest for corporate brands has now increased. Due to the many mergers and acquisitions and the industry consolidation, corporate branding is a growing phenomenon (Muzellec & Lambkin, 2009). The increasing importance and attention to manage a corporate brand is because the brand function as a tool to serve different stakeholders. The brand becomes a valuable asset for numerous stakeholders, from external companies investment decisions to the customers shopping behaviour (Balmer & Gray, 2003). Moreover the corporate brand can

lessen perceived risk and serve as a certification for high quality (Balmer, 2001). Despite the growing interest for this topic there is still a lack in this research area (Wallström et al, 2008 and Knox & Bickerton, 2003).

The brand is the most valuable resource for a company (Wallström et al, 2008 and Keller & Lehmann, 2003 and Khan, 2009). This is an especially important fact for Corporate brands which are brands representing a company instead of a product. Corporate branding is expressing by which means a company is working with communicating their identity. The identity should clearly describe the values and the image a company wishes to correspond (Wallström et al, 2008 and Keller & Lehmann, 2003). Focus on the existing research has been on the external perspectives of corporate brand building but the internal aspects of the branding process is equally if not even of greater importance for the company. Hence the employees' plays a crucial role in the internal corporate brand building (Keller, 1999). *"The importance of corporate marketing and corporate branding is directly proportional to the role that employees play in the branding and marketing process"* (Khan, 2009). The members of the organisation *are* the corporate brand. Perceptions, values and meaning of an organisation are all factors, indirect or direct, depending on management and staff (Ind, 1997). Consequently the employees, the values and the systems create a corporate brand from within the organisation. Thus these are all factors that create a brand with personality (Aaker, 1996). Therefore the theory of corporate brands is important in order to understand how an organisation can manage their brand in order to keep its strength.

The corporate brand can also be managed in order to create competitive advantage over other actors on the market. Differentiating the company through product or price orientation are strategies easily copied by the competitors. By instead differentiating the company through its values, employees and the corporate culture one can manage to create a brand, which is hard to copy. Picturing the corporate brand as a navigator further highlights this; *"Corporate brand attracts and orients relevant audiences, stakeholders and constituencies around the recognisable values and symbols that differentiate the organisation"* (Hatch & Schultz, 2003). This can result in the company being

associated with employees that are credible and committed, which is an association more difficult to copy (Aaker, 1996). Hence corporate branding can be used as a differentiation tool to manage competition (Pina, Martinez, de Chernatony & Drury, 2006 and Wallström et al, 2008). We find this applicable for our study since Apoteket AB is a corporate brand moving from a monopoly situation to a competitive business environment. The Corporate brand will therefore be an important differentiation tool and knowledge of this theory will be a vital foundation when performing our research.

Key features for creating a corporate brand are to establish core values for the company (Balmer & Gray, 2003). For a successfully built Corporate brand the aspects of Vision, Image and Culture needs to be correlated. Another important aspect for a corporate brand is the communication, which enables an integration of company values and hence builds the Corporate brand. Top managers, external stakeholders and the rest of the employees of the organisation needs to communicate in order to create a strong corporate brand (Hatch & Schultz, 2003). By communicating developments of the brand, for example managing the product portfolio or changing the brand name, the company can increase the strength of the brand (Dacin & Brown, 2006).

In summary a corporate brand is representing a corporation instead of a single product. Due to changes in the business environment it is essential to control the corporate brand and manage it as a valuable resource for the company. The corporate brand has a constant focus on internal aspects and is created by its employees and the values of the company. The internal communication within the company is of great relevance in order to create a strong corporate brand with clear values, differentiated from its competitors.

The theory of corporate branding is important for our study since our aim is to make a theoretical contribution within this area. Due to the paradigm shift and the enhanced focus on corporate brands as well as the lack in research within this topic we believe our input is of relevance within this area of study. We therefore decided to limit our research to companies within this sector while examining a brand in change. Another fact supporting this theoretical choice is

the internal perspective of the research. The internal aspects of a Corporate brand are of great importance and therefore this type of brand is relevant in order for us to reach the purpose with our study and investigate how to internally manage a brand in change.

3.2 Internal Brand Building

External branding has long shadowed internal branding but now a shift in opinion has been detected. The Corporate brand is not only built from external factors, which has resulted in an increasing awareness of the importance of internal branding (Khan, 2009). Internal branding is a tool to create a strong corporate brand since it facilitates the integration of the corporate culture and the internal resources with those of the brand (Hatch & Schultz, 2001 and Vallaster, 2004 and Punjaisri & Wilson, 2007). The internal brand building process is focused on the internally oriented initiatives by which a company creates a brand. The objective with internal branding is to make the employees leverage the brand and fulfil the brand promises to the customers. Even though internal branding is depending on the employees little research has been conducted in this matter (Punjaisri & Wilson, 2007). When facing an extensive change there might be a need for changing the brand values and identity. By stating all the parts that jointly construct the brand we believe it is easier to establish which parts that are in need of a change. Performing the change involves a sort of brand creating position while introducing new values into the brand. This calls for usage of internal brand building while establishing the right values within the organisation, and is further a central part of our study of a brand in change. The theory of Internal brand building will give us understanding of how to manage a brand internally which is a vital knowledge for our research.

Successful internal branding calls for a holistic view of the organisations internal human resources, the employees. Focus must lie on creating strong relationships inside the organisation by using internal communication, which will strengthen the brand and the quality. The synergy between internal resources of a company plays a significant role in the development of a brand. Instead of an external focus of the environment and customer perception,

internal branding requires a deep understanding of the intra-organisational contexts (Varey & Lewis, 1999 and Gapp & Merrilees, 2006). Internal branding puts the responsibility on the employees who undertake the role as part time marketers. When the employees are engaged in the brand vision they tend to “live the brand” in their everyday activities. A successful internal branding process shapes an understanding and awareness of the brand in the minds of the employees. Their behaviour and commitment to the company and to the brand will therefore be more genuine and consequently strengthen the customers’ impression of the brand. The employees need to know what the brand represents and sincerely take on the responsibility as spokespersons for the brand. The frontline of employees is the most important marketing tool and therefore the core of internal branding (Burmann & Zeplin, 2005, Khan, 2009 and Mitchell, 2002). Creating a strong brand internally can be a successful way to create barriers towards competitors (Khan, 2009). These are highly applicable aspects for a corporate brand, which particularly need all the members of the organisation to represent the brand according to the right values and identity. This is especially important during a time of change when the brand needs to have a strong brand platform which can serve as guidance for the employees.

De Chernatony and Cottam (2006) introduce a model which describes to what extent the employees are united with the brand, brand ethos. A *codified brand* is the lowest level, here the employees simply understand or not understand the brand. The second step is a *comprehended brand*, which explains the stage when the personnel have comprehended the brand because education or socialization has been carried out. During these two stages the corporate control is primary and the responsibility lies in the hands of the organisation. As the understanding and commitment of the brand grows within the employees’ minds this responsibility becomes secondary and the brand is to a larger extent driven by employees interpretation of it. The brand has then evolved and become an *interpreted brand*. The employees interpret the brand in relation to their own position and roles within the company. Brand Ethos is the last step and here the behaviour of the members of the organisation is

automatically based on the brand values. The employees are one with the brand and hence organisational culture and brand values are fully synchronized which makes the brand a strong, tacit entity. By using these steps we will be able to state whether Apoteket AB have made a successful implementation and communication of the brand values (de Chernatony and Cottam, 2006).

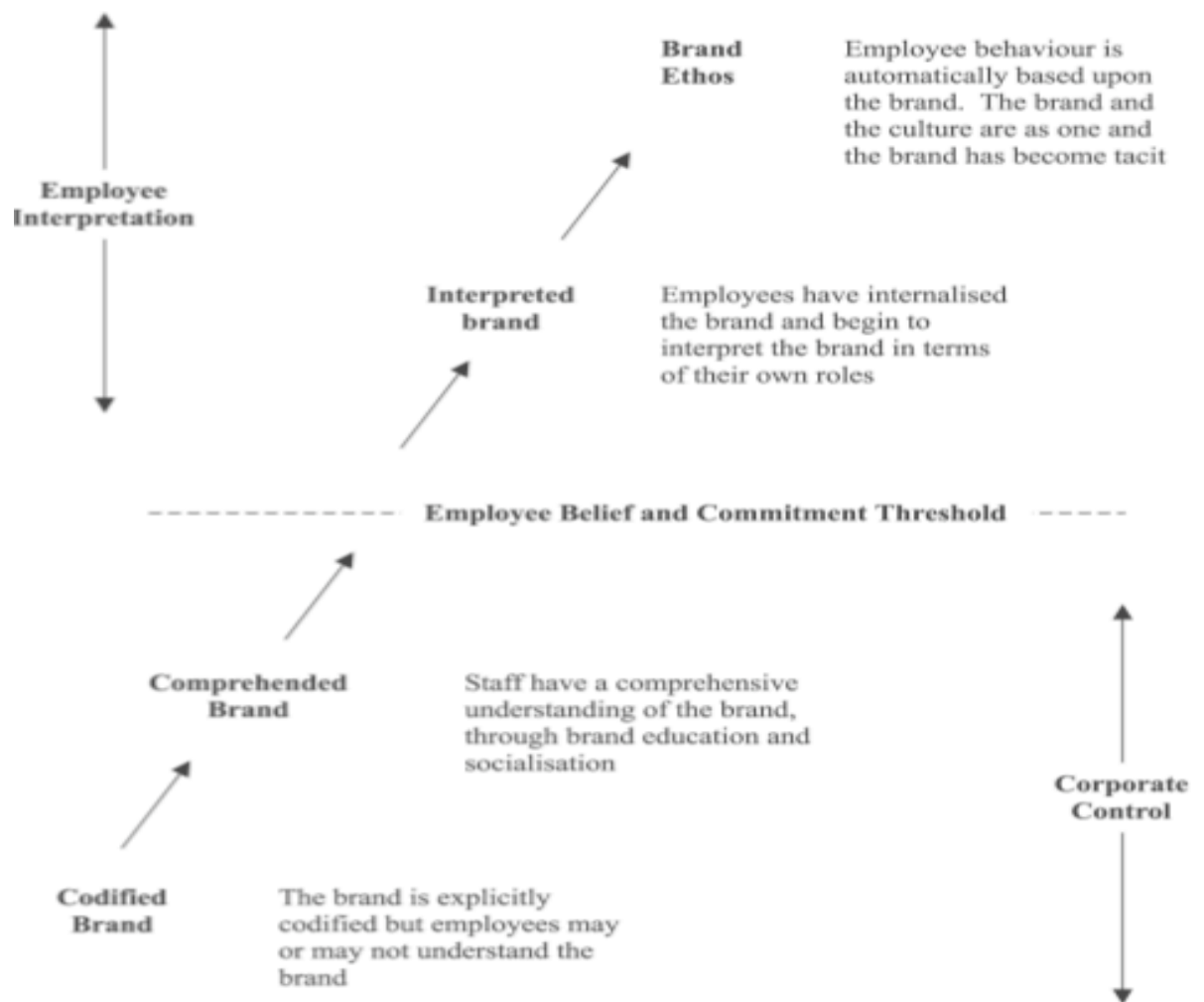


Fig 1. The model of Brand Ethos

(de Chernatony and Cottam, 2006)

The internal communication must be consequent with the external communication. A mismatch of the messages will result in confused employees as well as customers. The easiest way to unite the marketing is to send out

information to both the audiences. The employees must be aware of the information that is being sent to the customers. They cannot hear one thing from their manager and experience that the customers are being encountered with another message (Mitchell, 2002).

Three vital steps can be acknowledged in the Internal brand building process; brand audit, brand identity and brand position (Wallström, Karlsson, Salehi-Sangari, 2008). An introduction of the three building blocks will now be presented in order to understand the structure of the Internal brand building process, this will further be used to study a brand during transformation. When changing a brand we believe it is important to first clearly distinguish all parts that the brand consists of, this in order to fully understand the brand. When this is accomplished, the brand can be adapted to the change and a possible revitalization of the brand can be made.

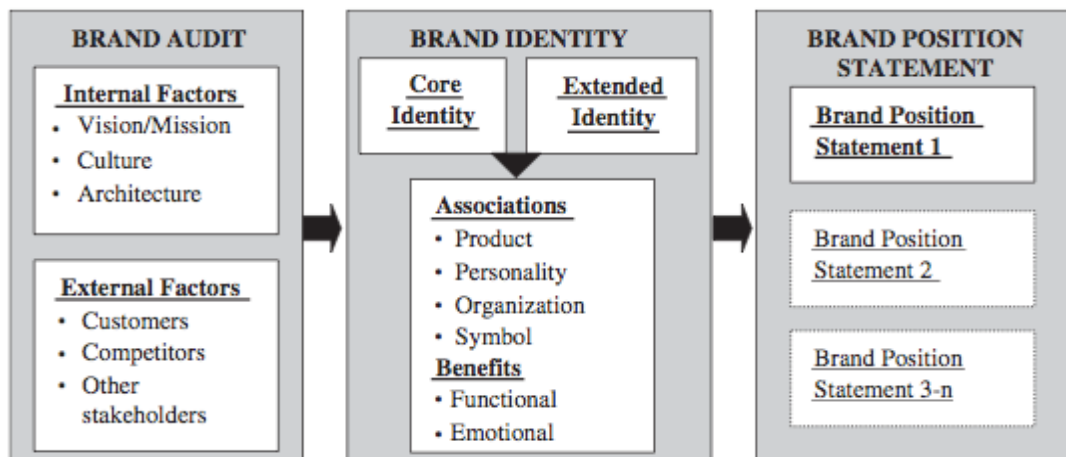


Fig 2. The Internal Brand Building Process (Wallström, Karlsson, Salehi-Sangari, 2008)

3.2.1 Brand audit

Brand audit includes both the internal and external factors of the company. Vision, mission, culture and brand architecture composes the internal factors while competitors, customers and other stakeholders represent the external factors (Wallström, Karlsson, Salehi-Sangari, 2008 and Knox & Bickerton, 2003). The external factors are significant in the brand building, but since our

research focuses on the internal aspects of the brand building the external factors will not be discussed within our theory chapter.

Mission can be defined as the purpose behind the company. The mission statement defines the business idea of the corporation and what it wants to accomplish. Vision should describe the long-term goal for the company and what they want to accomplish in the future. The vision can highlight new goals for the cooperation but it should also be linked to the heritage of the company (Hatch & Schultz, 2003). A clear vision and mission is crucial when creating a consequent brand (Wallström et al., 2008 and Knox & Bickerton, 2003). The vision and mission have a significant impact on the brand building process. We will hence in our research examine how the vision and mission are used and implemented in a company. If comparing a brand to a pyramid the brand vision and mission should be in the top of the pyramid, leading the direction for leadership, core values and further brand building (Kapferer, 2007). This theory is therefore vital for our study of how to maintain a strong brand during a change.

According to Gioia & Chittipeddi (1991) the organisational culture is built upon factors such as heritage, meanings, beliefs and values that are unique for the company. The culture is deeply engaged in the organisation behaviour and how the company culture is organised and managed can influence the behaviour of the employees (Stensaker, 2007).

The Brand Architecture is the company's strategy of how to manage the brand portfolio (Wallström, Karlsson, Salehi-Sangari, 2008 and Knox & Bickerton, 2003). Since our research focus on corporate brands, we will not focus on the theory of Brand architecture within our research.

Developing a clear brand audit enables the company to understand the context of which the brand is built and influences the second step in the Internal Brand building process, Brand identity (Wallström, Karlsson, Salehi-Sangari, 2008).

3.2.2 Brand identity

The second aspect of the Internal brand building process is brand identity. Ongoing trends such as globalisation, privatisation and merges and acquisitions have made the process of creating a distinct and visible brand identity of great importance for success (Melewar 2005 and Janonis, 2007). Kapferer first enlightened the theory of brand identity in 1986 and since then the theory is frequently used in the field of brand management and is important in the brand building process (Janonis, 2007 and Kapferer 2008). Understanding the brand identity is significant when further positioning the brand and creating the image (Janonis, 2007).

Kapferer (2008) states that the concept of brand identity is of great importance for efficient brand management. For the company to be able to clearly understand their brand identity they need to understand what their vision and aim is. In disparity to the brand image the brand identity moved the focus from the consumer's perception of the brand, to the sender's role in brand building. This was an important move since it is significant to include the employees in the brand building process (de Chernatony, 1999). Brand identity consists of core identity and extended identity. The core identity stands for the essence of the brand while the associations adding to the brand is represented by the external identity. The main objective with brand identity is to create meaningful associations. The associations can be connected to a product, personality, the organisation or a symbol (Wallström, Karlsson, Salehi-Sangari, 2008 and Aaker, 1996).

The foundation of brand identity is the corporate values and the beliefs of the brand. The brand identity expresses the uniqueness and equity of the brand. It also clarifies which need they are fulfilling as well as which signs that are connected to the brand (Kapferer, 2008). The organisational culture is also significant for the brand identity since it is of great importance for the values the brand is composed of (de Chernatony, 1999).

In today's intense competition many companies offer similar products and services, a clear brand identity can therefore become an advantage since is

clarifies what makes the brand different from its competitors (Kapferer, 2008). The brand identity consists of everything that makes the brand unique, which is important for the creation of a strong and powerful brand (Janonis, 2007). Chernatony (2001) stresses that a clear brand identity can enable the company to create the right positioning and manage the brand in a way to create competitive advantage. For a brand to achieve the most important goal, trust, a consistent and continuous brand identity need to be developed (Burmamann & Zeplin, 2005). It is important that the organisation has the right self-image, where the brand identity should be reflected. We further wish to examine how the identity can be used within a brand in change and how important it is for a successful change.

The ability to deliver a mix between functional and emotional benefits to the customers is also included in brand identity (Wallström, Karlsson, Salehi-Sangari, 2008 and Knox & Bickerton, 2003). Aaker (1996) stress that the strongest brands other than offering tangible assets with a functional advantage have brand identities clearly connected with emotions. Functional values are easier to copy due to factors such as technology and the possibility to copy competitors' prices (Chernatony, 1999). Hence to successfully establish a brand linked to emotions is an important foundation in order to become a strong and lucrative brand (Aaker, 1996).

In order to communicate a brand image to the consumers the company first need to understand their self-image. The corporate values need to be communicated to the employees in order to create a consistent link between the brand identity and the brand image (de Chernatony, 1999). Further, the corporate brand identity can generate a feeling of uniqueness and belongingness for the employees (Kapferer, 2008). Relevant for our research is to elucidate if the brand identity is implemented in the whole organisation and how this have been performed. We will also examine if every member of the organisation is influenced and aware of the identity of the brand.

Understanding the brand identity is one of the keys to make decisions in line with the company's overall vision. If the company have a clear brand identity

they know their vision and believes and through this understanding they can make strategic decisions that will suit the overall brand strategy (Kapferer, 2008).

3.2.2.1 Changing the Brand identity

Markets are not static and several factors can pursue the company to make changes regarding the Brand identity. One potential challenge that can occur is that the Brand identity only attracts a small market. In order to grow, the company have a need to review their present brand identity with the objective to reach a larger market (Aaker, 1996 and Melawater 2005). Other potential situations can be that the present brand identity is perceived as old fashioned and boring hence no longer attracts customers. To create awareness of the brand they might need to change the established brand identity. One of the greatest challenges when changing a brand identity is for the company to develop a new identity without losing its origin (Aaker, 1996). Since a change within the brand Apoteket AB has been realized, we wish to elucidate how this was carried out in terms of identity and how the change have involved the employees.

Aaker (1996) stress that heritage brands, brands that have existed during a long time often are perceived as trustworthy, friendly and authentic. For these companies a dramatic change of the brand identity might turn out negative. A solution might be to evolve the brand, which means to change the brand over time. One possible solution can be to change the symbols of the brand, the brand logo. Many traditional brands update their brand logo over time, though maintaining the same meaning of the brand. The name of the company, or the slogan is other brand elements that can be changed in order to update the brand identity. One strategy for heritage brands to evolve their brand is to go back to their traditional roots using associations to its long history yet being perceived as creative and innovative. Further, to create associations with new emotions can enable the brand to develop the brand identity (Aaker, 1996).

3.2.3 Brand Positioning

The last step in the Internal branding process, brand positioning, aims at creating the desired orientation of the brand (Wallström, Karlsson, Salehi-Sangari, 2008 and Aaker, 1996). The position of a product or service is usually based on the choice of target market, which is *where* the company likes to compete. The positioning of a brand can therefore be explained as a place in the target consumers' mind that is valued and definite and makes the brand superior to other brands. Further, the differential advantage is of importance of *how* the company likes to compete. When differentiating it is of importance to clearly communicate the advantages and point of difference of the brand compared to its competitors. This consequently explains how a company acts in relation to its competitors and which advantages that are of importance in their operation. (Keller et al, 2008 and Keller, 1999). These two key tasks, where and how, are usually complemented with the important part of market segmentation (Jobber, 2007). A successful positioning is created when finding a gap in the market where the corporate brand identity fits in (Keller, 1999, Keller et al, 2002 and Park et al, 1986). Even though the purpose with our study is to examine the internal perspective for a brand in change, there is still a need to clarify the position of a corporate brand on the market. The position of a brand affects the internal brand building and is therefore a significant theory to consider in our research.

The position statement aspires to express how external stakeholders, customers and employees should perceive the brand. To reach this objective communication is vital. When a clear position has been stated it is crucial to clearly express the position both internally and externally. Management has great responsibility in the communication process when implementing the position statement throughout the entire organisation (Kitchen, 2002).

When analysing an already established brands position on the market there are six elements that can help locating the strengths of the brand. *The brand domain*, which is the target market of the brand and the place where it competes. This is hence the discovered gap in the market where the brand can accomplish its objectives and seize market shares. *The brand heritage* includes

the culture and background of the brand, and can provide as a vital corner stone for the brand to be built on. To understand its brand heritage it is vital to analyse the lifetime of the brand, hence its former success and mistakes. *Brand values* are the core values and features which constitute the brand and should impregnate the entire organisation. This is of importance when strengthening the brand and gaining loyal customers. *The brand assets* are the characteristics that make the brand unique in comparison to other brands in terms of relationships, symbols, features and images. *The personality of a brand* is the brand explained through alternative characteristics for example people, objects or animals. Finally, *Brand reflection* illustrate how the customer perceive her- or him self after consuming or utilizing a brand, which is linked to the self-image (Jobber, 2007). When trying to establish the position of the corporate brand in our research, some these aspects will be considered.

Consequently Brand positioning is a statement of within which market the brand is competing and which target market it addresses. Here market segmentation is useful in order to find a gap in the market for the brand to fill. Further the brand positioning defines how the brand should act on the market in order to be unique compared to its competitors. To find these unique aspects of the brand the six elements discussed above can facilitate the process.

3.2.3.1 Revitalizing and repositioning of a brand

According to Keller et al. (2008) a well-established, successful brand can be affected by new technology, emerging competitors or change in consumers' preference and taste. This change may affect the brand negatively and it might therefore need revitalizing measures. Revitalising is particularly effective on brands that hold clear and relevant values, but which presently have not been communicated well enough in the marketing channels. Repositioning a brand is a costly process for a company involving a great risk (Krell, 2006). When changing a brand there is a distinction to be made regarding whether the brand needs to return to basic strategies, or if there is need for reinvention, which implies a new position on the market. A combination of the two, using basic strategies or finding a new position on the market, is not an unusual

outcome. The purpose with reviving a brand is for the brand to regain its strength and improve its position on the market. This can also support regaining lost parts of brand equity or to create new ones (Keller, 1999). Since we are elucidating an extensive change for a corporate brand, it is important to gain an understanding of the former position of the brand. This will enable us to recognize a potential new position for the brand. We wish to distinguish how the brand position is reflected within the organisation in terms of internal branding, and if all members of the organisation are aware of their position.

Krell (2006) states that the employees play a crucial part in the brand developing process. To successfully manage a change of a brand, it is important to engage the employees in the process before the customers. Managing the modification of the brand internally can create employees that will serve the customers better. It can also create brand awareness among the employees that in the end will create more efficient marketing of the company (Krell, 2006). Changing the brand and implement the revised brand in the company is time consuming and complex. The employees should deliver the brand experience to the customers everyday, therefore the company should assure they are educated and well informed in the revitalizing process of the brand. If managed the right way the employees can be the most powerful marketing tools a company can have being everyday brand ambassadors (Krell, 2006).

Significant elements in the work of repositioning the brand to a new market are internal communication and training of the employees. To motivate the employees and work with reward systems are also important (Krell, 2006). According to Keller (2006) one possible strategy when implementing the change of the brand internally is to start from the top executives level. All of the employees with leadership positions must understand the objective with the repositioning. It is crucial that the employees feel that the CEO supports the change. After introducing and educating the top executives in the revitalizing process the new brand should be communicated to all the lower levels of staff in the company. Possible procedures are to educate the employees through workshops, online trainings or off-site events. Through well-managed internal communication the employees will understand the new brand values, but more

importantly why the change is made. This is necessary in order to attain employees that are good brand ambassadors who can meet the customer's questions and possible diffidence regarding the change (Krell, 2006).

Mitchell (2002) stresses that a repositioning of a brand can be easier to implement when the company is facing a challenging period or an extensive change. Employees can act sceptical towards change but during a phase of widespread difficulty or variations in the business environment the employees are more open for a transformation. In these situations the employees tend to seek guidance and direction in order to contribute to the change.

The degree of how responsive the brand is to change is a vital aspect for success. The corporate values may need to be adjusted to changing customer behaviour or a changing market situation. A successful brand is not static and inactive but must instead be prepared to changes in the environment and subsequently ready to respond and adapt (Kapferer, 2004). Successful brands have shown to have a positive attitude towards organisational learning and are interpreted as more dynamic and open to changes. Less successful brands instead tend to have a closed mindset towards brand evolution or change, which consequently results in a weaker brand. Generally these brands are perceived as more traditional, staid and introvert (de Chernatony & Cottam, 2006). Aaker (2004) claims that the work with changing a corporate brand is complex and requires an enormous amount of energy and support from internal resources. LePla and Parker (2002) also underline the importance of committing the employees in the branding change. They emphasize the importance of not only make employees think from a branding perspective, but also to keep the members of the organisation focused through a change. There are other aspects that can affect how smoothly a brand can be repositioned. Firms that are brand-supportive keep their brands alive in terms of frequent update. Since we are focusing on a brand in change these aspects can have an influence on the outcome of how to manage a changing brand. Apoteket AB has a history as the only actor on the pharmacy market, which probably will affect their brand transformation strategy.

Three components are found to specifically ease the repositioning of a brand. The first is the *brand supportive logic*, where the personality and position of the brand has a high focus within the organisation. The structure and culture is also adjusted to support the brand. Hence these aspects of the brand is deliberately managed to assist the reposition of the brand. These organisations tend to find it easier to reposition than for example organisations that has had the same position during a long period of time and not being brand focused (Yakimova & Beverland, 2005). The engagement of the top management plays an important role in brand supportive firms. Further, a *market-oriented approach* is a central element, because it is important for the brand to be able to be updated to new trends in the market place. In combination with the brand supportive logic, it certifies the brand to adapt to changes in the surroundings. A third aspect is the importance of a *generative learning*, which aims at continuously question the brand value, the positioning of the brand as well as the marketing communication. When a firm is able to regularly evaluate these aims from a critical point of view, it creates a better opportunity for a more proactive approach to reposition. These three characteristics mutually create a possibility of increasing brand equity over time. A non-brand supportive firm, on the other hand, tend to support the use of past practises, a more adaptive learning process (Baker et al, 1999). Repositioning of a brand often requires a need for cultural change. When applying this brand supportive focus in combination with communicating brand values, the repositioning can be made easier and more successful focused (Yakimova & Beverland, 2005). Urde (1999) further stresses the importance of a brand being in the centre of the organisation, and also being a vital part that permeates the business and influences everything the organisations do. This is furthered referred to as the organisation “living the brand”.

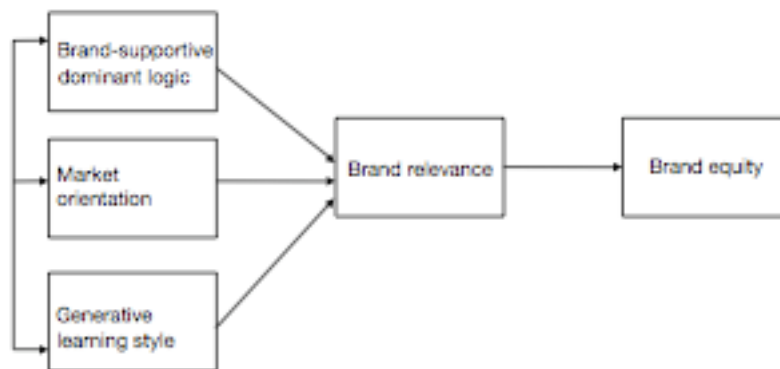


Fig. 3 Model of brand update capability (Yakimova & Beverland, 2005)

3.2.3.2 Service- and Retail Brands

Positioning of a brand can furthermore be realized by a brand acting as either a service- or a retail brand. Even though both types of brands are moving towards acting more similar, they involve some differences in features and focus. While considering a new position on the market it might be of importance to reflect on how the brand wishes to be perceived (Girod, 2005).

Through fierce competition and a changing business environment with deregulations and globalisation the conditions for a brand is now changing. Corporations are to a larger extent understanding the importance of service and are therefore moving towards being a *service brand*, which can be seen as a part of their positioning strategy (de Chernatony and Cottam, 2006). Vargo and Lusch (2004) summarize this paradigm shift:

“The focus is shifting away from tangibles and towards intangibles, such as skills, information, and knowledge, and toward connectivity and ongoing relationships. The orientation has shifted from the producer to the consumer.” (Vargo and Lusch, 2004)

We find this theory relevant for our study since a brand in change can find a need to reposition hence move from being a service to a retail brand or the opposite. As stated in the introduction the pharmacy market has been perceived as a “soft” retailer protected by the monopoly. Through the changed business environment the company will now face competition and hence be

forced to focus on their sales activities. Therefore we find the theories of retail and service brand significant for our study.

de Chernatony and Cottam (2006) introduce several key elements needed for a successful service brand. The first important aspect is that the organisation has a consistent and holistic approach towards the branding process. Ind (1997) further develops this statement by declaring the employees' as the most important tool to ensure consistency for a service brand. By gaining the employees' belief in the brand values and make them aware of the brand elements, regularity can more easily be obtained. LePla and Parker (2002) highlight the importance of an integrated brand for consistent communication. One of the difficulties for service brands on the other hand, is that the product is experienced directly by customers and the brand is experienced in the store (de Chernatony and Cottam, 2006).

The second key issue de Chernatony and Cottam (2006) focus on is the service offer and the relationship building with the organisations customers'. Bitran and Hoech (1990) found that the success of service is dependent on the frontline employees. To ensure high quality service the employees must be stimulated with training to motivating them to treat customers properly. Aaker (2004) also claims the employees and the service quality is a vital factor that influences the brand. He claims the people of an organisation are the component that provides the foundation for the corporate brand. The employees are also the foundation in creating a differential advantage for a service brand. The competitive advantage for a service brand is built from *how* an offer is delivered rather than *what* is delivered (de Chernatony and Cottam, 2006).

The factors of importance found in service branding are as well used in *retail branding*. Girod (2005) stress the importance of the right practices regarding employees in retail branding which also is an important element in service branding. These views of frontline employees have long been ignored but are now considered an important factor. The internal and the external side of the store therefore have to correlate. The way the brand is exposed externally has

a large impact on how the brand is experienced internally, which affects the behaviour of employees (Norman 1999 in Burt & Sparks, 2002). Retail is different from other business areas in the case of operation. It acts as an interlink between production and sales, and focuses mostly on relationships with the customer. This makes argumentation between the cost and service side a common issue. The size of business units also differs from other industries, which results in the possibility of a faster decision-making (Burt & Sparks, 2002).

Burt and Sparks (2002) stress the importance of the retail organisations not limiting themselves to regular marketing channels, but as well add vision, image and culture to the brand. This is the best way to create good brand reputation and in the same way increase competitive advantage and loyalty. Image can be achieved through external marketing activities, and the culture and vision can be achieved through substance, which is the intrinsic personality of the brand. It is therefore vital for the company to not simply focus on the communication of product and store branding externally, but to clearly elucidate the values and philosophy to the employees, since they are ambassadors of the brand (Burt & Sparks, 2002). The retail business, as the service business, is now becoming more aware of the importance of using internal branding as channels to a successful brand (Lloyd et al, 2000). Since our research focus on internal branding during a change we find the theories of service and retail brands to be of relevance for our research in order to see how they affects the positioning strategy for the brand.

In summary Internal brand building puts focus on the employees responsibility to deliver the brand promise. The employees hence plays an important role as part time marketers in the branding process. To enable the Internal brand building process internal communication is vital. The communication is central to assure the employees fully understand the brand values in order to realize the brand building. The Internal brand building consists of three fundamental elements, Brand audit, Brand identity and Brand Positioning. Brand audit includes the vision, mision and culture of an organisation and aims to be guidance for the development of brand building. This is the starting point when

creating a brand, thereafter the Brand identity aims at clarifying the corporate values and beliefs of the brand. The identity is everything that makes the brand unique and can facilitate the development of competitive advantages. The organisation needs to find a gap in the market where the Brand identity fits. Understanding of the identity is therefore needed when positioning a brand which is the final factor of Brand building. The Positioning aims at clarifying how and where the company would like to compete. Sometimes a change in Identity and Positioning is needed to manage challenges in the business environment.. Relevant for the positioning strategy is also if the brand should be more of a retail or a service brand. A service brand concentrate on *how* an offer is delivered rather than *what* is delivered. The focus for a retail brand is moving closer to the service brand but there is still a difference since the retail brand has a greater focus on the products and sales.

In order to reach our objective of studying the internal work process with a brand we need to gain an understanding of how the brand is built internally. By studying the theory of Internal brand building we have understood the meaning of a strong foundation of the company in order to involve the employees in the branding process. To enable leverage of the brand the organisation needs to have a clear and consistent self-image. Brand audit, Brand identity and Brand Positioning are fundamental parts in the creation of the self-image and hence the entire internal brand building process. In order to gain an understanding of the factors creating a strong brand we need knowledge of these aspects to understand the function of penetrating the market and how an organisation can fulfill a need. This theory enlightenes the importance of involving the employees in the brand building process and prepare and involve them in a time of change. In order to manage this, the employees need to have a holistic understanding of where and how the brand acts on the market. This is therefore of relevance for us in fulfilling the purpose of the internal perspective that we are undertaking. Another learning we have gained from the discussion of internal branding is the strategies and conditions when revitalizing a brand. This knowledge will contribute to our understanding of how to maintain a strong brand when facing an extensive

change.

3.3 Brand Commitment and Brand Management

A brand is in need of a continuous and consistent identity in order to achieve a confident position among the consumers. This approach builds on an identity based brand management approach (Aaker, 1996). By this means the employees plays a vital part since they most frequently are present within all the customer brand touch points. The customer touch points can be everything from what the marketing department produce, to employees directly or indirectly contribute to services or products of the brand or its communication (Burmam, 2005). de Chernatony and Cottam (2006) state the importance of the organisational members to be involved in the branding process. They highlight the staffs' direct influence and participation in the branding within the more successful brands. It is important for the employees to gain an holistic view of their role in the brand building in order to see how they can contribute to a stronger brand and hence a more successful organisation.

It is the congruence between organisational values, employees' values and brand values that influences the strength of the brand. The employees can be seen as part-time marketers, which make it significant for the organisation to make sure they are well informed of the brand identity to be able to "live" the brand internally and externally (de Chernatony & Cottam, 2006 and Gummesson, 1987). Kunde (2000) further explains this uniformity as the corporate religion of an organisation where the employees have the same believes and share the same values as the organisation.

According to Burmann (2005) brand expectations formed by the marketing department can easily be weakened by the employees, if they are not familiar with the brand. It is vital that the personnel understand the brand so that the internal elements in the value chain are consistent. The employees' act as a link between the internal and external brand and without this crucial connection it becomes almost impossible to develop a coherent brand. Employees need a clear picture of what the brand stand for which can be obtained by for example short statements characterizing the brand. These statements should be

communicated across all levels of positions and functions within the organisation (de Chernatony & Cottam, 2006). These aspects will be useful for our research while elucidating the role of employees in a brand change. We wish to clarify to what extent the information regarding the brand and brand change have reached the members of the organisation, and how this can affect the brand.

The *brand citizenship behaviour* is highly favourable brand behaviour among the employees, as a result of a successful brand commitment. According to Burmann & Zeplin (2005) the brand citizenship behaviour is seen to consist of seven different dimensions. The first dimension is a helping behaviour, meaning that the employee acts well towards the internal and external customers, secondly, always using a brand related behaviour in favour of the brand, thirdly, showing enthusiasm for the brand, and fourth, acting in a manner of sportsmanship, which means no complaining, even if sacrifices has to be made. The fifth component is brand endorsement, which signifies recommending the brand to others, the sixth is self-development of the employees regarding the brand and the seventh includes contribution to brand development through for example adaptation of the brand identity. These are all very desirable qualifications to find within an employee (Burmann & Zeplin, 2005). The components of brand citizenship behaviour will be used as guide in our research when trying to determine a successful implementation of brand values and identity among the members of the organisation.

The Brand commitment can be seen as the employees' psychological attachment to the brand, which increases the employees' intentions to reach the goals of the brand. Brand commitment is further one of the key drivers to create brand citizenship behaviour (Burmann & Zeplin, 2005). Brand commitment is according to Kelman (1958) based on *internalisation, compliance and identification*. We aim at elucidating if there has been a successful internal brand building of the revised brand by trying to distinguish the drivers for brand commitment during the change process.

Compliance illustrates the importance of behavioural adoption, aiming at achieving the right brand identity. This is based on the equity theory that explains the individuals comparison between the rewards gained, and the contributions made. The difference between the input and the output that motivates the personnel can be affected by the organisational structure including formal and informal incentive systems. The incentives can be found in both rewards and different sort of sanctions. The informal incentives can be found in the organisational culture, where the social environment serves as a form of social control (O' Reilly et al, 1996).

Identification with the brand can be achieved by creating a feeling of belonging to a group, for example the co-worker or the CEO. The identification will make the importance of brand success or failure highly important for the employee. A strong identification with the brand will lead to brand citizenship behaviour by creating a feeling of personal responsibility of the brand. This can be achieved by a clearly established brand knowledge and competition, combined with individual mentorship and charismatic leadership among the employees (Mael et al, 1992). Organisational culture in terms of symbols and rituals, are furthermore important factors for an employee to be able to identify with the brand (Mayrhofer et al, 2003, in Burmann & Zeplin al, 2005).

Internalisation is based on the self-concept of the employee, which acts as guideline for actions. This is a result of intrinsic motivation, which aims at affecting the internal feelings of employees regarding increased knowledge, or feelings of importance or pleasure. If the brand values do not correspond with the values of the employee, they can be properly adapted through organisational socialisation, where the employee is infiltrated with the right values over time. The socialisation process is realised by formal or informal value communication through managers and co-workers. (Van Maanen et al, 1979 in Burmann & Zeplin, 2005).

The three different dimensions, *compliance, identification and internalization* are not affecting the employees in the same way, in fact strong internalisation is seen to have the highest impact on the brand citizenship behaviour.

Compliance on the other hand is seen to have the lowest impact. (Burmamann & Zeplin, 2005). For brand commitment to be achieved there has to be a cultural and structural fit. For the citizenship behaviour to evolve from the brand commitment the employees has to be given the right recourses and know how. By doing so the company can guarantee a consistent brand experience (Burmamann & Zeplin, 2005).

There are according to Burmamann & Zeplin (2005) three ways to generate brand commitment; *brand centred HR activities, brand communication and brand leadership*. We will from these different drivers try to establish how information regarding the change and the brand has been communicated and implemented within the organisation. The different drivers will be used as a method to clarify the path towards brand committed or not brand committed employees within a brand. We wish to elucidate which drivers of brand commitment that is vital for a brand in change and how these were practically used.

The *HR department* can assure that the values of the employee correlate with the values of the company or brand, by employing people with a high personal brand identity fit. If this fit is not as high as desired, it can later be accomplished by socialisation programs such as orientation training and social events, to reassure that the employee receive the right values, vision, capabilities and personality. Later on in the career of the employee, executive programs can be used to assure the right values of the employees (Burmamann & Zeplin, 2005) Even though hiring the right persons can help controlling brand identity, there has to be a constant communication of brand identity in the company. It is of high importance to make every employee aware of their individual responsibility for the brand and their high influence on the perceived brand experience among the customers. When communicating the brand values it is important they are memorable but in the same way representing all aspect of the brand identity. This can for example be achieved by handing out a brand book, or a brand value statement to the HR department or other groups, which internally creates activities for the brand. *Brand mantras* on the other hand are shorter phrases that capture the most

substantial parts of the brand which can act as a guiding tool for action and decision of the employee (Burman & Zeplin, 2005 and Ind, 2001 in Burman & Zeplin, 2005). Further, another interesting alternative to communicate the brand identity is using internal *role models*, for example policies, programs, events, stories or personalities that can truly represent the identity of the brand. The personalities need to have a clear brand vision and can be the CEO or the founder of the company. It is very important for the employee to participate in the communication of the brand identity to be able to receive the best result (Aaker et al, 2000 in Burmann & Zeplin, 2005).

For the previously mentioned brand commitment to be established, the communication inside the organisation must be done properly. The internal communication can be divided in three different ways, *Central communication*, *Cascade communication* and *Lateral communication*. Central communication can in advantage be used for generating brand information and brand awareness. It starts in the central department, which communicates the push and pull principles through internal communication tools. The *push factors* are for example written materials like house journals and newsletters, which are distributed even if the employee does not receive it. The *pull factors* on the other hand are information that the employee actively has to search for, such as the intranet. A third way of distributing Central communication is through interactive communication, such as centrally organized events (Burmman & Zeplin, 2005).

The Cascade communication can sometimes be more effective, since the information starts from the top management and is passed down through the organisation. Even though this information most often is more relevant and credible, it can on the other hand be a more time-consuming option. An alternative to the hierarchical communication is team workshops or self-learning teams, which is realized without any executives (Burmman & Zeplin, 2005).

Lateral communication is informal information transmitted between workers regardless of their position in the company. This is the most effective way of

communicating information, but is on the other hand hard to control. One successful way to use this would therefore be to utilize organisational storytelling containing myths and stories regarding the vision, the organisational self-image or how the organisation survived a difficult situation in the past (Shein, 1985).

A third facet for creating brand commitment is the right *brand leadership*. When communicating information internally it is highly important the communication is credible and vital, otherwise the message will not have any effect on the employees. On the macro level, the CEO and the board have a significant responsibility for the brand, and can influence the employees by communicating brand information in a serious and trustworthy way. It is essential for the internal brand building that all actions regarding the brand is supported by the actions and words of the CEO. On a micro level, the personal leadership is of high importance and the managers need to act as role models for the brand. The social learning theory argues that humans learn behaviours and attitudes by viewing other people, which indicates that proper acting of executives can be highly important (Bandura, 1977). *Transformational leadership* is a form of leadership and is seen to be one of the most efficient ways to generate brand commitment through identity (Bruns, 1978 and Bass, 1985 in Burmann & Zeplin, 2005). This leadership can affect the employees ambitions and value systems in a way that encourage them to put the interest of the organisation and brand before their own interests. This way of communicating is characterised by an inspirational, intellectually stimulated and charismatic leader and can result in organisational citizenship behaviour (Burn, 1978 and Bass, 1985).

Brand leadership, in combination with brand centred HR activities and brand communication will only result in brand commitment, if the corporate structure and culture correspond with the brand identity values. The *culture* is constructed of values, norms and assumptions, and involves the capacity of affecting the decision-making, thinking and behaviour of the employee (Gummesson, 1987). The facets in the *corporate structure* on the other hand,

are for example infrastructure, reward systems and organisational structure (Kerr et al, 1987).

The theory explains three different key drivers for brand commitment. The drivers are brand-centred HR activities, brand communication and brand leadership, which have to be inline with the structural and cultural fit. Brand commitment is as psychological bond between the employee and the brand and can in its turn lead to brand citizenship behaviour. Brand citizenship behaviour is further a most favourable state of mind, where the employees more or less are “living the brand”. For this to be attained the brand commitment further needs to be complemented by employee know-how and disposable recourses. If the work process illustrated in Figure 4 is managed successfully this will result in a stronger brand.

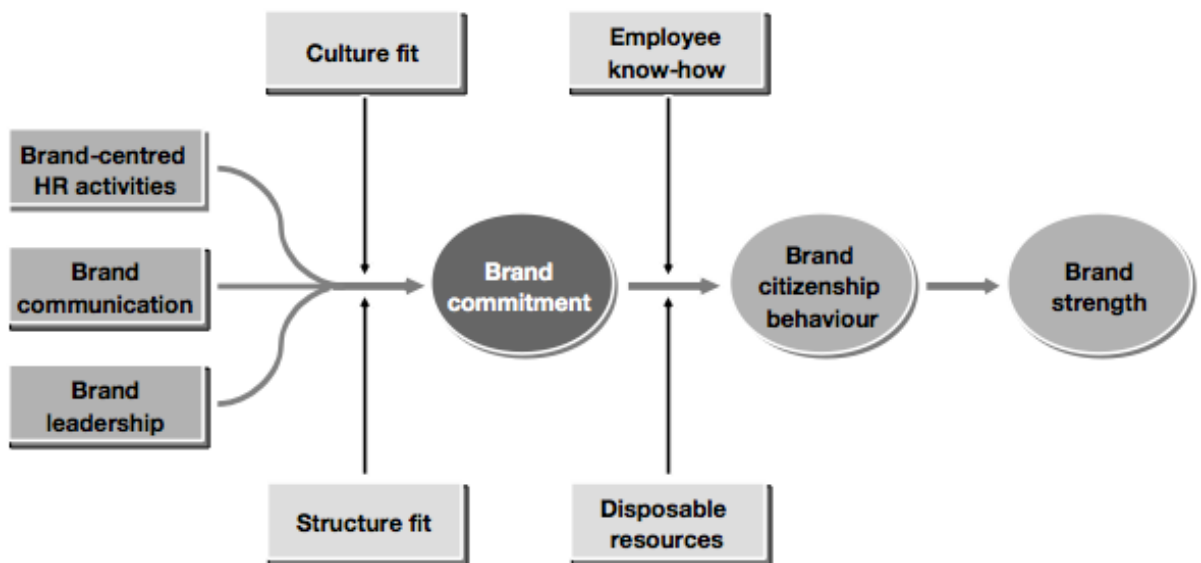


Fig. 4 A holistic model for Brand Management (Burmamann & Zeplin, 2005)

The theory provides a foundation while striving to gain an understanding of how to create brand-committed employees through internal activities. It describes how a company can create a brand that is deeply rooted within the corporation. The knowledge gained by this theory helps us to understand how the internal activities should be used in order to acquire employees that are living the brand. We find this perspective important since a brand in change is in need of employees supporting the brand and representing the brand in a

good way. Furthermore, as an effect of a change and establishment of new brand values the organisation might need to focus on internal brand activities in order to commit the employees to the revised brand.

3.4 Brand Heritage

The heritage of a brand can be helpful for a corporate brand if used in the right way. The brand heritage defines the history of the brand and its previous lifecycle. It can be useful when a company wants to revise and develop the brand identity, which we consider an urgent element within a brand change. A brand can be either a heritage brand or a brand with a heritage. A heritage brand actively uses its history as a main part of its brand identity and in the work of finding the right position on the market. A brand with a heritage does not emphasize or use the history of the brand in their identity, even though it holds a history of importance (Urde et al, 2007).

A distinction can be made between the history and the heritage of a brand. The history often describes what are indistinct episodes from the past, while heritage elucidate the history in a way that makes it applicable in present time (Lowendahl, 1998). The history can also play an important part in organisational change where it can act as foundation (Gioia et al, 2002). A significant difference between history and heritage is that the first focus on the past, while the latter keep a focus on the past, present and future of the brand. During this process historical features can strengthen the perception and hence the value of the brand. The opposite can also occur if the historical facets have negative associations, which will weaken the brand. Urde et al. (2007) suggest heritage quote as a way to measure the heritage of a brand. The quotes can be derived into five different elements that constitute a brand heritage. The components are shown in figure 5 and consist of history, track record, core values, use of symbols and longevity. A key element is the brand stewardship, which is a way to manage the maintenance, nurturing and protection of the brand heritage (Urde et al, 2007). We find the heritage of a brand important to consider for a brand in change and hence these elements will be used for elucidating the important historical parts of a brand. The theory of heritage

will be used in our research in order to understand how a brand can emphasize the vital parts of their history while updating and improving the brand.

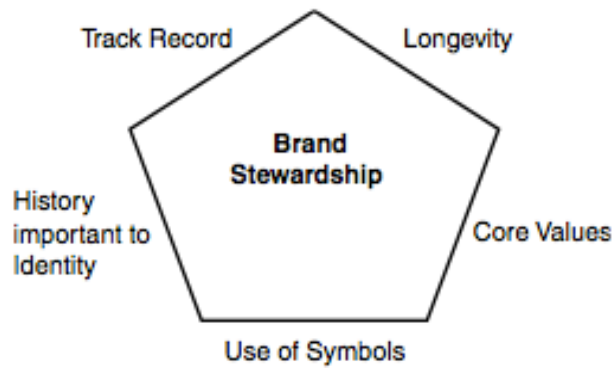


Figure 5 Elements of brand Heritage (Urde et al, 2007)

Track record shows the previous actions of an organisation and can be illustrated as a history path of the actions made by the company. The track record should answer the question what the company has done during its existence, and how well it has fulfilled the values and promises established for the brand (Urde 1997 in Urde et al., 2007, and Urde 2003). *Longevity* is here referred to as different types of heritages, like track records and history taken place over time, which has helped shaping the organisational culture. Consistent *Core values* in a company can in a long term perspective be of high relevance for the corporate strategy and brand identity, and eventually become a part of the brand heritage. *Symbols* are further an important aspect of a heritage. Brand logos and design looks that are communicated internally and externally can create a deeper meaning to the brand (Urde et al, 2007). The *History* is, as mentioned above, important when determining who a company is and what it stands for. It is of particular value for a heritage brand, which uses the history as a source of direction regarding present and future operations. The more frequently these different elements are found in the brand, the stronger is the heritage and hence the importance of using it internally in the brand strategy. The heritage quote plays a central role externally to consumers as well as to non-consumer stakeholders (Urde et al, 2007).

There are many reasons for a company to use their brand heritage. The heritage can help the organisation create a certain position on the market, which can result in competitive advantage. The heritage of a brand can further add a higher value to the brand in terms of credibility, authenticity and depth. It can also serve as a tool for creating certain relationships with non-customer stakeholders. Furthermore, the heritage can contribute to internal commitment and pride, and make the employees feel that they are being part of something valuable (Urde et al, 2007). The brand heritage can be an advantage for a brand when changing its identity or values. It can therefore be essential to have a clear picture of the heritage while changing a brand. In our research we will examine how a brand in change can take advantage of its heritage while trying to create new values or identity. When a company has found its heritage, it has to be used and managed properly. The stewardship is of high importance and must serve to remain trust and credibility, but as well be adaptable to the new influences and ideas (Urde et al., 2007).

To summarize, brand heritage implies that a company can use its history to gain competitive advantages and contribute to the constitution of their brand identity by making it applicable to the present situation. The brand heritage can also influence the organisations position on the market. The history can also play a significant part when the brand is facing an extensive change since the past can be used to manage the future. Five dimensions constitute the brand heritage; track record, longevity, core values, symbols and the history.

After this literature review we strongly believe that committed personnel is highly essential for the brand. This theory is of relevance for our process of understanding how an established and strong brand can work with its internal branding. This since it indicates which components are necessary in order to get the employees to live the brand. The theory also highlights how an organisation can work with their communication, HR and brand leadership to attain brand committed personnel. Therefore we consider brand commitment being of importance when facing a great change. In order to re-build a brand and manage a change the brand might have to be divided into small components to gain a solid understanding of what the brand stands for and

how it later can be clearly communicated both internally and externally. Further we notice the significance of using the history of a brand, and how it can influence the brand strength. The brand can survive by highlighting the past actions and features that has historical connection to the brand. By gaining knowledge of how a brand can reflect on its history we believe we can analyse the aspects and characteristics a well-established brand can use during a change.

3.5 Application of the theoretical framework

After discussing the theories of relevance to reach our purpose we have discovered a number of fundamental aspects of particular importance to our purpose of study. We have detected certain components that to a larger extent affect the strength of a brand during a change. Through our literature review these facets has been recognized as the most important ones and we have therefore constructed a model to show how our theoretical framework has developed in connection to the aim with our study. The importance of internal communication has been mentioned by many of the authors and we have understood that the communication has an extensive implication of how well a brand can meet the change. To clearly communicate the aim and objective with the change and send a consistent message of what the brand stands for can be the dividing line between a successful brand adaptation and a failure. Another aspect closely connected to the communication is brand commitment and brand management. It is of great importance for the managers to be aware of how to manage the brand and to have an understanding of its unique characteristics. How well the understanding of the brand filtrates the organisation is also vital for the brand strength. If the employees thoroughly understand the brand they can live the brand and fulfil their role as part time marketers which will have a genuine affect on the stability of the brand. To realize both the understanding of the brand and the internal communication the brand must have a solid core with clear values. This is shown in the internal brand building where the culture and the vision of the brand must be carefully managed in terms of Brand audit. The symbols, associations and core values also contribute to the centre of the brand in the Brand identity. When

meeting an extensive change it is also of high importance to understand where and how the brand is positioned. The possibility of adapting the brand to a change will be influenced by how stable this core is and how well a company can manage a brand repositioning.

We intend to use these building bricks as a foundation in our continuous work. Since these components have been of significant use in our different theories we see them as fundamental aspects of how to keep a strong brand. With these as a solid base we will study the situation of a corporate brand meeting an external change in the business environment to more closely examine the phenomenon and the theoretical means.

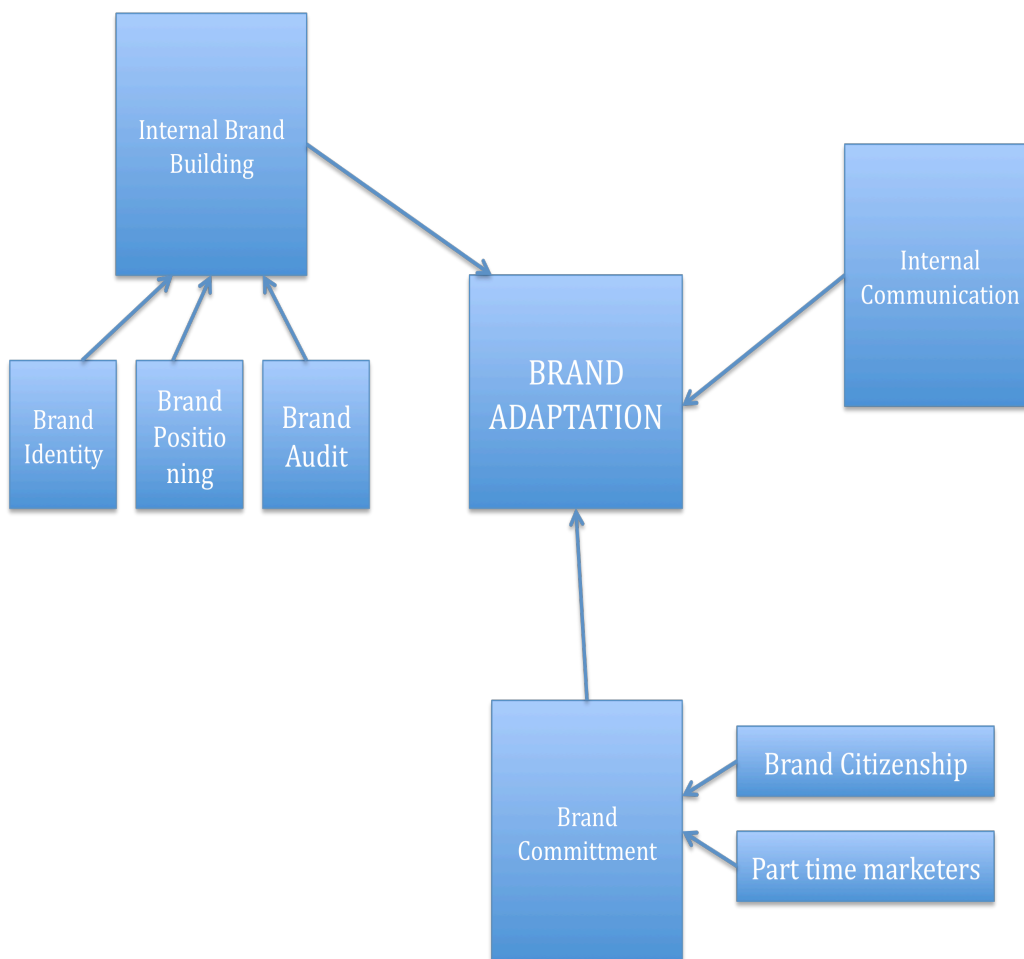


Fig. 7 Theoretical Implications

4. Analysis

This chapter aims to give the reader an insight of our empirical findings in relation to our theoretical framework. We start by presenting a background of the company and the deregulation of the pharmaceutical monopoly in Sweden. Thereafter we follow the model developed from our theoretical study and start by examining the Internal Brand Building and the knowledge of the brand, followed by Internal Communication and finally Brand Commitment. This in order to clearly guide the reader through the process in a logical and natural way.

4.1 Company Background

The Swedish Pharmacy Corporation Apoteket AB has old historical roots in the Swedish society. The pharmacy market was originally composed by self-employed pharmacies with central regimented prices. In 1970, the Swedish government created a law stressing that the state owned monopoly of Apoteksbolaget AB should be created (www.apoteket.se). In 2008, before the reregulation, Apoteket AB consisted of a total of 930 pharmacies. Through the reregulation half of the pharmacies were sold and continuously Apoteket AB today consists of 465 pharmacies. By 2009 the corporate group had a turnover of 43 073 million SEK (Apoteket AB Annual report, 2009).

Apoteket AB states that their business concept is: *“Based on the customers’ needs Apoteket offers a wide range of products and services in the areas of pharmaceuticals and health to private individuals, companies and healthcare providers”*. Apoteket AB acts on the healthcare and nursing market with a patronage consisting of private customers as well as actors within nursing and care. In 2009, 69 per cent of their sales were based on private customers and the rest of the sales were based on Apoteket Farmaci, Apoteket Försörjning and Övrig Verksamhet. They offer a wide assortment of prescription and non-prescription drugs and healthcare products. They also offer counselling and knowledge-based services (Apoteket AB, Annual report 2009). Apotekets’ main business segment is divided in to four large business divisions. First there is the division *Apoteket Konsument*, which offers the private consumers products

and pharmaceuticals. The second division is *Apoteket Farmaci*, which is responsible for selling pharmaceutical products. This division as well sells pharmaceutical services to the nursing and healthcare market. Apoteket Farmaci is furthermore responsible for the management of hospital pharmacies. The third segment is *Apoteket Försörjning*, which is responsible for the maintenance of products and production of a certain kinds of pharmaceuticals as well as the IT- department. It is further in charge of the distance trade and the customer support. The fourth division is *Övrig Verksamhet*, which includes Apoteket Produktion & Laboratorier, which is responsible for pharmaceuticals that are not offered by the pharmaceutical industry and as well Apoteket International (Apoteket AB Annual Report, 2009).

Apoteket AB's vision is " a life in health". They want their entire organisation to inspire and facilitate a life in health for their customers (Apoteket AB, Annual report 2008). Apoteket AB have four core values and they state that these values should impregnate the every day work for their employees as well as all the contact with stakeholders and customers. Their four core values are credible, considerate, innovative and proactive.

Credible: This indicates that all products and services sold by Apoteket AB should be of high quality and the customers should at all times be able to rely on them.

Considerate: They meet the needs of the individuals and are responsible for the consequences of all their operations. Apoteket AB shall contribute to a good environment and a society where health and entrepreneurship is encouraged.

Innovative: They want the customers to perceive them as innovative and with new ideas.

Proactive: As the market leader they want to be an important part in the development of the health industry (Apoteket AB, Annual report 2008).

4.1.1 Reregulation of the pharmacy market

The Swedish pharmacy, Apoteket AB, have as mentioned above been a state-

owned company acting on a monopoly market since 1970. Although, in May 2009 the announcement was made regarding the selling of the pharmacies of Apoteket AB (www.apoteket.se). The Swedish pharmacy market was the last pharmacy monopoly in Europe, and the regulation had been criticised by the European Union (Hanner, 2005). Lack of competition resulted in high prices and restricted access to medicine on the Swedish market (Neroth, 2005). For several years the deregulation of the pharmacy monopoly have been a subject of discussion (Swedish pharmacy deregulation, 1998). The Swedish government established a Pharmacy market investigation in 2006. The aim with the report was to create a proposition of how a reregulation of the pharmacy market would be realized (www.omstruktureringsbolaget.se).

In 2008 the Swedish government presented a proposal of how actors other than Apoteket AB could sell medical products on the Swedish market (Fritz, SOU 2008:4). The important aspect stated within the report was to retain the high quality and expertise among the new pharmacies and to create a model which would guarantee that the new retailers would handle the trade of medical products with high safety and quality (Fritz, SOU 2008:4).

With the proposition as a foundation, the work continued and the Swedish government adopted the proposition of the new law, which endured the 1st of July 2009 (www.regeringen.se). Any retailer that fulfilled certain requirements and acquired a license from the Medical Products Agency could now open a pharmacy and sell medical products, earlier exclusively sold by Apoteket (www.sweden.gov.se).

The aim with the reregulation is to create better access for the customers to purchase medical products and to create price pressure, flexible opening hours and continued safe and effective pharmaceutical sustentation (www.omstruktureringsbolaget.se). The pharmacy industry will continue to be strictly regulated to ensure the safety for the customers (www.di.se). Further, the retailers need to have qualified pharmacists in the store during opening hours and as well have an employee responsible for the medicinal products who can verify that the store meet the requirements for the handling of

medicinal products (www.sweden.gov.se). The new actors on the pharmacy market will be able to negotiate prices of pharmaceutical products and the new law states that freedom of pricing will be maintained for over-the-counter medicines (www.sweden.gov.se). Fixed prices on prescription drugs will be kept and the high-cost protection will continue (www.di.se). An important issue for the government has been to review the pricing model for medicinal products and to create a model that enables price pressure, at the same time creating conditions for more retailers to enter the market (www.sweden.gov.se). The new market condition will ensure that the prices will be pushed downwards through a price ceiling (www.di.se).

4.2 Analysis of interviews

As described in the methodology chapter our data collection is constructed by qualitative interviews. We have conducted interviews with nine different respondents representing different levels in the hierarchy of Apoteket AB, from Head of the Board to the Store Employees. This has given us a broad perspective of the process and also a chance to study the involvement of all members during the reregulation. To gain a professional opinion regarding the brand reformation process, we have as well spoken to the Project Manager of Apoteket AB's advertising bureau. Furthermore we found it interesting to acquire an objective perspective of the brand change, and have hence interviewed a brand specialist. In order to facilitate the understanding of our analyses we will now present the respondents and their work positions.

Eva Fernvall is a central person for our empirical data collection and is the Brand Manager of Apoteket AB. Eva entered her position as Brand Manager 2006 and has been a key figure during the creation of the brand-building platform of Apoteket AB. She has been engaged in the brand construction throughout the entire work process, including the reregulation. Eva Fernvall will be referred to as Fernvall or Brand Manager in our analysis. We have additionally conducted an interview with the Head of the Board of Apoteket AB, Christian W Janson. Janson has provided us with interesting information due to his central position within Apoteket AB and hence been able give an internal and in the same time external perspective. Christian Janson will be

referred to as Janson or Chairman of the board in our analysis. The respondent Marie Lundin is Regional Manager for the south part of northern Sweden and has been working during the whole reregulation process. She has provided us with an overall management perspective of the brand change. Marie will further be referred to as Lundin or Regional Manager in our analysis. We have moreover conducted interviews with Store Managers at two different Apoteket AB stores in Lund, Apoteket Svanen and Apoteket St.Lars. This has given us a viewpoint of management, directly connected to the level of the employees during the change. We can hereby acquire information that is reflected both up- and downward in the organisation. Anette Gerbert is the Store Manager at Apoteket Svanen and has been working within Apoteket AB for 20 years. Ann-Marie Hagbjer is the Store Manager of Apoteket St.Lars and has been working in Apoteket AB for 40 years. The respondents will be referred to as Gerbert and Hagbjer or Store Managers. We have moreover conducted interviews with Store Employees at the two pharmacies, Apoteket Svanen and Apoteket St.Lars. This has provided us with an essential view for our research since they work close to the customers and therefore is the final step in the organisational chain of employees. At Apoteket Svanen we have interviewed two employees, where one of them have recently started working at Apoteket AB, and have only been an employee since June 2009. The second employee has worked at Apoteket AB for 36 years. These two respondents wish to be anonymous in our thesis, and will therefore be referred to as Store Employee. At Apoteket St.Lars we have interviewed Birgit Sandberg and Magdalena Svensson. Sandberg has been an employee at Apoteket AB for 11 years and Svensson for 2 years. These two respondents will be referred to as Sandberg and Svensson, or Store Employee. The difference in age and period of employment among the Store Employees contributes to a broader perspective of our research.

Our respondent Leif Sorte, Project Manager at the advertising agency Forsman & Bodenfors has been responsible for the external communication of Apoteket AB during the entire process. Through Sorte we have acquired information regarding the brand change from an external perspective, from a person with in-depth knowledge of the internal work of Apoteket AB. In order to get an

objective perspective and a professional external opinion we have conducted an interview with Mats Urde, Branding Expert and professor at Lund University. The respondents will be referred to as Urde and Sorte in our analysis.

4.3 Understanding of the brand

4.3.1 Who is Apoteket AB?

According to de Cheratony (1999) it is of crucial importance for the branding process to first understand the self-image of the company and communicate this to the employees. Kapferer (2008) highlights the importance of a clear brand identity for efficient brand management. This means that when changing the identity, the knowledge of what the brand stands for is of crucial importance. Eva Fernvall, Brand Manager, expresses the challenge the brand Apoteket AB now faces. To manage the changing conditions she tries to develop a clear picture of who Apoteket AB is today. She also puts forward the question of what they want to be. These are the questions forming the foundation of which the management of Apoteket AB base their strategy on. This in accordance with Kapferers (2008) statement that in order to make strategic decisions, well correlated with the overall brand strategy, a company must have a clear brand identity and know their values and vision. Mats Urde, branding specialist, also emphasizes this and believes that one of the most important components in order to successfully adapt a brand to an extensive change is to outline clear guidelines of how the company sees itself and what they want to achieve. He continues;

“One can never be stronger externally than what is anchored internally. An organisation facing a change must work a lot internally and be prepared to adapt. A clear picture of who the organisation is and what it want need to be stated.” (Interview, Urde)

In the case of Apoteket AB a thorough branding project has been made and Leif Sorte, project Manager at Forsman & Bodenfors, state there was a need of changing and updating the old brand identity;

“In such a unique situation where the company has been able to exclusively control the market forces and been able to regulate the market situation a change in identity to meet the new business environment was necessary”. (Interview, Sorte)

Sorte explains how the work proceeded. First a communication platform was built which put focus on how one could develop a strong and popular brand even further. All the communication possibilities and past communication strategies were gathered and analysed in order to find a new voice for Apoteket AB. They wanted to find a warm image in order to appeal to a greater number of people. The objective was to strengthen the brand and expand the well-liked brand to an even wider target group. Modernisations were therefore made and the popularity of Apoteket AB grew. Sorte believes Apoteket AB brings a strong, acknowledged and well-built brand to the new market (Interview, Sorte).

4.3.2 Vision and Mission

Kapferer (2008) highlights the importance of a clear vision and mission to build the foundation of a brand. Fernvall, the brand manager, state the work with the vision of Apoteket AB started in 2006. The management of Apoteket AB started discussing the development and renewal of the vision from a philosophy perspective. Fernvall claims she put a lot of effort in changing the old vision, "we make Sweden healthier". She underlines that one is not healthy during an entire lifetime and she therefore promoted a matrix called the health-cross. She put the extremities of health, unhealthy, wellness and illness against each other to create a matrix. This in order to create a more tailored picture of the customer and realize the fact that for example an ill person can still perceive their life as healthy. With this cross as a base Apoteket AB created their new vision, "A life in health". The aim is to support the customers in creating a life in health, no matter if they are ill or healthy (Interview, Fernvall).

Wallström et al (2008) argue that outlining a clear mission and vision is crucial for the consistency of a brand. The mission of Apoteket AB is to offer the customers a wide selection of health and pharmaceutical products and services to private consumers, companies and producers within the pharmaceutical industry (Apoteket AB, Annual Report 2009). The long-term goal of Apoteket AB is to be the leading and most efficient actor on the pharmacy market in 2012. This is further divided into intermediate goals of keeping its strong brand, enhance its position on the Swedish pharmacy market and be one of the

best profitable pharmacies on the market as well as the most attractive choice for both consumers and employees. The strategies needed to realize these objectives are extensive work with the brand, communication, cost-efficiency, increase the product assortment and engage the employees and partners (www.apoteket.se).

Kapferer (2008) means that the two fundamental parts, vision and mission, creates the top of the brand pyramid. When these are clearly stated and integrated in the organisation they can guide the direction of core values and the continuous brand building work. This correlates well to Fernvalls' statement that for a brand to be built and for values to be created, the vision and mission must be settled before starting the branding process. In 2006 Apoteket changed advertising agency to Forsman & Bodenfors who strictly forbid any commercial being communicated externally before Apoteket AB had a very apparent picture of who they were and who they wanted to be. Therefore no communication was projected until the vision, mission and core values were clearly fixed (Interview, Sorte). Hence when the new vision had been stated and the mission was settled the work with the corporate culture and core values began (Interview, Fernvall).

The change in business environment made Apoteket AB develop its original core values of credibility and consideration and add two more values, innovativeness and proactivity. Fernvall argues that the two former values are the strongest ones and they do not want to loose their recognition by changing these values. Fernvall continues by underlining credibility as the core of Apoteket AB and this is the value that should touch everything Apoteket AB engages in. She explains that since Apoteket AB still wants to gain a more modern and up- to-date identity the two latter values were added (Interview, Fernvall). Sorte further develops this argument by explaining that Apoteket AB needs these values in order to show their innovation force. He claims these are vital values to add for a leading company on the market. He means that there exists an expectation that the market leader takes initiative on different business areas (Interview, Sorte). According to Urde these values can be seen as aspiration values. These are potential values that the company wishes to

achieve. These values are based on a strategic decision that the company want to fulfil in the future. Urde says these values might not be internally anchored in the company but as long as the brand is not based solely on aspiration values this matter is not crucial. Instead he underlines the responsibility a company is undertaking when making use of aspiration values, the company must show that they will work towards fulfilling the values (Interview, Urde).

4.3.3 Who were Apoteket AB?

The life of the brand Apoteket AB influences the revitalization process and the strength of the brand today. Urde (2007) claims the history of a brand is important to consider when changing the brand identity. Many of our respondents have referred to the history of Apoteket AB when discussing the brand and its competitive advantages. The Head of Board, Christian Janson, for example believes the public responsibility that Apoteket AB has had for a long time influences the corporate culture and makes the employees of Apoteket AB feel proud. He continues with stating the internal picture of Apoteket AB as “The pharmacy of Sweden”. This can be linked to what Urde et al (2007) calls longevity since the heritage influences the corporate culture.

One of the store employees believes the major competitive advantage of the brand Apoteket AB is gained through the fact that the customers feel safe with the brand. She believes that due to the track record of Apoteket AB, the actions made during its past existence have made the brand mature, known and well established (Urde, 2007). Another store employee also states that since Apoteket AB has been on the market from the beginning the customers feel secure. A third store employee also elucidates this by highlighting Apoteket AB as the original and real pharmacy. Store Manager Anette Gerbert continues this discussion by talking about the brand as a source of knowledge and trustworthiness. With the history and familiarity as a foundation the strength in the brand can be perceived and developed. She sees the brand as a competitive resource and the connection to the medical service and the government also contributes to the positive picture of being less commercial. This can be connected to what Urde et al (2007) calls the track record of a brand. Since Apoteket AB has fulfilled its former promises the history

contributes to the strength of the brand. Urde further indicates the importance of using brand heritage to create competitive advantages (Interview, Urde). Store Manager Ann-Marie Hagbjer believes the competitive advantage of Apoteket AB is their strong position in consumers' minds. She continues with explaining Apoteket AB's past success as one of the strongest brands in Sweden and she believes the customers are aware of the competence and knowledge the employees possess. Sorte also brings out the fact that Apoteket AB is such a well-known brand by the consumers. The long existence of the brand on a monopoly market he believes has contributed to the great knowledge of the brand. Urde also believe this is the case, since Apoteket has existed and provided value for the customer the reputation is strong. The customer hence feels a connection of trust to Apoteket AB, which he believes will be the differential factor between Apoteket and other actors on the market. The track record of Apoteket AB hence has a great influence on both the values and promises of the brand as well as for its competitive advantages. This is also elucidated by Urde who believes the brand knowledge of Apoteket AB is 100 per cent.

The core values can also become a part of the brand identity and the heritage of the brand (Urde, 2007). The heritage of Apoteket AB has influenced their core values. Fernvall states that the most important foundation for the organisation is the core value of credibility. She claims this value is the platform of the actions of Apoteket and the strongest value from the past, which they must keep. Hagbjer believes the importance and appreciation of the knowledge the pharmacists hold contributes to the strength of this value. During the interview she guided us back to the time when the medicines were mixed together in the pharmacy. She thinks this history of delicate handcraft has influenced the present picture of the brand. Urde further strengthen this argument by stating his believes of the love connected to Apoteket. He believes, because of the knowledge and trustworthiness, customers feel a bond and relation of love to the brand. This can be connected to making use of emotional benefits that Wallström et al (2008) and Aaker (1996) claims creates the strongest brands. To not only limit the brand identity to functional values but

also make use of emotional values, which are more difficult to copy, is a strategy of creating powerful brands that Apoteket has made use of.

Urde proposes symbols as another important aspect of brand heritage that can create a deeper meaning to the brand. In this case the symbols such as logo, signs and the interior of the store have instead been changed from the historical symbols to new, modernized ones. Fernvall took this decision because she wanted to live up to the brand value of innovativeness and be new thinking in a time of change. Hence the symbols of Apoteket AB are not strengthening the heritage of the brand (Urde, 2007).

4.3.4 Who does Apoteket AB *want* to be?

Kapferer (2008) also enlightens the importance of signs and visual associations connected to the brand identity. This is closely related to the extensive visual work Apoteket AB has been conducting since the planning of the reregulation. According to Sorte a modernization of the brand was needed. The old graphic design was considered as traditional, boring and old fashioned. Therefore a visual strategy was composed to evolve the graphical design (Interview, Sorte). This was also one of the most important issues for Fernvall who wished to fuse the brand Apoteket AB to one united brand. She claims that prior to the change the executives saw the brand Apoteket as two separate dimensions, retail products and prescription goods. The objective with the visual design was to unite these two sides and that the two different identities of the dimensions would be bridged to create a consequent and unified brand. This is explained by Burmann and Zeplin (2005) who state that for the brand to be trusted the brand identity must be consistent and continuous.

Fernvall claims that if Apoteket AB had kept their old visual identity they would have been perceived as very old, slow and public. Therefore Fernvall claims a movement and innovation is crucial for developing the brand identity. This in line with the risk of being perceived as boring and therefore not attract customers, which Aaker (1996) highlights as a reason for changing the brand identity. Fernvall continues by underlining the importance for Apoteket AB to take small steps and not hurry in their renewal process, to evolve rather than making a revolution. This can be connected to Aakers (1996) thoughts of when

a strong brand with a genuine tradition shall change the brand identity this should be carefully done over a long period of time. Fernvall illustrates this process by using animals as symbols. She now hopes to see the brand Apoteket AB move from a cow, owl or snail towards the more playful, innovative and courageous dolphin. This correlates to the importance of associations, personality or a symbol that Wallström et al (2008) and Aaker (1996) highlights as important aspects of the brand identity.

According to Kapferer (2008) the signs and symbols associated with the brand facilitates creating a strong and consistent brand identity. Fernvall explains the problems of their competitors using the same name and visual appearances as Apoteket AB. Sorte, Project Manager, also touches this and highlight the challenge for Apoteket AB to stick out when many of their competitors also use the name "Apotek". Sorte stresses the importance of the actors on the pharmacy market to differentiate by finding their own identity; *"The challenge is to identify what differs the pharmacies and to distinguish oneself from the competitors"*. This in accordance with Kapferers (2008) and Janois (2007) statement of using the brand identity as a differentiation technique. Like the case with Apoteket, Janois (2007) claims that the brand identity consists of everything that makes the brand unique and the importance of making use of this in order to create a strong brand.

The Brand Manager sees the similarity between the pharmacies as a major problem and is trying to solve this by altering the stores, change their logo and work with design. Sorte who states the biggest challenge during the reregulation is to differentiate from the competitors that all look alike, also highlights this. The assortment of products will also be developed as well as the interior of the stores. Apoteket AB has created a new, modified theme to the stores based on the Swedish nature. *"Simplicity and cleanness should be transparent in everything we do, both as a line in our visual appearance but also in our communication"*, says Fernvall. With this as a platform changes has been done in order to meet the conditions on the new market and the competitors.

Aaker (1996) proposes changing the logo as one way to change or evolve the brand identity. The signs outside Apoteket AB were all changed to the new and more up to date graphical logo. This was met with critique both from management and employees. Janson means that changing all the signs simultaneously when making many changes just makes the customer even more confused. He also states that he would definitely not have taken the decision of shifting all signs without first pilot the modification on a few stores to see the reaction, before changing the remaining 300 pharmacies. One of the Store Managers who has met a few confused customers due to the changes of the signs supported this argument; *“A lot of customers ask whether or not this is the real Apoteket, and the customers are a bit confused now with the new signs and the many new actors joining the market”*. She likes the new signs and believes the new graphic design looks nice, but from a strategic point of view she believe it would have been better to wait with the change until all the changes had stagnated and the customers’ felt secure of the difference between the actors on the market. She says that if Apoteket AB has an interest in keeping their old customers and gain an advantage of being the traditional pharmacy they should have kept the signs the public recognized. Janson further develop this;

“The customers feel secure and safe with the old, traditional pharmacy and therefore one should not change this and confuse the consumers. One should not contribute to the confusedness when so much changes at the same time. Therefore the customer have difficulties separating the stores and they do not know which pharmacy they are entering”. (Interview, Janson)

One of the store employees also agrees and states that the change of logo can result in customers believing they are a new actor on the market. She thinks the new logo makes is difficult for the customers’ to connect the sign to Apoteket AB. She has also met a lot of questions from the consumers regarding this subject and they have posed questions of whether or not they are a new actor or the traditional, genuine one. This can be linked to Aakers (1996) statement that a brand that have existed during a long time can meet negative feedback when trying to change the brand identity. The Brand Manager on the other hand, claims; *the change was important in fulfilling the value of innovativeness, the old sign had a public feeling to it with the stiff font and the*

mouth-eaten green colour.” The rest of the employees also welcomed the new sign and Regional Manager, Lundin, states that she believes a more modern appearance outweighs the risk of confusedness. Gerbert, Store Manager, who thinks it is important to show the customers that new things have happen at Apoteket AB and that they are not afraid of change, also emphasizes this.

One additional visual change Apoteket AB has made is to change the clothes of the employees in order to send a more unified message to the customers’. The change of clothes has met positive reactions from the respondents and the majority think it gives the customer a unified impression of the personnel. Another change has been to utilize colours in the stores in order to appeal to the consumers. Fernvall explains the use of colours for the two different store concepts, Kärn Apoteket and Shopping Apoteket. The first one has a green colour consistently used in the interior and communication while the latter goes in a pink and purple colour tone. *“With these small changes we meet the customers in another way but still with room for recognition”* says Fernvall. The colour scale also continues in their identity, the consumer identity is green, the corporate identity is grey and the identity towards the medical care market is blue. This visual identity is used in everything Apoteket AB does, in design of their products, in services on the Internet, in written material and in their communication. This in accordance with Aaker (1996) who state a consistent identity is needed to create a confident position among the consumers.

4.3.5 Where are Apoteket AB?

Keller et al (2008) claims that a brand might need revitalization when, for example, facing increased competition or a major external change. Apoteket AB has now been faced with an extensive change of the market situation, enabling entrance of new actors on the market and hence a new, competitive business environment has been born. Our respondents’ view of the positioning or repositioning of Apoteket AB has been very separated. Urde states that a positioning could not have been done prior to the reregulation since Apoteket AB then had the complete market for themselves. Urde means that a positioning is made in relation to another actor on the market and therefore there has been no need for this during the monopoly. However he claims that

positioning will now become one of the critical factors when adapting the brand to the extensive change. The Brand Manager, on the other hand, claims they have done a repositioning. She considers the reregulation to have made Apoteket AB evaluate their target group as well as the product assortment offered at Apoteket AB. The adjustment in target group can be linked to Keller et al (2008) and the matter of where Apoteket AB would like to compete. Fernvall develop her argument further by explaining their former responsibility of addressing their business to everyone, which now has changed, and they have been able to focus on a more defined target group (Interview, Fernvall).

The existing target groups that Apoteket AB pays extra attention to and tries to attract are “Leva med barn” and 45+. They choose “Leva med barn” due to the fact that before one have children pharmacies are not as relevant. This cluster is chosen due to the fact that people over 45 is more likely to use medical products (Interview, Fernvall). Fernvall emphasize the importance of creating their own brand identity in order to compete with the new, very similar actors on the market. *“It is when we have established our own, strong identity we can get close to our target market and even narrow it down in order to specialize and put extra focus towards certain clusters”*, says Fernvall. This in accordance with Wallström et al (2008) who claims that in order to position oneself and find a target group the brand identity clearly must be outlined. Keller et al (2002) and Park et al (1986) states that a successful positioning can be found when filling a gap in the market where the corporate brand identity fits. This discussion of the target market can also be linked to what Jobber (2007) refers to as the brand domain. The place where Apoteket AB wants to compete is within this segment since they have discovered a potential to seize market shares and detected a potential focus in the self-care section.

The product assortment will also, according to Fernvall, be crucial in their positioning strategy. Hagbjer who believes the competition will be focused in the non-prescribed products further elucidates this. Svensson adds to this argument by highlighting the importance of private brands. She believes the self-care segment will expand and be a tool for segmentation and positioning

and hence the own product brand of Apoteket AB, Apoliva, will be unique and important. Janson further elucidates this matter;

"It is the private brands that will be the ultimate differentiation tool for the pharmacies, it is these products that will determine which pharmacy the customer will choose since all other products will be the same. Here Apoteket AB has a superior position with their own brand, Apoliva."
(Interview, Janson)

Additional opinions of the positioning of Apoteket AB have been that the company is moving from the connections to hospital, care and prescriptions towards an overall awareness of the health perspective. The Regional Manager states that before the reregulation Apoteket AB was a distributor of pharmaceuticals but this role has now shifted towards a focus on a holistic health perspective.

"We are moving in the direction of giving the customer consultancy and advice of a more holistic health perspective. Pharmaceuticals is still an important part but now our responsibility has moved beyond only serving this need and we are part of the health market now." (Interview, Lundin).

One of the store employees agree and states that the service given to the customers is of increasing importance and is moving towards the health sector. She claims it is now of importance to meet the customers with a transparent focus on a healthy life. Another store employee, on the other hand, thinks Apoteket AB has been restrained in their positioning strategy. She feels the owners has made Apoteket AB fall behind the competitors and that they, compared to the other actors, got hold back by the management and therefore detained in their positioning process. She gave the example of Apoteket AB trying to position themselves through the new visual identity with the clothes, signs and external communication but that the stand still restrained the development. The Chairman of the board, Janson, further develops this by claiming that Apoteket AB has not done a repositioning since the stand still has been a barrier for communicating a new position. He continues by explaining that nothing has happened until very recently when the stand still was heaved the 15th of March 2010. Therefore the positioning and external communication could not start before this date (Interview, Janson). Sorte, Product Manager,

agrees to the fact that Apoteket AB has not conducted a repositioning. He would rather say that the company has been developed and put in a more modern context. He claims Apoteket AB has adapted their brand to the new environment by fitting and enhancing their brand to the change. He continues by stating that Apoteket AB now is a very modern brand and that their strategy rather has been to secure this position than finding a new one. The challenge is to emphasize and maintain the strengths of the brand and adapting the behaviour to the new market condition (Interview, Sorte).

Fernvall states the objective with their positioning is not to expand their market share to a large extent but to keep their current 35 per cent share of the market and still be the natural choice for the customers. The goal is to keep the position as the leading actor on the market and also expand their international presence by enlarge their B2B business. Janson, who states that they currently are the obvious choice for the consumers, further develops this discussion. Therefore there is no need to change, they would like to remain in this position (Interview, Fernvall and Janson). He states that Apoteket AB does not want to exceed a market share of 40 per cent because of the risk of critique. The goal is to keep the trustworthiness and not be positioned as greedy and unreliable. The objective of Apoteket AB is to keep a stable and consistent profile and do things with moderation (Interview, Janson).

4.3.6 What is Apoteket AB?

In order to either position the brand or revitalize the brand it is important to determine the special conditions connected to the brand. The respondents have given a separated picture of what kind of brand Apoteket AB is and how they should act in order to keep the strength during the extensive change. One of the store employees considers the positioning to move towards creating an appealing store to attract the customer to visit Apoteket spontaneously. She has the impression that Apoteket AB is trying to get a more fast-moving identity and that the store shall be converted in correspondence with this, inviting the customer to a fun and interesting store. She sees Apoteket as a mixture between a service brand and a retail brand. During meetings she has attended, the extreme example of Walgreens has been brought up. Walgreens

is an American pharmacy that has been developed to a retail store offering everything from frozen pizza to electronics. This example has been used as an extremity while illustrating what Apoteket AB should move towards. She continues with stating that the product assortment will most likely expand and Apoteket might move towards a retail concept. Despite this she underlines service as the most important factor of the brand and that the service must be consistent throughout the stores. This in line with the paradigm shift from retailer to service brand which Björkman et al (2008) and Lusch (2004) discuss. She also indicates the challenge with complexity of a consistent service level in all the stores, which can be connected to the human variable factor that Hatch and Schultz (2009) introduce. One of the Store Managers would definitely categorise Apoteket AB as a service brand. She believes the service in the store will be of even greater importance now in retaining the customers. To constantly be active, service-minded and try to market Apoteket AB in her daily work has been the largest challenge during the reregulation. Urde agrees and state that Apoteket is moving towards a service brand. Since the purpose is to help people with their health the customers need to leave Apoteket with a certainty they have received the best advice and the correct treatment. Since the medical care segment is sensitive to the customers and the need for qualified knowledge is needed the service becomes crucial.

“The more knowledge intense the business is the more important is the service. The customers at Apoteket AB expect professional expertise and engaged personnel and I think this is very important to consider when adapting the brand to the new market.” (Interview, Urde)

This in line with Luschs (2004) discussion of intangibles such as knowledge, skills and information outdo the tangibles. One of the store employees also emphasizes the personal interest in taking care of the customer and putting the service prior to sales even though she believes the company values retail, sales and service equally. This in accordance with Hoechs’ (1990) and Kapferers’ (2004) argument that the employees must treat the customers properly and have an ability to build a relationship with the customer. One of the store employees highlights the importance of service by for example minimizing the

queue time. Store Manager, Gerbert, in her turn believes the focus on retail and sales will increase due to the extensive change but she is hoping Apoteket AB can manage this change in a humble and trustworthy way. The Regional Manager explains that according to their contract with the government Apoteket AB is no longer a service brand. She emphasizes the move towards a retail store. Brand Manager, Fernvall, claims Apoteket AB is both a service- and a retail brand. She continues by explaining the move towards retail since the competition will be focused here. Stephane (2005) argues that service and the front line employees have gained a greater importance in retailing. This can be seen in the Chairmans statement that Apoteket AB wants to sell products hence is a retail brand. But he also states that it is the knowledge and skills among the employees that will determine which pharmacy the customer chooses. Hence their competitiveness lies in the service ability of the employees.

Janson believes that due to the shift towards being a more sales-focused retailer it might be possible that in the future recruit employees with retail background. He believes that the employees with pharmaceutical competences can be spread out on different Apotek working together with employees with retail background. This we believe can create disagreement at the workplace since the store employees have a strong feeling for their profession as pharmacists and value their knowledge of medical products high.

4.3.7 How well do the employees understand the brand?

The majority of the respondents were aware of the vision of Apoteket AB, only two of the employees could not determine the vision statement (all interviews). One of the Store Managers is actively trying to encourage her employees to use the vision in their everyday work in order for the customers to feel the spirit of Apoteket AB. She thinks it is important that Apoteket AB communicates competence and quality in the daily meeting with the customer (Interview, Hagbjer). For the same respondent the vision is connected to the health focus, which is connected to the entirety of the human being. Lundin, Regional Manager, cannot see a major change between the old vision and the

present one. She thinks the work has not been affected by the change in vision except the more clear focus towards health.

During our interviews we realized that only the management level are aware of the core values of Apoteket AB. This matter can fade the consistency of the brand and weaken the link between brand identity and brand image according to de Chernatony (1999). This can also result in the employees not feeling the same extent of belonging to the brand (Kapferer, 2008). One of the respondents knew the old values and those were very important to her. She considers innovativeness to be important and that Apoteket AB has to move forward but at the same time be supported by their history. She thinks the history is of great importance for Apoteket AB while still being able to adapt the work to the new situation. She believes the value of credibility shows in their role as the objective pharmacy. Although she can see a challenge with keeping this objectivity when facing competition. Before the responsibility of being neutral has lied on the shoulders of Apoteket AB, but now she believe this has shifted to the Medical Products Agency instead (Interview, Gerbert).

One of the recent employed had never heard of the concept core values. She explained she had no idea of what core values were, neither what the brand Apoteket AB stand for. This is also made clear from the Regional Managers statement that the core values are not communicated directly when personnel is recruited. The brand building process is instead embedded in the dialog between colleagues and managers and in the daily work. The store Managers seldom discuss the core values with their employees. This confusion in core values can affect the brand identity and thereby hurt the image they mediate to the customers (de Chernatony, 1999). Hagbjer, Store Manager, is though trying to motivate her employees to bring out the familiar value of credibility in their work (Interview, Gerbert and Hagbjer).

The Regional Manager believes the core values are communicated throughout the organisation but where the focus is not on the actual words but on the internal work process. This in accordance with the Brand Manager who means that in the beginning the values are very abstract and complex and that these,

as soon as possible, must be practically established in order to be understood and fulfilled. This is also emphasised by Urde who says the values of a brand only are of worth if they are lived in the organisation. It is not difficult to formulate and communicate cogent words but is the realization of the values that is of importance (Interview, Urde). Fernvall claims that all employees cannot be a part of the abstract work process but instead they become an important part in the transferring process. One example of how this process could be done is the core value of consideration being implemented through their practical instrument, "Hälsokollen". Fernvall means that here the employees become the most important part in realizing the value of consideration to the customers.

4.4 Internal Communication

Our theoretical framework explicitly enlightens the importance of internal communication in order to create a strong brand. Internal communication is a fundamental part of the Internal brand building process. (Varey & Lewis 1999 and Gapp & Merrilees, 2006). It is further a significant element in the work of changing an already established brand. The Internal communication and training of the employees must be successfully managed in order for the change to be implemented prosperously (Keller, 2006).

4.4.1 Information regarding the change

According to our interviews with the employees of Apoteket AB the majority of the employees working in the stores feel there has been a lack of information during the reregulation process. Two of the store employees believe the information during the stand still was almost inadequate and argues that an increase of information would have facilitated the process. Another store employee clearly agrees by expressing her opinion;

" No, no, no, it has been a lack of information. We did not know anything about what was going on. At least during a time period of one year it was a huge lack of information, which was stressful. If we asked the managers higher up in the hierarchy no one knew anything" (Interview, Sandberg).

According to Krell (2006) the company must assure the employees are being well informed in the process of changing a brand. In the case of Apoteket there

has hence been a great lack in information flow from management level to the floor staff. Another store employee deepens this opinion and states there has been a shortage of information regarding the change. She stress that they have received some information regarding which stores should be sold, but generally the employees did not know much during the reregulation process. The uncertainty regarding the future situation for the employees has lead to insecurity for some of the personnel. The store employee did not feel insecure herself but states that some of the other employees became stressed and worried because of the vagueness regarding which stores where to be sold. She believes the anxiety of the future stated above foremost was an issue for the older employees. This in accordance to van Dam (2008) and Wanberg (2000) who states a change within an organisation can be met with suspicions among the employees, which can lead to inefficiency and unsatisfied employees.

Another store employee express an opposite opinion and believe the information about the reregulation of Apoteket AB has been sufficient and underlines instead the lack of time in embracing the articulated information. She clarifies that some of the information was secret and could therefore not be communicated to the employees. She fully understands the challenge for the executives in not being able to communicate all of the information to the employees. One Store Manager agrees and considers the information regarding the change as good. She stress that despite some lack of information in the beginning of the process she has received sufficient information during the entire reregulation process. Hence she did not feel worried during the change process. According to the Regional Manager communication is the key element for a successful change. She stress;

"The communication has been an important building block in the change process. Different forms of communication such as written, oral and through dialogue has been significant for the change process. It never would have worked otherwise. It is a prerequisite!" (Interview, Lundin)

Lundin further state her most important task during the reregulation has been to communicate with the employees. This can be linked to what Burmann et al, (2005) describe as cascade communication which indicate the communication starts from the top management of the organisation. Lundin further believes

the information to be more thorough further up in the organisation. Her perception confirms the statement of the lack in information the store assistants expressed. She believes the employees in the stores think it has been a lack of information regarding the reregulation. She further thinks that the managers higher up in the organisation consider themselves to have received sufficient information. She further stress that it is the Store Managers' responsibility to inform the employees during the change. This is verified by a store employee who states her manager have been the main source of the information she received about the change. According to the Brand Manager, recent surveys among the employees show the internal communication did not work as well as usual during the last year. She stress that the Internal communication has been complicated to perform during this year because of the reregulation.

Through our interviews we can conclude the employees further down in the organisation do not believe they have received sufficient information regarding the change. Krell (2006) states the success of changing a brand lies in involving the personnel in the process. The employees' being well informed during the entire process is of great significance during an extensive change, and the lack in internal communication is therefore a serious problem for Apoteket AB.

4.4.2 Communication regarding the brand values

4.4.2.1 Meetings as a communication tool

According to Burmann & Zeplin (2005) there are three different ways to communicate internally. Apoteket AB uses a mix between cascade communication and central communication. According to the majority of our respondents, meetings are an important communication tool to transfer knowledge of the branding change. This is an example of cascade communication since the managers use the meetings as a tool to inform the employees further down in the organisation (Burmann & Zeplin, 2005).

The Regional Manager argues there is no shortcut to successful brand building during a change. She highlights the importance of building the brand through dialogue;

“ The most important information channel when communicating the brand is to talk about it, to discuss and have a dialogue”. She further states that the brand is communicated and discussed in all internal meetings. She explains the discussions regarding the brand are not a specific topic at the agenda but instead implied in all the discussions. She further express the dialogue should be continuous and affect the daily work. She encourages “living the brand” is much more effective than just reading the values from a paper. The brand building is inter-weaved in the dialogues. This way of thinking is developed by the Brand Manager who underlines the meetings works as a dialogue. According to her it is the best form since it gives the managers a great amount of own responsibility. This is in line with Sheins’ (1985) lateral communication which is information communicated between employees regardless of their position within the company. Shein (1985) claims this to be the most effective way to communicate information. The store employees’ underline this by expressing their primary communication tool is talking and informing each other. One of the employees states her close relation with the Store Manager and the well functioning dialogue between them. Another Store Assistant also highlights this;

“Our Store Manager has informed us during the process, she is really good. She informs about everything she knows and can. If I would like to make my voice heard higher up in the organisation I have to go through her”.

The Brand Manager also highlights meetings as a very important communication tool for Apoteket AB. She explains they have a special application on the intranet where they post material that the managers can use as a foundation for their meetings. One Store Manager stress that she receive her information regarding the brand from meetings with the Regional Manager and she perceive this to be the most effective way to receive information regarding the brand. This can be seen as effective cascade communication since the information is communicated from top management to employees further down in the organisation.

One of the Store Managers highlights that her responsibility is to convey information from the executives to her employees. Both the Store Managers

states that they communicate the information from higher levels in the organisation to their employees during the weekly meeting. Fernvall, Brand Manager, underlines this; *“The Store Managers are the primary communication group. They are the most important communicators.”* She further explains that measurements are made once a year regarding how the managers perceive themselves as communicators. They also measure how the employees perceive the internal communication from the managers once every sixth month. The Brand Manager continues by explaining that Apoteket AB also works with chief letters, which she refers to as the information stream in the communication chain. This is a messages sent to the Regional Managers who transfer the information down in the organisation. This communication form is in accordance with cascade communication. Burmann & Zeplin (2005) claims cascade communication is an effective tool due to the credibility hence more time consuming than for example lateral communication. The Store Manager informs the employees in the pharmacies and the information flows in opposite direction by the employees in the stores sending a response upwards in the organisation. This is what Fernvall calls “the cascade information of Apoteket AB”. She hence extracts the communication form of Burmann & Zeplin (2005) and adds a movement of information in the opposite direction. This is hence how the management would like the information to travel between the members of the organisation. The Store employees have nevertheless expressed a rather different picture. Most of the Store employees do not feel they have had a channel in order to express their opinions through. One of the employees state; *“I can’t remember a channel for communicating and convey my opinions to management”*. Hence the cascade communication the Brand Manager is describing is also lacking in Apoteket AB. The objective is good but the information does not travel the opposite way. The communication within Apoteket is instead in line with the more strict communication form of the one-way information flow, from management to store employee that Burmann & Zeplin (2005) identifies as cascade communication.

An additional store employee state the best source of information is the Store Manager who informs the employees regarding topics such as the brand or the reregulation. One of them state;

“It is the Store Manager who share the information from the top. Even though she knows we have access to the information, she is aware that we do not have the time to read it. Therefore it is her responsibility to inform us.” (Interview, Sandberg)

Another Store employee believes the Store Managers is an important source to information regarding the brand also express the opinion regarding the Store Managers contribution to the knowledge of the brand. This is in line with the theory of cascade communication (Burmam & Zeplin, 2005).

An additional Store employee express she is responsible for the products within the Self-Care section in the store. She states the category division meetings are her best source to gain information regarding the brand Apoteket AB. She explains; *“The Self-Care meetings has given me a greater insight in the brand of Apoteket AB. During the regular meetings it is instead focus on practical issues and the operation of this pharmacy”*.

Continuously another Store Assistant stress; *“We do not have time to carry out so many meetings since we need to be working in the store. The brand value is probably communicated through the Store manager.”* She further express that because of the stand still there were little focus on communicating the brand and compare it to working in some kind of vacuum. This period can probably have a negative effect in the preserving or creation of brand commitment, since communication is one of the keystones when creating brand commitment (Burmam & Zeplin, 2005).

4.4.2.2 The Intranet as a communication tool

The Intranet is a communication tool highlighted by respondents from all different levels of the organisation. One of the Store Manager states;

“The information regarding the brand is communicated through Aponnet, the Intranet. There is a great amount of information that is updated daily. It is easily used as a tool to understand the brand building strategy.” (Interview, Hagbjer)

The other Store Manager agrees and considers the Intranet to be a well-functioning information source where she receives data from the Vice President. This is in accordance to Burmann et al, (2005) who underlines Intranet as an example of central communication. Central communication is an advantageous communication form regarding brand information and brand awareness. The Intranet is further to be considered a pull factor, which is information the employees actively have to search for in order to receive the message. This involves a risk of the employees not reaching out for the information and the message not attaining its goal (Burmann & Zeplin, 2005). As the Store employee stated above, there is no time for the employees to use the intranet for brand related questions, and they fully relies on the manager to give them the information. Another Store Assistant underlines this; *"I hardly use Aponnet for anything else than practical information about my area of responsibility. I never do research myself on the intranet and I have never read any brand related information there."* Although the opinions of the store employees are parted also in this matter. Another Store employee claims; *"The best communication channel for gaining an understanding of the brand is the intranet"*.

The Brand Manager states the Intranet is a tool used to communicate the brand values. She further highlights Apoteket AB's attempt to build communication through concrete happenings. According to her another way to communicate the brand values to the employees is through the external marketing campaigns; *"When launching an external campaign we always communicate the message internally. We communicate details but also the message in an all-embracing level."* This is in accordance to Mitchell (2002) who stress the internal communication must be consequent with the external communication and the employees must have agreed upon the information being sent to the customers. A consequent marketing message both internally and externally is important when building a strong brand.

The Brand Manager further stresses the many functions of the Intranet. One of them is a Webb-TV where they every other week post a video of the CEO, Stefan Carlsson. In the videos Carlsson, among other things, talk about brand

values. A Store employee underlines the Webb-TV as a source of information regarding the brand values. The Brand Manager highlights their action of publishing longer articles on the Intranet, which the Store Managers can print and use as educational material at their workplace. This facilitates the manager's work with educating their employees regarding what the brand represents. One Store Manager states;

"My duty is to transfer the information further down to the employees. I receive information from different channels and I then organize meetings once or twice a week to ensure the employees are aware of the process and the practical requirements for this pharmacy in particular."

The employees need to understand the brand in order for them to be good spokes persons for the brand, which in the end can strengthen the customer's impression of the brand (Burmam & Zeplin, 2005, Khan, 2009 and Mitchell, 2002). The problem that the majority of the floor personnel have mentioned is the lack of time to embrace all the information given on different channels. One of the Store employees elucidates this; *"It had been easier if they would have had more time, there is so much information that we never have time to read"*.

4.4.3 Internal communication during a change process

According to Sorte communication is the primary success factor when managing a change. The Brand Manager stress that the deregulation has been an ongoing process for several years. Due to the shift of the Swedish government in 2006 the focus of the deregulation begun. According to Fernvall, Brand Manager, the company organised an internal work process called VVS - Brand, Value, Synthesis already in 2006. They invited 100 employees from different divisions within the organisation and held workshops and discussions. The aim with this activity was to analyze the current position of the brand. Fernvall considers brand building as a long-term process and she believes it is impossible to engage all employees in the first abstract stage in the work process. She highlights it is important to work towards all the employees but argues it is difficult to engage everybody in the process. She states it is hence important to develop concrete ideas and implement these quickly. She mentions the products and the service as important tools since

they are the most tangible factors for the employees working in the pharmacies.

Fernvall further explains how they gathered the executives and conducted three workshops, where they first discussed the present situation for Apoteket AB, continuing with enlightening the challenges Apoteket AB would meet in the future. In order to express the importance of the reregulation process they used dramaturgy. According to Krell (2006) possible ways of educating the employees in a process of change is through workshops, online trainings or off-site events. Through well-managed internal communication the employees can understand why the change is made, which these workshops are good examples of. This is important in order for the employees to be good brand ambassadors and meet possible questions from the customers during a transformation.

The Brand Manager further explains how they continued the work process by organising a meeting for all of the 11 000 employees. The CEO performed 12 meetings with both formal discussions and social activities. The purpose with the formal discussions was to assure all of the employees understood how serious and challenging the reregulation would be for the entire organisation. One of the Store employees remembers this meeting; *"It was nice to meet the CEO and participation in the seminars increased my understanding of the deregulation and the future challenges for Apoteket AB"*. She further claims Apoteket did several activities like this a couple of years ago and claim Apoteket AB today organise very few meetings and have less educations for the employees regarding the brand values. This we believe can result in less brand committed personnel (Burmam & Zeplin, 2005). The Brand Manager describes how they also met with all of the managers and organised meetings for 30-50 persons per session. During these meetings the top managers discussed the brand and the visions of the company. It is vital to engage the employees in a change process in order to successfully manage a modification of a brand (Krell, 2006). The Brand Manager continues by explaining that the work with the employees continued from fall 2007 until March 2008.

Urde underlines the importance of the chief engaging his employees in the change process. It is important they communicate why there is a need for a change. The organisation must create a feeling of why the change is important. This is in accordance with Keller (2006) who enlightens one possible internal strategy when facing an extensive change is to start with the top executives. If all the employees with leadership positions are well educated about the change they can communicate the change of the brand to all of the other employees further down in the organisation. Fernvall, Brand Manager, describes how the organisation has been working with story telling as a tool to give guidance of how the managers can work with their employees during the change. Powerpoint presentations, letters from the CEO and written material for the Store Managers to use in their meetings are provided. This is highlighted by one of the Store Managers; *“When preparing for the meetings with my employees I use the intranet. Here I can find a lot of news and information which is easy to find and updated daily.”* This is further an example of cascade communication within Apoteket AB and can be an important tool in the communication process (Burmann & Zeplin, 2005). To follow up the meetings the 500 managers received a handbook that they could use as a study material when working with communicating the brand to their employees. Fernvall emphasizes this *“Knowledge of the brand was reinforced in this work process but it was mainly a way to engage people in the change process and make them want to be a part of this journey”*. The Regional Manager also mentions the handbook but highlights that this book is not the primary source of information, but can be used as a complement to other information. One of the Store employees mean that even though there has been a lack of information regarding the reregulation process, the information she did receive was communicated by the Store Manager. This further implies the important role the Store Manager plays in the communication chain (Burmann & Zeplin, 2005).

According to Urde, it is important for the executives to show they are essential for the particular pharmacies to create strong internal relations during a change. The employees in charge of the change must show why they play an important role in the change process. Urde continues by emphasizing the

communication plays an important role in the organisation and should provide the employees with guidance and direction during the change. Urde highlights the negative aspect if the company starts to communicate a change and give promises that they later do not fulfil (Interview, Urde). A majority of the employees working in the stores perceived it especially was a lack of information during the actual change and the following stand still period. The respondents believed the earlier flow of information stopped during the change and they then felt confused (all Interviews).

4.4.4 Vertical communication for brand building

In order to create successful Internal brand building it is significant to create strong relations inside the organisation. Synergy between the internal resources of the company is important when creating a strong brand. Hence internal communication will strengthen the brand and the quality (Varey & Lewis, 1999, Gapp & Merrilees, 2006). Urde enlightens the importance to engage the employees in a change. It is significant to create a good relation between the lower level and the top level of the organisation. The change must be implemented in every level of the organisation and a well-functioned cooperation needs to be established (Interview, Urde).

The Regional Manager believes she has a good relation to the executives higher up in the organisation. She further express that in order to communicate to the employees further down in the organisation she uses meetings as her primary communication tool; *“I have meetings with the employees. The meetings are constructed in different formats such as physical meetings, Webb-meetings, telephone conferences and individual dialogues. I also meet the employees out on their workplace.”*

A Store Manager emphasise that the store employees must have a chance to communicate their opinions. She further highlights it is her responsibility to communicate the employees thoughts higher up in the organisation. The other Store Manager enlightens;

“It has been very much centrally organised work. A lot has been going on higher up in the organisation where the employees do not have an opportunity to influence. But the employees can express their opinions through sending e-mail through the Intranet.”

A Store employee states that if she had the need to contact the top executives of Apoteket AB she would have done this through the Store Manager. This is further an example of cascade communication (Burmamann & Zeplin, 2005). According to another Store employee it is possible to communicate with the executives higher up in the organisation; *“Either I can communicate through the Store Manger, or I can send e-mails directly to the corporate management. I have a good dialogue with the Store Manager at my pharmacy.”* Another Store employee, who have worked in the organisation for 40 years, highlight that earlier the employees could post a question to the corporate managers by e-mail and quickly receive a response but is not sure how this work after the reregulation. An additional Store employee emphasize it would be difficult if she herself would try to express her opinion to the corporate managers. She continues by adding; *“The store is small so it is easy to communicate with the Store Manager at the coffee break. Subsequently the Store manager can communicate the message further up in the organisation.”*

All of the respondents working in the stores perceived no one higher up in the organisation asked them about their opinions and thoughts during the change process. According to one of the Store employees it did not exist a communication tool during the reregulation in order for the employees to present their opinions regarding the change. Another employee underlines this; *“I did not experience that the management had any interest in my opinions during the change”*. The Brand Manager though argues for a function on the Intranet where the employees can have an opportunity to share their opinions.

4.5 Brand commitment

Krell (2006) further enlightens that the employees plays an important role in a brand developing process, hence the employees need to be given the right resources and knowhow. This is in line with the Internal work process VVS, described by The Brand Manager. During this work process the employees in the stores participated in workshops and the managers where educated about the brand values. This can in accordance to Burmamann & Zeplin (2005) serve as important steps in the socialisation process and development of brand commitment. Brand commitment can contribute to employees aiming to reach

the goals of the company which is vital for the organisation. The Brand Manager stress, that during the manager-education, the executives were supposed to pass on the information gained to the employees through Internet schooling. To infiltrate the employees in the company the information was supported by values of the brand. They received handbooks regarding how to motivate the employees for the extensive corporate change. These steps can be seen as HR-actives in terms of brand socialisation programs with the employees, which are important in the creation of brand commitment (Burmann & Zeplin, 2005). The schooling of executives can serve as a way to strengthen the leaders authenticity, to make the managers trustworthy and deliver important information (Bandura, 1977). The Brand Manager believe that through the preparatory work for the change, the communication of the brand Apoteket started to infiltrate the whole company including the board, which had previously not been the case. This can create a more consistent brand experience (Burmann & Zeplin, 2005).

4.5.1. Leadership during a change

The Brand Manager enlightens the videos of the CEO, shown at the Webb-TV, can be a way to inform the employees about the brand and its values. She state the CEO of Apoteket sends out information to the managers and believe Carlsson is a good communicator. Krell (2006) enlightens that during a reform it is crucial that the employees feel that the CEO is active and supports the change and is being close to the employees. The CEO can take on a leadership role for the brand in terms of being present which create credibility, which can make him act as role model for the brand. It is an attempt of creating a trustworthy leadership that start from the top, which further is a vital step when committing the employees to the brand (Burmann & Zeplin, 2005). A Store Employee enlightens that two years ago when the reregulation approached, the CEO travelled around the country and held meetings for all the employees of Apoteket AB. He informed the employees of the brand values and the vision. He further informed of what was happening within the company regarding the reregulation. As mentioned above it is important for the CEO, to act as leader for the brand and its values which can create Brand commitment.

The top management engagement plays an important role in brand supportive firms, which are firms that tend to have easier to adapt to changing conditions (Baker et al, 1999).

The Intranet is, as discussed above, another important source of information for the Store Managers. The material found at the Intranet shall serve as a good foundation for the managers when they have meetings with their employees and inform them about the company. All of the efforts made to inform and educate managers regarding the brand helps reassuring them as credible leaders and mediators of important information. In the same time this will increase the possibility of the managers acting as role models for the brand, in terms of behavioural adoption of the employees. This can as well be seen as a sort of socialisation process on executive level and is once more an important step in the chain of information (Burmann & Zeplin, 2005).

According to Kelman (1958) identification with the brand can be one of the drivers towards brand commitment. A strong identification with the brand can lead to a feeling of personal responsibility for the brand, hence lead to brand citizenship behaviour. The Regional manager explains her task during the brand building was to communicate and hold the positions within the company. She feels that she is part of a group of co-workers, for example other region managers and she has a responsibility both upward and downward in the organization. According to Mael et al (1992) this will make brand success highly important for her.

One of the store employees on the other hand expresses a negative aspect of the managers' work during the change process. During the reregulation period she felt very neglected, due to the bad information of what was happening. Nobody knew anything higher up in the organisation. This probably decreased the brand commitment, since communication and leadership are two of the key drivers for committed personnel (Burmann & Zeplin, 2005).

4.5.2 HR-activities to create Brand commitment

According to Burmann & Zeplin (2005) HR- activities is a way to create brand commitment. The HR-department can assure the organisation recruit

employees with the same values as the company (Burman et al, 2005). One of the Store Managers is accomplishing interviews and believes, in similarity to the Brand Manager, that it is important to try to understand if the employee possesses the same values as the company. It is essential that the person do have the same values, so they will fit in to the values of Apoteket AB. The Brand Manager states that, during the interviews, trustworthiness is often discussed which could be seen as a way to assure the employees agree to the values of consideration and credibility. She further express that the new employee, above all, is socialized in to the brand values. Although, according to Fernvall the company have had difficulties with the socialization process during the turbulent time of the reregulation.

One of the Store Managers further states that she has responsibility for the recruitment to her store, but she can cooperate and get support from the HR-department and Regional Manager if needed. She further explains that there are no education regarding the values of Apoteket AB for new employees, but it is important to inform and talk about them. The other Store Manager further agrees with the importance of recruiting employees with the same values as Apoteket AB. According to her, the newly employed get information concerning the values during a meeting. She further explains she utilizes the intranet to inform the employee about the brand, but most of the values are infiltrated through socialisation later on.

One of the respondents has been employed at Apoteket AB since June 2009. She underlines that she has never been educated about the brand values of Apoteket AB. She highlights that since the other employees in the organisation are already aware of the brand values, they never discuss them during their meetings. She indicate that since she started working at Apoteket AB she has never been informed about the values or been socialized in to the brand. This verifies Fernvalls, the Brand Manager, view of difficulties with socializing new employees in to the brand during the reregulation process. This can create difficulties for the company according to the model *brand ethos* created by de Chernatony and Cottam (2006) which state the importance of the employees understanding the brand in order to create a *comprehended brand*. The

managers play an important role in the internal brand building. It is their responsibility to educate new employees about the brand values and the managers need to assure that education and socialisation regarding the brand is performed (de Chernatony and Cottam, 2006). If this essential activity and important part of the model is not achieved it will be difficult for the brand to reach the ultimate stage of *brand ethos* where the brand is fully synchronised among the employees and the brand hence can become a strong brand.

All of the employees in the stores highlight the matter of importance regarding the employees having the same values as Apoteket AB. This shows their enthusiasm for the brand which is an important dimension in creating brand citizenship behaviour (Burmann & Zeplin, 2005) One of the employees further enlightens the importance of all the stores having the same products, goals and good service. She further underlines the employees recently visited other pharmacies to study their work and learn from their mistakes. This can be seen as an activity organised by the management in order to create employees that are brand commitment, hence strengthen the brand (Burmann & Zeplin, 2005). One of the employees in the store explains that Apoteket AB examines the employees' knowledge of brand values through the Intranet. She continues by expressing that while being examined they have the opportunity to state their opinions regarding the values. This can be seen as an HR-activity in terms of orientation training, which is an additional aim at achieving brand commitment (Burmann & Zeplin, 2005).

The Chairman of the Board, on the other hand, has a different approach when recruiting new board members to Apoteket AB. He states this is his most important responsibility since the right members of the board will enable good leadership. He state the new board members will be recruited based on qualifications such as retail knowledge, being competitive and a good speaker. He further stress having the same values as Apoteket AB will not be a qualification for being a member of the board. This implicates the brand values will not correspond with the personal values of the board. In the long run this can create difficulties for the company since it might be hard to create a

consistent brand experience that starts from the top (Burmamann & Zeplin, 2005).

The Chairman further explains the symbolic meaning of changing the appearance of the logo and giving the shop assistants new outfits. He highlights this as a way to ease the internal process of understanding that the company is changing. Symbolic meanings are important when creating brand commitment in terms of Identification, according to Mayrhofer et al (2003). He further argues a bonus system for the employees would increase the motivation to sell more. In accordance with O'Reilly et al (1996) this can be a way to create brand commitment in terms of compliance. There is no real incentive system in Apoteket today. Although some of the personnel have been mentioning the mystery shopping competition as a channel of motivation for doing a better job in terms of service. The aim with the mystery shopper is to measure the service of employees and customer satisfaction in the stores of Apoteket AB. The mystery shopper grade each pharmacy and a winner are thereafter nominated. The results are published for the whole company to see. This can be seen as an intrinsic motivation in terms of being a good retailer (O'Reilly et al, 1996). When the Regional Manager was asked about motivation and the personnel as part time marketers, she explained that it is about understanding the values of the brand, and liking them. She argues this should be enough motivation for the employee, and if not, the person should not be working at Apoteket AB.

4.5.3 Are the employees Brand Committed?

The Brand Manager explains that a test was conducted to assure the employees had understood the brand values. She was very pleased with the results and 80 percent of the employees participated in the examination. This is according to Burmann & Zeplin (2005) an important part in the socialisation process for the brand and can be referred to as orientation training. In accordance to Mael et al (1992) the high participation indicates brand commitment since the employees appear to possess a feeling of personal responsibility for the brand. Consequently this will make brand success of importance for the employees, which can be seen as brand commitment in terms of Identification. The intrinsic motivation of knowledge and the feeling of importance can as well be

glimpsed (Mael et al, 1992). Nevertheless in opposition to this the majority of our respondents throughout Apoteket could not state the core values of the brand.

The Brand Manager underlines that when the reregulation was announced the employees were asked to sign a paper where they actively agreed to being transferred to the new pharmacy actor if their particular store were sold. The result was very interesting, 5980 employees out of 6000 did sign up to change to a new actor. The fact that so many employees did not care whether or not they would stay in Apoteket AB can be seen as more of commitment to the job than to the brand (Burmam & Zeplin, 2005). Further, this indicated that the management of Apoteket succeeded in implementing an optimistic view to the reregulation and employees who are collaborative and willing to participate in the change. On the other hand the employees overall seems to have faith in the brand and are satisfied with their employer Apoteket AB. This is elucidated by one of the Store Assistants; *"I am very comfortable and pleased with staying at Apoteket AB, but for me it would not have been a disaster if we got sold. In fact it would have been quite exiting."*

One Store Manager stresses the importance of making the employees comfortable in their work. If an employee is satisfied with her or his work, they will do a better job. This is something that the customers can easily notice, which probably makes them return to the same store next time. This implicates her concern for how the brand is perceived and is an example of brand commitment, probably through intrinsic motivation as a feeling of doing a good thing and in the same time create a good reputation of the shop (Van Maanen et al, 1979 in Burmam & Zeplin, 2005) The Store Manager and a few other employees stress the importance of the medical connection in the job they are doing. The doctors sometimes prescribe the wrong medicine or in the wrong combinations with other drugs. The store employee highlights how they feel important when helping the customer solving the problem with the wrong medicine. This is further an example of brand-committed personnel in terms of internalisation and intrinsic motivation, which make the employees feel good and important in their everyday work (Burmam, 2005). Urde stress the

importance of well-educated personnel when working with customer contact. Knowledge is important, therefore the service is important (Interview, Urde).

4.5.4 Living the brand

A life in health is the “new” vision of Apoteket AB and the Brand Manager explains this as a way of being, both as a customer and an employee. She believes it is of high importance the company as a whole acts in a way that fully supports the mission. The personnel should be able to take care of the customers and help them build a life in health. Burmann & Zeplin (2005) express that it is when the employees are living the brand customer citizenship behaviour can be created.

The Brand Manager believes a reason for Apoteket AB being such a strong brand is the committed personnel. Their everyday work, with the objective to help the customers to live well can be seen as a part of brand citizenship behaviour. Their high education can contribute to their attitude towards customers. She further highlights it is close to the employees’ professional driving force to possess the will to do good. This facilitate the employees to work in close relation to the brand vision a *Life in Health* and living the brand in their everyday activities (Burmann & Zeplin, 2005, Khan 2009, Mitchell 2002). The Regional Manager claim she tries to inform the Store Managers of how important it is that they manage the employees towards performing their tasks in line with the brand values and implement them in their daily work.

The Chairman of the board believes the core values of the brand Apoteket AB can be seen everywhere in the chain of the company. He claims almost all employees possess knowledge about the values. He stress this progress was enabled due to great leadership by the CEO Carlsson. Despite this, the majority of our respondents are not familiar with the brand but still they are working and conducting their everyday tasks in line with the health perspective. One Store Assistant states, after we explained the core values; *“We are educated to take care of people and be credible and considerate. Therefore we might not be able to state the brand values but we do express them practically in our everyday work”*.

One of the Store employees describes the well educated employees possesses the ability to give high-quality advice regarding medicine. It is good service to give a correct advice instead of focusing on giving a rapid answer, which consequently can be the wrong one. In order for the employee to fulfil the brand value of credibility in her daily work she put a lot of effort in giving correct and adequate advice to the customers. She further explains that they, as employees, tries to be nice and polite towards the customers by for example giving spontaneous advise about a product. This can be seen as a way of fulfilling the value of consideration in her daily work. To fulfil the value of innovativeness in her work she puts up new displays in the store and introduce new campaigns every month, and tries to make the store look nice and clean. She express the employees are always supposed to put the customer first and give correct service. She further stress this is something Apoteket AB live up to and assure to convey to newly recruited employees. These statements from the store employee evidently shows how the core values are included in her everyday work, which can be seen as brand citizenship behaviour where the employee live the brand (Burmann & Zeplin, 2005).

Of great interest in the case is the fact the same employee states she does not know the brand values or have been informed of them. However, her response shows that despite this lack of information and knowledge of the brand values she unconsciously use the values in her daily work. This clearly indicates the values and meanings of the organisation are implemented by the management of the staff and affect the way they are educated to work (Aaker, 1996). The respondents' answers reach one of the objectives of internal branding which simply is to make the employees leverage the brand to the employees (Punjaisri & Wilson, 2007). Her work indicates she automatically act based on the brand values despite not knowing them. This interesting fact is in accordance with de Chernatony and Cottam (2006) theoretical argument of Brand Ethos.

On the other hand the same employee explains that she would definitely consider changing to a competitor if she was offered higher salary or better work hours. The values of the new company would not be a primary focus. This

statement shows a lack in brand citizenship behaviour and brand commitment (Burmam & Zeplin, 2005). Another Store Assistant express the same view and states that she easily will change to a new pharmacy actor. A parallel can be drawn between the employees who are newly employed, and their tendency of not acting as committed to the brand as the employees who have been working several years in the organisation. Even though they are committed they seem to put less emotions in changing to another pharmacy actor. In difference a third Store employee, who has been employed at Apoteket AB for 40 years, communicates a feeling of being very committed to the brand; *“I am not approving this reregulation at all and I would never change to another actor”*.

Other Store employees' argue that they, after the reregulation, are working the same way as they have always done, except for the higher focus on competition and selling. She express they also need to work in greater speed. Despite this she state that she will not change her way of working. This can be seen as being unwilling to adapt to the new brand value of *innovativeness*. LePla and Parker (2002) underline the importance of committing the employee in to the branding change. One of the Store Managers encourage her employees to live the brand and fulfil the brand value of being *proactive* when she motivates the personnel to make contact with the customers in the store. She wants them to make their own decision in the meeting with the customer. She further states the brand value of *consideration* is fulfilled by the employees, in their way of caring about the customers (Interview, Gerbert)

4.5.5 The work with Brand Commitment during the change

Sorte enlightens the reregulation could have created a lot of worrying inside Apoteket AB but he believes the company have been managing the change successfully. He continues with emphasizing the early work process where Apoteket AB elaborated their brand values and vision. Sorte further highlights how well Apoteket managed to engage the employees in this process.

“The main reason why Apoteket AB can enter the new market with such a strong brand is that during this difficult time they have managed to get a lot of employees engaged in the process and be optimistic towards the change. Even though their future work has been surrounded by

uncertainty. The work Apoteket have managed during this time of change is fantastic.”
(Interview, Sorte)

All of the respondents furthermore agree that Apoteket AB holds a strong brand and is the “true” pharmacy. This is a good grade in terms of brand commitment which focuses on the psychological attachment to the brand. The employees creating a psychological attachment to the brand is further a step to reach Brand Commitment (Burmam & Zeplin, 2005).

4.6 Reflections of the analysis

Throughout our analysis we have detected a number of interesting topics of relevance to our research question. Our analyse shows that Apoteket AB started preparing for the change by developing a clear, modified brand platform. To adjust their brand identity for the change has been a time consuming and complex process. With a lot of external help from the advertising agency the identity of Apoteket AB evolved and developed to fit the new business environment. This has been a vital factor in their brand management work during the change. To update the brand values, change the visual identity, revise the vision and alter the target group has all been components of this process. According to some members of the organisation the revitalisation process of the brand identity and culture went to fast and without consideration of the brand heritage. Apoteket AB did not make use of their superior track record but instead put a lot of focus in updating the brand in order to meet the change with a fresh and new approach. This has consequently met differed opinions within the organisation where about half the respondents are positive to the revised identity and half are sceptical.

The management made an effort getting the company ready for the change and creating a stable foundation for the brand. Through this branding process the management aimed at developing a strategy of how to keep the brand strong through the extensive change. Despite a widespread preparation work, our research shows that the communication of the new brand platform did not reach all the way to the employees in the stores. Our research indicates that top management are aware of the brand values but our research further indicates that the employees in the stores are not aware of the brand values of

Apoteket AB. A majority of the store employees state that they have never been informed about the brand values.

When analysing the work process of Apoteket AB we can distinguish a difference in involving the personnel between the preparation period and the time of the actual change. During the first stages of the internal work process the employees from all levels of the organisation were engaged in the process. Management conducted meetings, workshops and discussions including employees from different levels of the organisation. This to assure that all members of the organisation understood how serious and challenging the change would be for the entire organisation. Our research show this vertical engagement stagnated during the process of change and the following internal work focused on educating only the managers in the organisation. The store Managers then had the main responsibility to inform their store employees concerning the change. However, the store employees believe they have not received sufficient information regarding the change process. If the top management would have continued the VVS- process and organised larger meetings during the actual change this ought to be avoided. By giving general information to all of the employees during the stand still, the employees could have felt more engaged in the entire change process.

The employees' lack of knowledge regarding the brand values indicates that the internal communication of Apoteket AB has flaws. This is a critical outcome since our research and theoretical framework show communication is a crucial aspect when managing a brand to a change. One observable outcome of our research regards how the employees in managing positions tend to consider they have got sufficient information regarding the change and the brand values, whereas the employees in the stores have perceived a lack in information. This indicates the internal communication works in the top levels of Apoteket AB, but tend to be weaker further down in the organisation.

A noticeable outcome of our research is the employees' capability to live the brand in their daily work. They tend to perform their tasks in line with the brand values even though not knowing them. This indicates that some of the

aspects of brand citizenship behaviour are fulfilled. Brand committed personnel can hence be a supportive factor, enabling the sustainment of a strong brand throughout a change. The store employees interact with the customers in their everyday work and act as part time marketers. Therefore it is significant that the employees implement the brand in their daily work, this in order to be good brand ambassadors. A possible explanation to the situation of brand committed employees without brand understanding might be that the top level of the organisation has succeeded in understanding and implementing the brand values in their own work. When further transferring their knowledge and educating the store employees regarding how to perform their work they realize this in line with the brand values. The brand heritage can also be a possible explanation of why the employees manage to implement the brand values in their daily work without actually knowing the core values. Apoteket AB has a history as a strong and caring actor on the health market, which influence the work of the employees. The brand values are also closely related to their professional driving force as pharmacists. To include the brand values of consideration and credibility in their work process is therefore natural and in line with their professional values. They tend to care about the customers and not only focus on selling products. All the employees highlight the heritage of Apoteket AB being one of the strongest competitive advantages. We believe the knowledge and trustworthiness of the brand history can influence the employees to implement the brand in their daily work. The brand values and the implementation of these in the daily work can consequently be achieved without a thorough understanding of the words connected to the brand. The importance might hence not be to know exactly what the brand stands for but that a connection is developed which will make the employees brand committed. The level of brand commitment will thus influence the maintained strength of the brand throughout the change.

Another commitment we have detected as important for sustaining Apoteket AB strong during the deregulation is change committed employees. Information about the aim and development of the change is of importance before, during and after the actual change. If the employees are well informed

and motivated to the change a positive approach will be anchored among the members of the organisation. Decisively, through our analysis we can ascertain that Apoteket AB has succeeded in creating an optimistic approach for the employees towards the change. The interest and positive approach has fuelled the process and smoothened the change. This is an important outcome since it will create employees' that easier will adapt to the new business environment due to their friendly approach, which will support the change.

During our work process the history of the brand has repeatedly been stated as the main competitive advantage of the brand. All the employees underline the importance of making use of the history of the brand to manage the future. Accordingly we believe the heritage of the brand can be an essential factor of managing the change. We consider the track record of Apoteket AB as one of their main competitive advantages when differentiating their brand to other actors on the market. They here have a unique tool to use when meeting the expanding competition. With this as their greatest competitive advantage we believe a brand should maintain their strong history and not make recognition more difficult by changing for example the visual approach. We therefore consider the change of the logo and graphic design in this time to be the wrong decision. We understand the objective of gaining a modern approach to the brand and fulfil the new core value of innovativeness. This will obstruct the adaptation process since the brand then will be mixed up with the new actors on the market and hence the strength of the brand will decrease. We think this will hurt the awareness of the brand and hence obstruct the adaptation of the brand. Consequently we believe the heritage of a brand is a significant factor to be used when adapting a brand to an extensive change.

Our research further indicates several occasions where a separation between the top management and employees in the stores can be distinguished. From our analysis we can distinguish a clear diverge in opinion concerning the positioning strategy of Apoteket AB. The opinions have been parted in the matter of Apoteket ABs movement from a service brand to a retail brand. The top management strives to lead the company towards being a retail brand. They wish to see a movement towards sale focus and retail strategies by for

example adding employees with sale-focused backgrounds instead of pharmaceutical education to the pharmacy workforce. In contrast, the store employees' highlight the knowledge gained from their education of central importance. The majority of the respondents believe quality service is a central factor for Apoteket and that it is their deep knowledge that enables this service level. The employees tend to be deeply ingrained to their way of working and we believe management might have a problem when adapting the brand to the new retail oriented business environment. We believe the parted opinion could lead to an obstruction of the brand adaptation process since the members of the organisation are not working towards the same destination. We believe this matter can be of additional concern for a brand in change since consistency is of extra relevance during this period. We consider unified goals among the employees important for maintaining a strong brand during a change. Even though the employees are optimistic towards the change, our analysis consequently shows that it still exists an aversion towards becoming a retail brand. We believe there is still a long process in adapting the employees to changing work conditions, moving towards increasing retail focus of the brand.

5. Conclusion

Through our research we have gained knowledge and a deeper understanding of how to manage a brand in change. By the means of studying our case company, Apoteket AB, we have gained a practical insight of the components important to consider when adapting a brand to a major change. We have hereby gained an understanding of behaviour and actions relevant when internally working with a brand facing new market conditions. This chapter aims to discuss the results of our study and provide a contribution to theoretical knowledge regarding a brand in change. The conclusion will thereafter answer our research question. Finally we will give suggestions of further research.

5.1 Fulfilling our purpose

“The purpose with our research is to identify certain factors useful for a company to consider when managing a brand through a change. We hope to create a useful foundation for other companies in their internal brand building process when facing an extensive change. Our purpose is hence to make a theoretical and managerial contribution of success factors useful when adapting and sustaining a strong brand through a widespread change.”

Throughout our work process we have ascertain a few factors to be of extra importance for a brand when meeting an extensive change. We have discovered that internal communication is a vital factor and also an important link between the additional elements. Furthermore, updating the brand identity can be substantial when facing external changes. This in order to adapt the brand to the changed market situations. Further, we have detected brand heritage to be vital both regarding brand updates as well as the employees' capacity to understand the self-image of the brand and implement the brand in their daily work. In order for successful brand adaptation during a change it is also important to have brand and change committed personnel. Our findings will contribute to theoretical research and increase the knowledge of how to

internally work with a brand during a change. Our research can also be applicable to other established corporate brands when meeting an extensive change and act as a guide to how they prosperously can manage their brand. How these factors are connected and the different degree of importance will hereby be discussed and we will present and argue for our results.

5.1.1 Conclusional Discussion

Through our analysis we can conclude several aspects of importance when managing a brand through an extensive change. After our reflections of our analysis there are certain factors which we consider being of extra significance in order to successfully adapt a brand. In this section our aim is to present and discuss these elements in order to reach our purpose. We can conclude that the factors updating the brand, brand and change commitment, internal communication and implementation of the brand are vital when maintaining a brand through an extensive change.

In our theoretical implication we concluded internal communication being a vital element for a brand when facing a change. This in line with our continuous research where we have confirmed internal communication as a crucial success factor for managing a brand in change. During the starting point of our research we did not realize the great importance of internal communication. But as our work proceeded we understood that this concept is of central meaning and the connection point between our other theories. The communication works as a strengthening tool for the brand and lack of this can hence weaken the brand and obstruct the possibility to maintain it during a change.

Through our research we have detected a risk with using cascade communication to a large extent since this kind of communication might not reach all of the employees. Our impression is that the top management has a great responsibility in preparing and informing all levels of employees in the first stage of the process as well as during the actual change. We consider the definite period of change to be of equal importance regarding spreading the information, since the employees during this time can feel confused and worried. This apprehension has made us understand the importance of a

constant flow of information to facilitate and involve the personnel in the change of the brand. Meetings are one communication form that we have distinguished as superior in order to engage the employees and ensure they are reached by the information. Even though meetings are classified as cascade communication it enables a two-way communication and the possibility of having a dialogue. We have also understood the importance of the communication being consequent and constant throughout the entire change process. This in order to involve the entire organisation in the creation of an internally unified brand.

Furthermore we have detected that updating the brand can be substantial in order to maintain the strength of the brand throughout an extensive change. A brand can have a need to update their brand platform and contemporise their brand values, the visual identity or the vision of the brand. For a strong and established brand to successfully manage these updates they need to make allowances of the brand heritage. The updates should enable the brand to keep its origin and continuously use the history of the brand as an advantage. Therefore it is important not to hasten through the changes and focus on being perceived as modern and innovative. The brand should try to find a balance and update the identity while keeping its origin and benefit from their history.

Furthermore, a vital part of our theoretical implication is the internal brand building. We there discussed the building blocks of brand identity, brand audit and brand positioning as important. Throughout our analysis we gained a different perspective on this matter. The importance of knowing all the elements of the internal brand building throughout the organisation is an advantage yet not a necessity. The employees in an organisation can achieve the same understanding for the brand without knowing the detailed building blocks. We have instead recognized another factor of great importance, implementation of the brand. We have understood that in order to successfully manage a change the employees' need to understand the brand and implement the brand values in their daily work. We have discovered that this understanding can be reached in different ways. Management can find this by a solid brand platform, which has been detected as crucial in order to implement

and communicate the brand. We have also distinguished that this knowledge is not as crucial in the lower levels of the organisation in order for them to implement the brand in their work. We have instead detected another vital factor for the encouragement to deliver the core values in the daily work, namely brand heritage. The past life and traditions of the brand can influence the employees willingness to apply the brand in their work tasks. We believe brand heritage can act as a tool enabling the employees to transmit the brand values in their daily work. This because the strong history of a brand can create a feeling of what the brand represents and hence provide guidance for the employees in how to perform their work tasks. Accordingly we believe the heritage of the brand can be an essential factor of managing the change. We consider the track record to be one of the main strength when differentiating the brand. The brand heritage can hence be a unique tool to use when facing a change and potential competition. Consequently we believe the heritage of a brand is a significant factor to be used for understanding the brand and implementing it in the daily work, which we see as a crucial factor when adapting a brand to an extensive change.

To have brand-committed employees facilitates the change process since they have strong emotional bonds to the brand. Committed employees support the brand and therefore are devoted to work in order to create a stronger brand. Furthermore, committed employees feel a personal responsibility for the brand and therefore put extra effort to enable a successful change process.

An extension of this facet we have detected to be an important part in sustaining the strength of a brand through an extensive change, is change-committed personnel. To motivate the employees towards being change commitment is important for a successful change process. If the employees believe and understand the purpose with the change, this can facilitate the process. Employees who are optimistic towards the change are more willing to support the company during the process and hence contribute to the adaptation of the brand. Change committed personnel is also important in terms of the employees being brand ambassadors. If they convey an optimistic behaviour when meeting the customers and support the change this will

transmit trustworthiness hence create a stronger brand. Brand and change commitment is consequently further important factors for a brand when meeting an extensive change.

5.1.2 Answering the Research Question

The discussion above has enabled us to gain an understanding of the factors needed when maintaining or adapting a strong brand through a change. These elements are a conclusion of the theoretical implications model (fig. 8) and the results and input we gained throughout our analysis. In order to clearly answer our research question and simplify the comprehension of the results, our findings are illustrated in figure 8. This model is hence a modification of our prior figure that combined important characteristics from the theoretical framework. We will therefore now present our final results and answer the research question;

Which internal factors are of importance for a strong and established brand to successfully maintain its strength through extensive external changes?

A successful adaptation for a brand facing an external change can be explained with four success factors shown in the model below. The factors and the connection between them will thereafter be explained carefully.

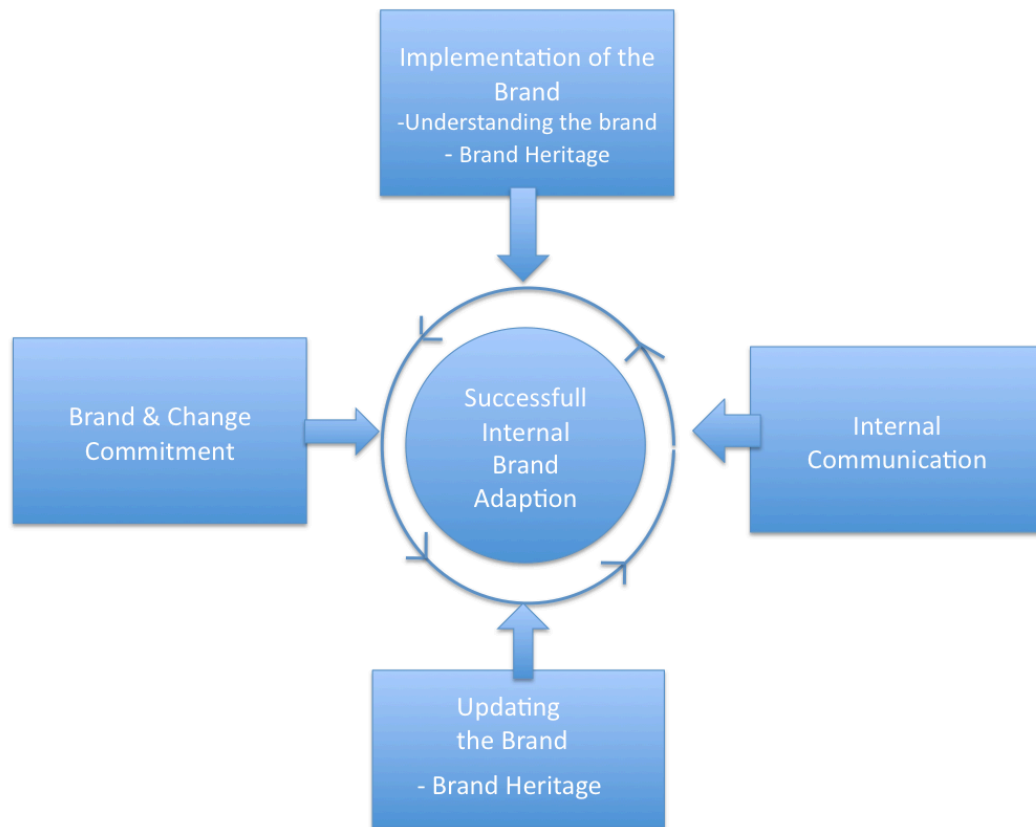


Fig. 8 Successful Internal Brand Adaptation

Internal Communication; We have realized that the function of Internal communication is a foundation for managing the change. The circulation of information is of central meaning in the preparation phase as well as in the realizing phase of the change. Internal communication works as a node connecting the other facets we have detected as important for the brand adaptation process. Another aspect connected to the communication is that the information flow has to be consequent. If contradicted messages are sent within the organisation confusedness will rise and damage the unified image and hence weaken the strength of the brand. In order for the employees to feel secure and motivated to the change the information is crucial. Sufficient and clear internal communication can contribute to a holistic understanding of the change and the requirements to meet this challenge.

Updating the brand; A strong and established brand facing a change will probably have a need to update the brand to suit the new market situation. The building blocks of the identity of a brand are to a large extent important when

modifying the brand to keep its strength during a change. The brand might for example need a revised vision or an altered mission in order to conquer the new business environment. The update of the brand identity should not be realized rapidly, it is important for an established brand to adapt slowly to avoid confused customers. The brand should take advantage of its origin and the adaptation should be realized in ways that protect the already established strength of the brand. In order to successfully update the brand it is important to find a balance and update the brand yet keep its origin and benefit from the history. Brand heritage is therefore an element closely connected to the factor of updating the brand.

Implementation of the Brand; In order to manage an extensive change the members of the organisation must implement and support the brand in their daily work. This can be achieved in two different ways. Management gains this implementation through a thorough understanding of the brand. A brand platform can therefore be constituted to help management prepare for the change and realize the challenges the change will constitute for the brand. To understand the brand identity, the brand values of a brand is of utter importance in order to keep its position during a change.

The employees does not necessarily need this careful understanding but can instead gain their brand implementation through the traditions and history of the brand. As long as the executives have a clear picture of the brand this knowledge can be transferred to the rest of the employees by other means, for example embedded in the training and instructions of their daily work. It is not necessary that all of the employees can state the brand values as long as they, consciously or unconsciously, make use of these in their daily work. If the brand heritage is strong, it is easier for the employees to live the brand in their everyday work since the brand heritage can provide guidance of how to act in line with the brand. Hence for maintaining a brand during a change we have seen the effectiveness of using its history. The past can be used as a strategic tool to keep the brand strong during shifting conditions for the brand. If this is done thoroughly the employees will live the brand without knowing exactly what words are connected to it.

Brand and change commitment; the last facet of importance we have concluded from our study is the commitment of the personnel. In order for the brand to manage to stay stable and strong through an extensive change the employees need to support the brand and understand the change. If the employees have an attachment to the brand the strength of the brand throughout the change will more likely be preserved. The emotional bond the members of the organization have tied to the brand will contribute to the enabling of the change and keeping the brand strong. Also the understanding of why the change is important and needed is crucial to communicate in order to support the brand. An optimistic approach towards the change can also facilitate the maintenance of the brand. If the employees understand and support the change the brand will more likely manage to stay firm.

These factors of successful maintenance of a brand through a change all have to be correlated and interlinked in order to be powerful. It is the combination of these facets that finally will enable a successful brand adaptation process and the facets are all depended on each other. For instance brand-committed personnel is accomplished through intense internal communication and in order to implement the brand in the daily work the employees need to be brand committed. Further, the brand heritage can enable for the employees to implementing the brand in their daily work. The brand heritage can also lead to brand commitment and is further an important building block when updating a brand. These factors will together contribute to maintaining a strong brand. If one of the elements is weaker the other factors can support the weaker factor by being a greater part in the change process and together they will contribute to successful internal brand Adaptation. This is illustrated in Fig. 8 through the circle, which interlink the four important building blocks. It is the correlation between the four factors that will enable a company to internally manage their brand prosperously.

Consequently, to enable successful internal brand building when meeting an extensive change the company needs internal communication, updating of the brand, implementation of the brand and finally brand and change commitment.

5.2 Implications and Future Research

5.2.1 Theoretical Implications

In this part we will provide our contributions to the existing theoretical research. Since we discovered a great lack in research regarding our topic, our result will make a broad input. By combining and gaining useful insights from theoretical models of internal brand building, brand commitment, brand heritage and responsiveness to change we have developed a model with key elements useful when a brand meets an external change. We believe this model can contribute to internal studies of brand management since the aspects can provide guidance of how to manage a brand facing an extensive change.

We also consider the model to be of relevance to existing theories regarding organisational change, since the brand is gaining an increasing role and is an important resource for organisations. We thereby think our input can be valuable, since we are confident organisations going through a change now have to focus on how to maintain a strong brand.

5.2.2 Managerial Implications

This section aims at explaining the benefit of our research to other companies. We consider our findings being applicable to other strong, established brands facing an external change. We do not see the transferability of our research to be limited to the pharmaceutical industry and therefore the results can be applicable for any business. In order for our research result to be applicable for a brand, it is of relevance that it is a corporate brand and already thoroughly established on the market.

The main managerial learnings from our study are the fact that internal communication is vital for managing the brand through a change. We have also given recommendations of using cascade communication moderately due to risk of excluding personnel in the communication. Instead we have put forward vertical communication and two-way communication. Another important objective management of other corporations have to consider is to engage the employees in the change. If the members of the organisation fully understand and are positive to the change, the brand strength can more easily be

preserved. The manager of an organisation should also ensure that the education and instructions of the work is in line with the brand values, in order to realize implementation of the brand in the employees' daily work.

5.2.3 Future Research

After conducting our study of brand adaptation to a change we have discovered a number of internal factors influencing the adjustment process. We have undertaken an internal approach to our study but we believe the external part can be of equal importance and also influence the process. A possibility for future research can hence be to study the external aspect of a corporate brand facing a change and distinguish facets important to the adaptation process. Our research has formed a basis for further discussions of branding in change. Due to the limited time frame we have only managed to study one case company. It would therefore be of high relevance for continuous research to study multiple companies and draw parallels and distinguish connection points between them. Another aspect we have discussed throughout the study is the matter of how the governmental ownership of our case company has influenced the change process of the brand. Our final proposal for future research would therefore be to deepen the knowledge of how a state-ownership affects the brand adaptation process.

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6.4 Interview respondents

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Sorte, Leif, Responsible for the project Apoteket AB, Forsman & Bodenfors
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Urde, Mats, Brand Specialist, 2010-04-20

Lundin, Marie, Regional Manager for Södra Norrland, Apoteket AB, 2010-04-29

Hagbjer, Ann-Marie, Store Manager Lund, Apoteket AB, 2010-04-22

Gerbert, Anette, Store Manager Lund, Apoteket AB, 2010-04-28

Four Store Employees Lund, Apoteket AB, 2010-04-27, 2010-04-29

Appendix

1. Interview guides

1.1 Interview guide: Eva Fernvall, Brand Manager Apoteket AB

Corporate Brand

Which are the core values of Apoteket AB today?

Which were the core values before the reregulation?

How do you practically work within Apoteket AB to convey them to the employees?

What is the vision of Apoteket AB? Was it the same before the reregulation?

If changed, how did Apoteket AB communicate this to the employees?

Which internal factors do you perceive as most important in order to successfully adapt a brand to an extensive change?

Brand Identity

When meeting the extensive change did you feel a need to renew the brand identity of Apoteket AB?

Which need is Apoteket AB striving to fulfil?

- Before the reregulation?

- After the reregulation?

Which associations should the customers of Apoteket AB make when seeing the brand Apoteket AB?

Which symbols are connected to Apoteket AB?

- Before the reregulation?

- After the reregulation?

If there has been a change, what was the purpose with this change?

What are the emotional advantages with the brand Apoteket AB?

How does Apoteket AB work internally with creating a consequent brand?

Brand positioning

Did Apoteket AB find a need to revitalize the brand Apoteket AB because of the new competitive situation in the business environment?

Have Apoteket AB actively repositioned their brand during the change, and in that case how?

Have the target group of Apoteket AB changed since the reregulation?

- What was your target group before and what is your target group now?

Internal brand building

How does Apoteket AB communicate their core values to the employees?

How can Apoteket AB ensure the right brand values exist among the employees?

What role do the employees play in the brand building process?

Will the fact that Apoteket AB is a state owned company affect the branding strategy?

Do you consider Apoteket AB to be a service brand or a retail brand, and how does this affect the brand strategy?

Communication

Which communication channels and concrete tools are used to engage the employees within Apoteket AB?

How does Apoteket AB motivate the employees to beyond their regular work tasks be part time marketers of the brand?

Does Apoteket AB recruit employees with the same values as the company/ brand?

If not, are the employees implemented with the right values through a socialisation processes?

1.2 Interview guide: Christian W Janson, Head of the Board Apoteket AB

Corporate brand

When and how did the reregulation process start for Apoteket AB?

Which are the core values within Apoteket AB, and have these changed during the process?

Which internal factors do you perceive as the most important in order to successfully adapt a brand to an extensive change?

Have the way of working within the Board changed since the reregulation?

- In that case how?

Have the Board worked with the brand change in any way during the process?

Which is the greatest challenge for you at the moment, as Head of the board?

If and when recruiting new members to the board, is the right values of the new board member an important factor to consider?

Retail brand

Do you consider Apoteket AB to be a retail brand or a service brand?

- Has the type of brand changed during the reregulation process?

What is the main difference between a state-owned company and a private company?

- Will / are the fact that Apoteket AB is a state-owned company affecting your branding strategy?

Brand Audit

Can you shortly describe the business culture within Apoteket AB?

Do you believe every one within Apoteket AB is aware of the corporate culture within Apoteket AB and how does Apoteket AB assure this?

Have Apoteket AB actively aimed a repositioning on market due to the new situation, and in that case how?

Internal brand building

How does Apoteket AB work internally to create strong relations within the organisation, but as well with the customer, to strengthen the already strong brand ?

How do you perceive the communication to work within the organisation, overall?

What is Apotekets biggest challenge now and in the future?

1.3 Interview guide: Marie Lundin, Regional Manager Apoteket AB

What are the core values of Apoteket AB today and before the reregulation?

Do you believe all employees are aware of the core values?

- How does Apoteket AB assure that the employees are aware of the values?

Have the vision of Apoteket AB changed and in that case how and what was the purpose?

Which do you believe are the competitive advantages of Apoteket AB?

-If there are; have the fact that Apoteket AB is a state -owned company contributed to this?

Which internal factors do you perceive as the most important in order to successfully adapt a brand to an extensive change?

How do you require information about the brand Apoteket AB, and what it stands for?

Which channels do you believe to be the most relevant when acquiring an understanding of the brand?

How do you communicate this information further down in the organisation?

What have your role been during the reregulation process?

1.4 Interview guide: Annette Gerbert and Ann-Marie Hagbjer, Store Managers Apoteket AB

Which are the core values within Apoteket AB, and have these changed during the process?

Do you believe the core values have reached all employees in the organisation?

- How do you assure this?

Which communication channels do you believe to be the best, when acquiring knowledge about the brand?

- How do you communicate this information to the employees?

How do you assure that all employees are aware of the brand values?

Do you feel it is easy to communicate upwards in the organisation?

Do you feel like you have been a part of the change process?

How do you implement the core values in your daily work?

1.5 Interview guide: Store Employees

Which are the core values within Apoteket AB, and have these changed during the process?

What is the vision of Apoteket AB?

What is the competitive advantage of Apoteket AB?

How do you acquire knowledge about the brand?

- Which channel do you consider the best?

Did you feel that it is easy to communicate upwards in the organisation?

During the change process, was there any uneasiness among the employees?

Did you feel the information regarding the situation and change process was good?

Was the management higher up in the hierarchy interested of your opinions during the change?

What do you think about the new clothes for the employees and the new

logotype Apoteket AB has received?

How do you implement the core values in your daily work?

1.6 Interview guide: Leif Sorte, Project Manager, Forsman & Bodenfors

Explain how the work process with Apoteket AB started and how it has developed?

Which brand strategy has been developed to help Apoteket AB due to the reregulation process?

What changes have been made regarding the brand?

Have the brand been repositioned, and in that case how?

Which internal factors do you perceive as the most important in order to successfully adapt a brand to an extensive change?

Do you consider Apoteket AB to have been acting properly regarding the brand, during this change?

Do you believe the change of the brand identity of Apoteket AB to be necessary during the time?

Do you think it was a good idea to change the signs/logotypes of Apoteket AB during the same time as all the new pharmacy actors entered the market?

1.7 Interview guide Mats Urde, Brand Specialist

Which internal factors do you perceive as the most important in order to successfully adapt a brand to an extensive change?

Which components do you consider important within internal brand building?

How should the management act concerning the brand, while facing an extensive change?

How should Apoteket AB act internally to succeed in keeping its strong brand?

How can a company create strong relations internally to strengthen the brand?

The core values of Apoteket AB were Credible and Considerate, and are now complemented with Innovative and Proactive, what is your opinion about this?

Do you consider Apoteket AB to have a strong brand identity and core values?

Did you believe there was a need to change the brand identity/ core values of Apoteket AB when the reregulation took place?

Is there a difference in the internal work regarding the brand, depending on whether it is a service brand or a retail brand?

Do you consider Apoteket AB to be a service brand or a retail brand?