

Chapter 2

Driving Brand Equity With Radical Transparency

ABSTRACT

The main purpose of this chapter is to analyze the categories of brand equity assets through the prism of radical transparency. The results reveal that the brand equity requires investment and disappears over time if not maintained consistently with the selected business model and the company's values. The chapter is dedicated to systemize the theoretical and practical findings over the brand equity elements. Brand loyalty is the first element of the brand equity model. The benefits for the company which uses the radical transparency practices can be simply synthesized into one big advantage - satisfied and loyal customers who generate stable revenues and profits for the company in the long term. Radical transparency has a major impact on stimulating brand awareness as a factor that is particularly important in the sense that the brand must first enter into the considerations set. The company should be ready and open for cooperation with all interested parties and provide positive feedback whenever necessary. This enhances the perceived quality of the brand and the trust. The application of the radical transparency concept in the overall operation of the company enables the creation of a special set of brand associations that create long-lasting relationships with consumers, mixed with positive emotional mix that seals the success in the long term.

INTRODUCTION

When the need for building sustainable brand equity is more than obvious, then it is inevitably to raise the question of the efficiency and effectiveness of that process. The pragmatism starts through the establishment of the brand equity. This chapter focuses on the analysis of generating brand awareness through radical transparency practices; additional advancing of the level of perceived quality of products / services of the company by means of radical transparency and the analysis of a completely new idea for building and strengthening the brand associations as one of the most specific brand equity assets through radical transparency practices; as well as strengthening the customer loyalty to the brand, while using these practices. Besides the elaboration of the concept of creating brand equity through appropriate

DOI: 10.4018/978-1-5225-2417-5.ch002

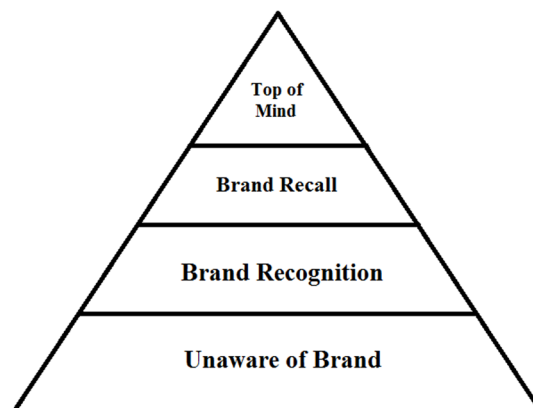
application of radical transparency in reinforcing the specific elements of the brand equity, this chapter, quite logically, includes the strategic analysis of the factors affecting the brand equity through the prism of radical transparency.

GENERATING AWARENESS OF THE BRAND

The brand awareness represents the ability of potential customers to recognize and remember the brand present in a particular market or industry. It involves creating a link between the brand and the category of the product or the company. The use of a balloon that marked the name Levi's can make the name prominent, but this does not unconditionally support the awareness of the brand. However, if the balloon is made in the form of jeans, it ensures the connection with the activities of the company and strengthens the effectiveness of this measure to create and enhance the brand awareness of the brand Levi's. The brand awareness includes a continuum within the range from the uncertain feeling that the brand is recognizable until the belief that it is the only one in the particular industry. As shown in Figure 1 this continuum consists of three different levels of brand awareness.

The importance of brand awareness for brand equity depends on both the context and the level of brand awareness. The lowest level, the brand recognition, is usually determined with the usage of a 'recall test'. The respondents are offered a set of brands from a certain category of products or industry and asked to identify those they have heard of. The radical transparency practices directly support the most critical level of brand awareness – the brand recognition. If the company shares all important information with its customers, then the customers will easily remember the brand even from the first contact, or, at least can recognize it among others. At this level, although there should be a link between the brand and the category of the product or the industry, it is still not strong enough. The brand recognition is a minimum level of brand awareness. At this level, it is particularly important that the customer decides to buy the product / service from the particular brand. When the company is responsible and transparent in every activity it performs than this level is quickly exceeded because most of the customers can easily recall the brand that is open for collaboration and is different from the other competitive brands.

Figure 1. The brand awareness pyramid



43 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage:

www.igi-global.com/chapter/driving-brand-equity-with-radical-transparency/186653

Related Content

The University in a Retail Context: An Illustration of Value Co-Creation Through the Social Business Model Canvas

Xhimi Hysa, Vusal Gambarovand Besjon Zenelaj (2019). *Predicting Trends and Building Strategies for Consumer Engagement in Retail Environments* (pp. 249-267).

www.irma-international.org/chapter/the-university-in-a-retail-context/228224

Technology Is Transforming Shopping Behavior: In-Store Mobile Technology Usage

Süphan Nasrand Bengi Kurtulu (2016). *Handbook of Research on Consumerism and Buying Behavior in Developing Nations* (pp. 168-189).

www.irma-international.org/chapter/technology-is-transforming-shopping-behavior/154454

A Hero Who Never Dies: Steve Jobs in His Fans' Minds

Ruijuan Wu, Cheng Lu Wangand Wei Hao (2018). *Exploring the Rise of Fandom in Contemporary Consumer Culture* (pp. 35-51).

www.irma-international.org/chapter/a-hero-who-never-dies/190232

Determinants of User Engagement in Social Commerce

Youngeun Choi (2019). *International Journal of Customer Relationship Marketing and Management* (pp. 43-56).

www.irma-international.org/article/determinants-of-user-engagement-in-social-commerce/236058

Customer Relationship Management in Professional Service Organizations: An Application to the Building Industry

Hamed M. Shamma, Robert F. Dyerand Marilyn L. Liebrez-Himes (2011). *International Journal of Customer Relationship Marketing and Management* (pp. 1-15).

www.irma-international.org/article/customer-relationship-management-professional-service/54029