Branding and New Product Development: A Case of Glemma

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ABSTRACT

The Glemma case explains brand management of a young startup company located in Eindhoven, The Netherlands. The case describes background, the current status, and present challenge of Glemma. Since the company is still in a very early stage, the management system is not mature yet. Hence, the Glemma case falls into the new product development category in the book. In addition, Glemma was a Web design company in the beginning; they released a universal reservation system on June 2013. Therefore, branding here is not only for Glemma itself but also for the new product they developed. The Glemma team has tried many times with various different approaches. In the early stage, the team really focused on brand image. They took on enormous projects just to deliver a professional image to customers. However, they did not reach their goal. A nice website didn't bring them any customers. Along with their experience, they figured out that brand experience is more important than brand image.

ORGANIZATION BACKGROUND

Glemma is registered as a VOF (vennootschap onder firma or general partnership) and started out as a web development company. It was founded in March of 2010, Eindhoven, the Netherlands. The company is run by three students from Fontys University of Applied Science. They specialize themselves in creating a fitting online experience for customers. They design and build websites and web shops for a wide variety of companies with different strategies. Promoting and maintaining these sites is also a part of their service. This includes setting up successful search engine optimization strategies. The development of the company is in its early stages. Its online marketing is still in a weak position and the customer can only find them on the Internet. This has been a predetermined decision. It was never the idea to keep working on websites but to evolve into something more permanent and maintainable.

Starting from June 2013, Glemma decided to finally pivot away from making websites and started developing a universal reservation system (A computerized system for customers to make reservations online). It is a universal system that targets both the customers as well as the users. Their first target audiences were barbershops and beauty salons. For this new approach they still needed to learn a lot and the current way of working in the company wasn't sufficient anymore. They needed to be more agile in their approach and make prioritized decision for the product to reach success.

The management structure of Glemma is simple. Three employees work as a team, they help each other's work in order to make achievements. They have cooperated with outsourced co-workers before, but the result was not effective. So they decide to keep three employees at this moment. In addition, they decide to work together as a remote partnership in long distance. The reason is that one of them has a one-year job contract in New York, the United States. The rest continue work in the Netherlands. Thus, they work through Google Hangout and make sure everything is according to the plan. The advantage of this method is that they can save money for circulating capital of the company, and they can work without location restriction.

The main income for the company is still from web design since reservation system is not fully out yet.

SETTING THE STAGE

Before Glemma pivoted their way towards the development of a product they branded themselves a company that loved design and technology. They spend countless number of hours in developing the right way of presenting themselves designing multiple logos and keep changing their website. The idea was that the way "you 14 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: <u>www.igi-</u> global.com/chapter/branding-and-new-product-

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