Identify differences in the factors of brand identity between small and large international brands.
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1. INTRODUCTION

After four years studying different topics about marketing, one that has always caught my attention is brand identity. That is the reason why I have chosen to do my final project about brand identity and how companies use it to succeed.

Brands. If you think of a product you always relate it to a certain brand. For instance, you think of Coca-Cola when thinking about fizzy drinks or BMW when talking about cars. However, each of these brands is different. And each of them transmit different things to people. ZARA does not give the same feeling than Louis Vuitton. One may say that these two brands actually are in very different markets, one for the mainstream market and the other for the high end market. Yet, if we take two brands that play in the exact same game, ZARA and Mango for instance, do they give you the same feeling? Companies are trying to make their brands unique. They are trying very hard to try to relate their brand with that specific product. To understand what a brand is I am going to use Jean-Noel Kapferer’s definition:\footnote{How To Branding. Branding definition. Last accessed May 10 2013. \url{http://www.how-to-branding.com/Branding-Definition.html}} “A brand is not a product: it is the product’s source, its meaning, and its direction, and defines its identity in time and space.” Therefore, we could say a brand is one of the most valuable assets in a company. It is the nexus between the company and the consumer. Hence, companies really need to work on their brands and they need to strengthen the way it transmits to customers.

Inside a brand the company has to keep in mind two variables: brand identity and brand image.

- Brand identity\footnote{Investopedia. Brand identity definition. Accessed May 15, 2013. \url{http://www.investopedia.com/terms/b/brand-identity.asp}}. This is how a business wants its brand to be, its name, communication style, logo and other visual elements to be perceived by consumers. The components of the brand are created by the business itself, making brand identity the way in which a business wants consumers to perceive its brands, not necessarily how it is actually perceived.

- Brand image\footnote{Business dictionary. Brand image definition. Accessed April 19, 2013 \url{http://www.businessdictionary.com/definition/brand-image.html}}. The impression in the consumers’ mind of a brand’s total personality (real and imaginaries qualities and shortcomings). Brand image is developed over time through advertising campaigns with a consistent theme, and is authenticated through the consumers’ direct experience.

Consequently, there are concepts inside a particular brand. The brand the company wants to transmit to the public - including the company culture, values, etc.- and the brand the consumers are actually perceiving. If these two visions of the brand are the same or very similar it means the company is doing a proper job with its branding strategy. Consumers perceive brands as they are supposed to and, theoretically, sales and profits should be higher. However, if brand identity and brand image are not the same it means something is wrong.

In this project I am going to focus on brand identity. Focusing on one concrete industry in a concrete geographical market, in this case the fast-food market in Spain. I am going to explore whether a company that has a well implemented brand identity and clear objectives has it easier to succeed.
2. BACKGROUND

The concept of brand identity has been around for some years. It has been used inside a company’s branding. Most scholars have agreed of the importance of a good brand identity, not just for big companies but also for small companies and start-ups.

There is an unanimous perception that a good brand identity means a good brand image, and, therefore results are better. There is a huge number of marketers and other experts trying to define the best way to create a brand identity. However, there is not a consensus on which is the best way to do it.

In my project I have chosen a French scholar named Jean-Louis Kapferer and his studies to proceed with my work.

2.1. JEAN-LOUIS KAPFERER

Jean-Noel Kapferer is, according to his own webpage, the European authority on brand management. He is internationally recognized as one of the world’s leading specialists on brands and he has always been interested on the concept of brand identity. Kapferer started to work on that concept in a time when North American academics did not even heard of it. Besides, he promotes a holistic approach to brand identity unlike North Americans who hold brands as a sum of attributes.

Kapferer’s major conceptual and operational contributions to the advancement of brand management are:

- The identity prism: a holistic integrated approach to brand identity -I am going to base my analysis on this prism.-
- The brand kernel: distinguishing non negotiable brand facets and peripheral facets of brand identity.
- The brand coherence grid: to audit the product portfolio of brands internationally and propose optimal architectures.
- The definition of core brand architectures which is how multiple brands of a same company are related, Kapferer adds three new approaches to the field: vertical brands, transversal brands and programmatic brands.
- The promotion of wide brand extensions, unlike the traditional and limitative product brand approach.

3. OBJECTIVES

I would like to begin my project with the following hypothesis: a well defined brand identity means that a company will be more successful, in terms of profit and market share. Hence, I want to know if investing resources into developing a good one is worth it.

As mentioned before, this project and the following analysis are related to brand identity. I am going to select four different companies from the same industry present in Spain. I am going to use Kapferer’s brand identity prism to analyze each of them. I want to discover how their brand identities are and if you can actually analyze them using the prism. I want to compare local companies with foreign companies. That way I want to be able to acknowledge if country of origin matters when developing a brand identity.

The four companies I have chosen are: McDonald’s and Burger King as foreign companies, and Telepizza and Viena as local companies. The industry is the fast-food industry. I have chosen this industry because, although all companies are

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very similar they have significant difference among them. Furthermore, I believe it is an industry easy to understand and analyze and it will help me to better perform the project.

4. ANALYSIS

In this part of the project I am going to analyze each company using Kapferer’s prism. First, I am going to do a small introduction of each company. Then, I am going to explain Kapferer’s prism and each aspect of the prism to better understand them. Then, I am going to identify each of the six aspects of the prism for every one of them. Next, I am going to write a conclusion for each company. After that, I am going to compare the four companies, first between companies from the same country and then all of them at the same time. After the prism analysis and the comparisons I will be able to arrive to some conclusions which I will expose in the following section.

4.1. INTRODUCTION OF THE COMPANIES

I am going to explain some basic information about each one of the four companies to learn more about them. I am going to focus on a short summary of the history of each company, then I am going to expose their positioning and target market. Finally, I am going to state their most recent financial results.

4.1.1. McDONALD’S

Summary of the company
McDonald’s is an American company created in 1940 by siblings Dick and Mac McDonald in San Bernardino, California. From its beginnings the company has always specialized in fast food, and to be more exact in hamburgers. Currently the company is present in 119 countries and it arrived to Spain in 1981. The company has also widen its products, it now offers smoothies, salads, breakfasts among others. McDonald’s has managed to become the most successful fast food company in the world becoming the market leader and the most recognizable. On 2013, McDonald’s was the fourth most valued brand in the world according to Millward Brown.

Positioning
McDonald’s positions itself as a family-oriented low cost restaurant. It is a place where everybody is welcome and where clients will have a cozy environment to eat fast food.

Target market
According with its positioning McDonald’s targets everybody. According to McDonald’s British web site they seek to appeal a wide range of people, from families to workers. The company tries to make sure that everyone can be related to its marketing campaign.
Financial Data
McDonald’s Spain had a turnover of 951 million Euros during 2012 which represents a growth of 2.5% from the previous year. Besides, the company opened 21 new restaurants throughout the country and created 1,000 jobs. To date McDonald’s has 444 restaurants in Spain and gives work to more than 22,000 employees.

4.1.2. BURGER KING

Summary of the company
On the year 1953, after visiting the San Bernardino’s McDonald’s, Keith J. Kramer and his wife’s uncle, Matthew Burns, decided to launch a new restaurant following the strategy they had seen in that McDonald’s. They chose the city of Jacksonville, Florida to open what it would be called Insta-Burger King. During its first year the company started to franchise its business model, however, economic results were not as expected. After some rough years two franchisees decided to buy the company, rename it to Burger King and move its headquarters to Miami.

Since then, the owners of the company have changed several times. The company was even controlled by Europeans at a certain point. Nonetheless, the company has been able to managed some hits like its iconic Whopper, becoming the second most important company in the fast food. The company is currently owned by 3G Capital and it is trading in the NYSE.

Positioning
Burger King is the McDonald’s’ follower and has positioned itself as such. Burger Kings wants to be the alternative of McDonald’s where products are tastier. It also defines itself as a company that works harder.

Target market
Burger King’s main target market are males and young adults. However, recently the company has started to widen its audience and it is now targeting seniors and females.

Financial Data
Burger King had a net profit of 88 million Euros in 2012, which was a growth of 33.6% compared to the previous year. However, the company’s turnover decreased by 15.8% compared to 2011. Moreover, in the Spanish market the company experienced trouble during that fiscal year, stating that its performance was weaker than in other regions.

4.1.3. TELEPIZZA

Summary of the company
Telepizza is a Spanish company founded in Madrid on the year 1987. After opening its first outlet in Madrid in 1988 the company rapidly became the market leader on the home delivery food market. Due to that success the company acquired its first factory in 1992 to increase their production and benefit from economies of scale.

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On 1996, the company went public and with the change of millennium the company introduced several changes. Telepizza decided to modernize the company introducing new production lines, new management criteria and new logistic centers in Spain. Furthermore, the company changed its marketing strategy and started to use a regional strategy, keeping standardized products but focusing to local needs at the same time.

Although the company started selling only pizzas, it has recently broaden its product range, now offering hamburgers, or salads among others. Currently the company has 1,191 restaurants distributed around Spain and seven other countries.

Positioning

According to Telepizza, the company positions itself as a company that offers high quality Mediterranean pizza which is not only tasty, but also healthy. To share and enjoy with the loved ones.

Target market

Telepizza targets mainly young adults who want Mediterranean fast food.

Financial Data

On 2010, Telepizza had a turnover of 503 million Euros, which was an increment of 1.5% compared to 2009. Furthermore, the company started to see how sales through internet represented a larger portion of total orders. Besides, the company started to decrease its debt which was extremely high due to its expansion plans. However, news of 2013 state the company’s plans to dismiss several employees and to close different restaurants throughout Spain. There are no official figures, but the company has assured there have been important financial losses during 2011 and 2012.

4.1.4. VIENA

Summary of the company

Viena is a family owned company whose venture started in 1969 in a small restaurant located in Sabadell. The company’s philosophy has always been to offer a high quality alternative to other fast food chains. The company currently sells sandwiches and pizzas. Most of their products are internally produced in the factory that Viena owns in Sabadell. Viena is a relatively small company which has mainly focused in Catalonia for its expansions. Its business model has worked very well since the beginning and no major changes have been introduced. Besides, its expansion has been slow with 35 restaurants distributed in Catalonia and Andorra.

Positioning

Viena does not position itself as a typical fast food restaurant. The company states it is the high quality and healthy alternative to other existing fast food chains.


Target market

Viena targets families and people who like fast food but do not want to renounce to quality or healthy. It also targets customers who want Catalan products.

Financial Data³

Viena is a private company and therefore it is not obliged to inform about its financial results. However, there are several fonts who assure that the company is the most profitable fast food company per square meter in Spain. Besides, taking into account its small size, Viena is an important player in cities where it has presence.

4.2. KAPFERER PRISM¹⁰

To define a company’s brand identity, Kapferer designed a prism which uses six different aspects of that brand. It is a way to humanize the brand. In trying to define it, the six different aspects come into place to better understand the brand. When a company has analyzed its brand identity, it then can place the strategies to follow and the most adequate positioning to take. It is important to state that the prism does not tell how a brand identity should be or not. It helps companies to realize how their brand identity is and from that point it helps them to start working on it. In this case, the prism will help me to better understand each brand identity and it will help me to compare the four companies more easily.

These are the six aspects of the prism:

1. Physique. These are the physical features of the brand. According to Kapferer, the physique aspect is the basis for the analysis. This is how the brand looks like. When a customers is asked about a particular brand, the images that come into his mind are the physique characteristics of the brand. Here we cannot only find the logo of the brand, but also other significant physical characteristics of it, such colors, products or even flagship products.

2. Personality. It is the brand’s character. If the brand was a person, which would be his persona. A company can modify brand’s personality by using different fonts, colors, slogans, commercials or even by endorsing different celebrities.

3. Culture. Culture is based on the company’s principles and values. It is the connection between brand and company. If a company has certain values and historic background, its brands should transmit the same to the consumers.

4. Relationship. It represents the relationship between the brand and its consumers. It can be the actual relation between them.

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5. **Reflection.** This aspect represents how the brand wants the stereotypical consumer to be. This stereotypical consumer does not need to be the actual consumer, but how the company would like him to be. Kapferer states that there is no need to make a realistic reflection of the actual consumer in a company's campaign, but it would be a good idea to include consumers who would appeal to actual consumers.

6. **Self-Image.** This is how the consumer sees himself when consuming a certain brand. When analyzing brand identity, the company should make assumptions of the self-image and then corroborate it with market researches.

### 4.3. **MCDONALD’S**

- **Physique (Golden arcs, hamburgers):** Hamburgers stands as McDonald’s most recognizable physique attribute. However, there are other things you can identify in their restaurants such as the golden arches, Ronald McDonald or the drive-thru service. Moreover, the way a McDonald’s restaurant is conceived reminds of a typical American fast food restaurant.

- **Personality (Family-oriented, sociable, active):** From its advertisement we can see how McDonald’s is a family-oriented company. If the company was a person it would be caring and sociable. McDonald’s tries to give the feeling its restaurants are something more than a place to eat. People gather together there, talk and have a good time. Furthermore, the company is always supporting charity events, sport events and is sponsoring different initiatives against obesity and overweight.

- **Culture (American-European, innovative, ultimate fast-food chain):** McDonald’s has a very American way of doing things. It is trying to be profitable and successful while taking care of its stakeholders and believing on what it is doing. However, in Europe, the company is also taking a European approach. This is seen in how it looks for high quality products and it is always looking for certifications to prove it. The company has even modified its logo and restaurants for the European market. Moreover, the company is constantly introducing new products and new services which can be seen as very innovative. Finally, it is important to remark the company’s slogan: *I’m loving it*. This slogan makes it clear that the company considers its products to be good enough so no changes are needed. McDonald’s can be seen as the most famous fast food chain in the world.

- **Relationship (Good environment, feelings, sharing important moments):** McDonald’s has always tried to create a cozy environment in its restaurants. The company is treating its customers as paramount stakeholders. The organization is always trying to provide the best service possible and introducing new products to increase customers’ satisfaction. Its restaurants have been redesigned to be more pleasing, besides in a restaurant customers can find information about food origin and quality. Moreover, in its commercials there is always a focus on relationships and feelings. One example would be its last campaign “you can count on me” for the father’s day which clearly was directed to father/son relation. Finally, anyone who has been in a McDonald’s can see how the company is trying to ease the service to the customers by creating a good environment, offering free wi-fi, easy-pay and drive-thru services.

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- **Reflection (I am meeting with some friends and we are going to McDonald's to have a good time):** To analyze reflection I am going to focus in its commercials. If we watch a McDonald’s commercial they tend to be about relationships and feelings. The company would like its customers to think of McDonald’s as a place to meet with their friends and relatives where they can have a good time while eating its products. Besides, the company has no concrete target market. It is actually targeting all kind of people without considering age, gender, race or income.

- **Self-Image (Relationships):** The company is focusing on relationships and feelings. It is trying to sell the restaurant as a whole. A very comfortable place where customers will find things very easily. There their main problem is to have a good time with their companions and improve their relationships. Although, the fast food service is the company’s core product, they are not focusing on it. Everybody knows what McDonald’s has to offer in terms of food, therefore, its way to differentiate is through its outlets.

**Conclusion**

According to the prism, McDonald’s has a very identifiable brand identity. Its facilities and products are very recognizable. Likewise, its culture and personality are well defined and customers can relate to the company. The company tries to have a good relation with all its stakeholders, in particular its customers. Clients find themselves comfortable in a McDonald’s and they know they will be able to eat in a good environment. Furthermore, although the company is one of the best known American companies, it is trying to adapt to local markets. That helps the company to connect with local customers.

The company is focusing a lot on relationships, not only the ones between the company and its customers but also the ones between customers. That way, the company is trying to differentiate itself from other competitors and it is trying to be something more than a restaurant.

If we take into consideration the financial data previously analyzed, we can see that things are going smoothly for the company. In that sense, its brand identity is giving good results to the company.

4.4. **BURGER KING**

- **Physique (Hamburgers, crown, big):** Burger King is an American company. Non-American people believe that everything in America is big, and Burger King is no exception. Its restaurants are big and its hamburgers are big. Besides, the restaurants have a more young-oriented feeling. A Burger King restaurant has a very urban style and all commercials are starred by teenagers or young adults. Finally, the famous Burger King crown can be found inside the restaurant.

- **Personality (Laid-back, humorous, youth, have it your way):** Burger King has a relaxed personality. The “have it your way” philosophy is for people who know they can have whatever change they want. Besides, it gives a sense of independence and freedom in choosing. In that sense it has a very American personality. The company is also related with humor. All its commercials are humorous. This also gives the company a feeling of youth.

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- The company has a history of targeting youngsters. However, in recent years this target has moved to a broader audience.

- **Culture (American, innovative):** Burger King appeals to the American culture. Its products are big and tasty, and unbridled. Burger King had a great success in the American market and it has tried to implement the strategies it is using there in other markets. In that sense, it may look like its level of adaptability to local markets is low. The company is also quiet innovative. Burger King is introducing new kinds of food and new kinds of restaurants. Finally, it has a culture of nonconformism that can be seen in its slogan: “have it your way”.

- **Relationship (Quality, tasty products, fun):** Burger King is focusing on its products. The company wants high quality products which at the same time are the tastiest as possible. We can appreciate that in its commercials where food is always the most important factor. The company is always surrounded by a touch of humor. This gives the feeling that Burger King is going to be a fun place to go with good food to eat.

- **Reflection (-I am with my friends and we are going to eat at Burger King because that is dope.)**: Burger King targets young carefree customers who have a laid-back attitude. Eating at Burger King is fun and trendy. Customers are sociable. As seen in the commercials, they are always surrounded by their friends. Burger King could also be a bit cocky; all this laid-back, sociable, coolness attitude could be seen as arrogant by other non-Burger King clients.

- **Self-Image (Food)**: The most important thing in a Burger King outlet is food. Of the four companies analyzed, Burger King has the biggest products in terms of size. Therefore, a person goes to Burger King because he knows he will find a good product which is tasty and big.

**Conclusion**

Burger King is the typical American company. Its model was a success in the United States and it has been translated to other countries. This has helped clients to identify Burger King as typical fast-food chain and also it has helped the company to target younger customers who are more familiar with the American lifestyle. Notwithstanding, the company has had different owners throughout its history and this has been reflected in its brand identity. Burger King’s brand identity has not been developed as well as it could have been and recently the company has started to lose market share. Therefore, the company has redesigned its strategy to target a wider audience and to standardize more the company in order to regain its lost market share.

**4.5. TELEPIZZA**

- **Physique (Home-delivery, pizzas):** From its name to its logo, Telepizza is associated with pizzas and pizza makers. Contrary to the other restaurants analyzed, Telepizza’s outlets are not a significant visual aspect of the company. A Telepizza restaurant has a very neutral environment with no specific design. Contrarily to the other companies analyzed, customers relate Telepizza with eating a pizza in their home. Telepizza is so focused on home delivery, that the non-food product that is most associated to the company is its motorbikes.

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- **Personality** (*Spanish, fun, sociable*): Telepizza is a Spanish company, however it is not selling typical Spanish products. Notwithstanding, the company emphasizes that it is using ingredients which are typical of the Mediterranean diet, in that way Telepizza has the Spanish sense of using high quality products and local products. A Telepizza pizza is normally big enough to eat it with a group of people. In that way the company has a sociable and friendly attitude. It is also important to comment that its commercials always have a touch of humor.

- **Culture** (*Innovative*): Telepizza is a very innovative company. Its main purpose is to be a fast food chain company, however it does not focus on its restaurants and focus on home-delivery instead. This has created a new way of eating fast food in Spain, in a certain way it has created a unique culture for the company and a new market. Additionally, Telepizza sells high quality products which are made in its own factories and is based on pizzas which is another difference to other fast food companies. Nevertheless, in recent years the company has started to expand its range of products and to invest in its restaurants. Although, this could have good results, some may believe the company is changing its culture and its original purpose.

- **Relationship** (*Home-delivery, discount campaigns*): Telepizza has always had a very interesting relationship with its customers. The home delivery has allowed Telepizza to go inside their homes. The company has always tried to have a close relationship with its clients. It is actually the most active company on social networks and the one with most followers in each of them in Spain. On top of that, it has always introduced different discounts and coupons. These discounts are specific for each region and it can be even for just Telepizzas of a certain city or neighborhood in relation with local festivities. The problem with these discounts is that they are set on a total randomness and can confuse clients\(^{14}\). During last years, Telepizza has tried to increase this relationship by attracting customers to their locals, that way trying to change this type of relationship.

- **Reflection** (*I am at home with some friends watching a soccer game and we are hungry*): In Telepizza, customers are at a home when they make the decision to purchase a pizza from Telepizza. This affects completely the company’s strategy and how they want to be perceived by customers. Clients would be at home having a good time with some friends and that is when they decide to call Telepizza for a pizza. Besides, Telepizza offers all kinds of products such as pasta, desserts, hamburgers or kebabs. That way, Telepizza is the fastest and best alternative for home delivery food.

- **Self-image** (*Moments*): Telepizza’s restaurants are not as developed as they are in other companies. Currently, the company offers a great variety of products so, yet they still focus merely on pizzas, the company has a lot of different products to rely on. After looking its commercials, it is possible to say that Telepizza is focusing on moments. Customers are having a good time and they know if they order a pizza that will be even better.

Conclusion

Telepizza has a unique brand identity. Its physical characteristics are different from other fast food restaurants. This helps customers to easily identify the company. Besides, the fact that Telepizza has been working on home delivery has helped the company to get inside customers' homes. This has strengthen the relationship between customers and the company. It is possible to consider Telepizza to have a very well defined brand identity strategy in which the company focuses on certain aspects that are helping the company to succeed. However, there are some points where Telepizza is not as strong. Although being a Spanish company, the company does not transmit a Spanish feeling. Nevertheless, in recent years the company has started to change its brand identity focusing on other aspects such as indoor restaurants and non-pizza products. All this can confuse customers and may damage the company.

Regarding the financial data provided, one can appreciate how the company is starting to have a rough time with a decrease in sales. Consequently, it is possible to make the assumption that a change in Telepizza’s brand identity strategy has signified a reduction in sales.

4.6. VIENA

- Physique (Traditional environment, good service): Viena has always tried to differentiate itself from the rest of Spanish fast food companies. Therefore the company’s physique is quiet unique. Its restaurants have a tyrolese-styled design and overall it has a rural environment. Even its food reminds of a traditional environment.

- Personality (Family-oriented, sociable, active): Viena is a family-oriented company. It has lots of things to make children feel comfortable. Most customers go there with their families or their friends. Viena is also active, it was first thought to target workers who did not have time to go to their homes and have lunch. Viena was conceived as an alternative where those workers could eat fast and well.

- Culture (Catalan, traditional, slow and steady): Viena is a Catalan company. All its products are somehow Catalan oriented since the company only uses typical Catalan ingredients. It is also a traditional company. It does not perform major changes or highly noticeable commercial campaigns. Despite having a very innovative business model, it does not launch innovative products or other new ideas. The company has a more cautious approach. This cautiousness is translated to Viena’s expansion strategy which is slow and steady. The organization does not want to franchise, so it rather prefers going slow but keeping control of everything and assuring quality than going fast and losing its essence.

- Relationship (Good service and quality): Viena wants to offer a place where customers are able to eat high quality food in a great environment. Besides, this food is not like the other fast-food chains' food. It is more specific and more Catalan oriented. This creates a very close relationship. Customers feel like home when eating at a Viena restaurant. They can have products they know and with which they have been familiar with all their lives, still with a good service and at a high speed.

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Reflection (I am with my family and we are hungry. We want something fast, but not the typical American food, something different): Viena does not see itself as a fast-food chain, at least not as a typical fast-food chain. It was conceived with the same premise, such as self-service, high speed of attendance, easiness of the food, standardization, etc. However, the company has a total different environment, it produces its own food in its own factories, it owns all its restaurants and its food is from the best quality. Therefore, it is feasible to say that Viena targets people who like fast food and who want something fast to eat, but who do not want to compromise quality while eating.

Self-Image (Quality): The company is very focused on quality. Viena knows they sell fast-food -sandwiches, hamburgers, etc.- but it still wants to make clients satisfied with what they are eating. Viena wants to offer high quality products in an environment which has been thought to give the feeling of traditional and rural. People tend to relate traditional, rural with quality and this is the reason its restaurants are the way they are.

Conclusion

Viena has a very concrete brand identity strategy which is very easy to identify. Besides, all the aspects of the prism are very related between them. All of them transmit how a small company knows exactly what it wants and how to do things. It seems the company has previously decided how it wants things to be done and it is sticking to its decisions. That way, Viena has a very well defined brand identity strategy which above all it is very easy to identify. Customers who go to Viena know exactly what they will find there.

Regarding the financial data we can see how things are working perfectly well for the company. They have become the most profitable fast food company per square meter in Spain and it has managed to be an important threat to other bigger companies.

4.7. COMPARISON BETWEEN COMPANIES

After using Kapferer’s prism with each of the four companies I have enough information to compare them. First, I am going to compare between the two locals and then between the two foreigners. Once done, I am going to compare the four of them. I want to discover how different companies behave in terms of brand identity although being from the same country and playing in the same industry.

4.7.1. FOREIGNERS: McDonald’s and Burger King

- Physique: Both companies sell the same products and in both cases their flagship products is a hamburger. Consequently, hamburgers are the most noticeable physical thing in the two companies. Besides, the two companies have a symbol which is very remarkable. In the case of McDonald’s, the company has the golden arcs which are part of the company’s logo. On the contrary, Burger King’s most iconic symbol is the crown of the king. In that case the crown does not appear on the logo but it is part of the outfit of the company’s mascot.
- In terms of their restaurants, both companies have developed different designs in their respective restaurants. Yet in both cases the design is in accordance with their brand image. McDonald’s has chosen a cozy approach and have
design a place to spend a good time, while Burger King has chosen a more urban approach which is more transgressor.

- **Personality.** The two companies have very different personalities. While Burger King is young-related and with a laid-back attitude with its “have it your way” philosophy, McDonald’s is more family-oriented. In McDonald’s the philosophy used is “I’m loving it”, therefore clients love what they find in McDonald’s, they do not need to change anything. On the contrary, Burger King gives the feeling of a nonconformism and the freedom to change anything you want. However, both companies are considered as sociable. Restaurants are places where people go accompanied and this is reflected in the companies’ personality.

- **Culture.** Although both companies are from the same country, McDonald’s has adapted to the European market. It has changed its logo, its restaurants design, it has introduced specific products for each market and overall it has a European feeling in the environment. On the contrary, Burger King has stuck with its American culture. Products, design and service are the same in Europe and in the United States. This also affects brand identity. On the one hand, McDonald’s has learnt to adapt its brand to the local market while keeping its own identity. On the other hand, Burger King has kept its identity in all markets creating a global one instead.

- There are some similarities as well. Both companies are quiet innovative. They are constantly looking for new products and offering new services to customers.

- **Relationship.** The two companies have different relations with their customers. Both of them treat customers as paramount stakeholders, however their approach is different. McDonald’s is trying to create a pleasant environment to eat and it is trying to become a place where good and important moments take place. On the contrary, Burger King is trying to offer tasty food. Its main purpose is to give customers high quality food to eat, so they will like it and will come back.

- **Reflection.** Despite having the same purpose, the two companies have a different reflection. McDonald’s is normally the first place that come into mind when thinking about fast food. Therefore, the company has not had the need to create a specific attitude. McDonald’s has just improved its restaurants and improve customers’ satisfaction. However, being the follower Burger King has had the need to differentiate from Mcdonald’s. That way, Burger King has introduced a specific attitude in the market, a laid-back, unorthodox, nonconformist attitude which is translated into its restaurants.

- **Self-image.** The reasons why customers choose McDonald’s or Burger King are different. On the one hand, customers may choose McDonald’s due to having a better restaurant, its easiness of doing things and to have a comfortable place to talk. On the other hand, customers may choose Burger King due to having larger hamburgers which are tastier than that of other restaurants.

- **Financial results.** The two companies are having different results during the last years. On the one hand, McDonald’s is increasing its profit and market share in Spain. On the other hand, Burger King is having troubles in the Spanish market.
CONCLUSION

As we can see both companies are very similar but very different at the same time. McDonald’s has always been the first mover and that affects its decisions. Therefore, it does not need to tell how its burgers are and it can focus on something else. Its brand identity represents its restaurants and the good time clients have there. It is becoming a family-oriented company where everybody is invited. McDonald’s has a very well worked identity, the company knows what they are selling and how to sell it. And above all, it has always been that way. No major changes have been introduced in its strategy making its relation with clients easier.

Burger King has had different owners in its history. That has been reflected in the company. The company has continuously introduced several changes. Having a more concrete target group and being less adapted in local markets have made Burger King to lose some of its market share. It seems customers do not relate to the company as much as it was thought. Therefore, the company has started to change its strategy and its brand identity to try to appeal to more customers.

I would say that McDonald’s’ brand identity is better developed. The company has a plan and it has been following it since the beginning. At the moment, it is upgrading its brand identity and adapting it to local needs. That way McDonald’s has climbed to be the most successful fast food company not only in Spain but around the globe.

On the contrary, Burger King seems to be sometimes walking blindly with a brand identity which may not be the best option, yet the company still has good results due to its size.

4.7.2. LOCALS: Viena and Telepizza

- **Physique.** Regarding the physical aspect, several differences between the companies can be noticed. Telepizza, has specialized in home delivery service. It is a company where motorbikes are one of its most important assets. Restaurants have never been very important to the company and although they are now investing more on them they do not have any significant peculiarity. Viena, on the contrary, has developed a very characteristic restaurant. Every detail is planned and is in concordance with the culture of the company.

- While a Telepizza restaurant does not transmit anything in particular, a Viena restaurant transmit all the company’s philosophy.

- **Personality.** The two companies have different personalities. Viena is very family-oriented and it is a place where customers go with their loved ones to eat. On the contrary, Telepizza is more group-oriented. This means that it is normally a group of friends who decide to ask for a pizza. Besides, while you go to Viena to spend time together, you are already with more people when you order a pizza from Telepizza.

- It is important to remark that in both cases the companies are very sociable. This is due to the fact they are both restaurants and people normally go accompanied to restaurants.

- **Culture.** Both companies share the search of high quality products from the Mediterranean diet. Besides, both own their own factories and produce their products themselves. However, they have some differences as well. While Telepizza is a very innovative company-it introduced the home delivery, it has widened its products, it has a very active
marketing campaign and it is very active in social networks-. Viena is more traditional -its products are products that have been around for a long time, no commercials are made and everything in Viena reminds of a traditional Catalan restaurant-. Moreover, their level of cautiousness is very different. Viena is a very cautious company which is trying to do things slow and steady. Contrarily to Viena, Telepizza is more reckless, it is introducing several products, it is going to other markets and it is having new approaches.

- **Relationship.** The two companies interact differently with their customers. On the one hand, Telepizza has been able to get inside customers’ homes and it has been able to have contact with them outside the company. On the other hand, Viena has to wait for customers to go inside to interact with them. However, Viena has a more accurate relationship with customers than Telepizza. Viena offers what customers want and sticks to it. While, Telepizza is changing its strategy and that can confuse customers and make them feel like they are being mistreated.

- **Reflection.** In both cases it is normally a group of people who decide to eat in any of the two restaurants. However, reasons to decide either one or the other are different. Viena seeks more demanding customers who want high quality food. Telepizza seeks customers who just want something to eat, but who are having a good time.

- **Self-image.** Regarding the self-image aspect of the prism, here is where the biggest difference between the two companies is found. Viena focuses on quality and seriousness. It is selling Catalan products of a very good quality with good service. The food is the most important thing for the company. On the contrary, Telepizza focuses on moments. A group of friends are having a good time together and eating a pizza from Telepizza is just a way to improve the moment. Besides, Telepizza is more carefree than Viena.

- **Financial results.** The two companies are having different results during the last years. Telepizza seems to be having a rough time, making less profit and increasing its debt. On the contrary, it seems Viena is having pretty good results taking into account its size.

**CONCLUSION**

As we can see the two companies are very different. Telepizza used to have a very concrete strategy and a strong brand identity. Recent changes that have been introduced could harm its identity. This is because, pizzas are no longer its only product and home delivery is losing share to indoor clients. This can really damage the company as well. Customers may no longer be identified with the company and may want to look for alternatives. Besides, new fast-food chains specialized in pizza and home delivery are appearing in the industry, so Telepizza would need to decide if it stays in the home delivery segment or if it goes to a more McDonald’s/Burger King approach.

Viena is the smallest company analyzed. However, it is a company that knows exactly what it wants. It has been following the same strategy for years and it has worked out for the company. This has been translated to its identity. The way Viena does things, slow and steady and keeping quality among other things is its brand identity. One may identify Viena as a good quality company that is doing things in a proper way.

I would say that in spite being smaller, Viena has a better developed identity and it is very identifiable by customers. This has worked very well for the company, making Viena the most profitable company per square meter in Spain.
On the contrary, Telepizza’s strategy has changed in the last years. This has faded its old brand identity which used to be very well developed. This already has affected the company’s health as sales and market share have started to drop.

4.8. LOCALS VERSUS FOREIGNERS COMPARISON

After having compared the four companies with their local counterparts I am going to do a comparison of the four companies. I am going to start analyzing their similarities and then I am going to move to their differences.

- **Physique:** the four companies analyzed are restaurants and restaurants are places where people go to eat. They need to be very visual companies, everything needs to be very accurate because that way people can relate to a specific company and will choose it over the competitors. The four companies are working very hard to have a unique physique. It is important to notice that they are all selling almost the same products, so it is understandable why the companies are focusing on their restaurants so much. Even Telepizza, which was not strong on locals, has started to invest more resources in them.

- **Personality:** the four companies have different personalities. However, it seems that American companies have them more developed than the local companies. This may be caused, because the American ones are bigger and compete in a more competitive market. Therefore, they need to invest more resources in being unique. Viena and Telepizza have also a personality, but in their case it is not very clear.

- **Culture:** all companies have worked a lot to develop a specific culture. From all six aspects of the prism, the culture one is the easiest to identify and it is also the most related to the company itself. Although, every company is taking a different approach it is interesting how they are really investing resources on culture.

- **Relationship:** all companies are treating customers as paramount stakeholders. However, Viena and Telepizza are adapted to local needs and they are actually selling what Spanish customers want. On the contrary, the foreign companies are using a more American approach which can sometimes be discouraging for local clients. It is worth mentioning how McDonald’s is trying to adapt to local needs.

- **Reflection:** it is important that companies work on their reflection aspect to better understand their customers. All companies have actually analyzed that aspect. However, according to their financial data it seems that some have analyzed it properly and others not. In all cases, customers want something to eat before going to any of the companies. Therefore, in most cases customers have already chosen in which customers they are going to eat.

- **Self-image:** all companies are trying to sell different things to differentiate from the others. To better understand self-image companies need to do a market research to discover what their customers think. It seems that American companies are taking more seriously this aspect than local companies.
4.9. CONCLUSIONS

After analyzing the four companies and comparing them I have come to the following conclusions:

- **Country of origin does not determine brand identity**: it may seem that culturally two companies from the same country are very similar. However, Burger King and McDonald’s or Telepizza and Viena are very different between them. To come from a certain country does for sure give a certain background to the company. That is why the two American companies sell merely hamburgers and the two local companies sell Mediterranean products. However, their approach differ. Countries do not determine brand identity, but the actions of the owners and businessmen do. And, in the same way in a country there are all kinds of persons, companies from the same countries are also different.

- **Size determines brand identity**: when a company is small and has few restaurants it is easy to have a certain brand identity and to make all restaurants transmit it. In the case of Viena this can be easily observed. Besides, Viena is the company who acts more differently compared to the rest. It has found a concrete segment within the fast food market and has targeted using a concrete brand identity. The other three companies are in another league so it is more complicated for them to keep their brand identity unmodified. They are trying to standardize products, to franchise and to take advantage of economies of scale. All this is due to the fact that now they want to keep growing, be everywhere and improve their profits. This is the reason why in most aspects Telepizza is more similar to McDonald’s or Burger King than to Viena.

- **Brand identity is a way to differentiate yourself from competitors**: the four companies are in the fast food industry and consequently they are all behaving in a similar way. Their basic characteristics are the same. Therefore, it is complicated for them to differentiate. This is when brand identity comes into play. Each one has a different brand identity and this is what make all of them different. Companies transmit those brand identities to clients and that is when clients know what to find in each company and which one suits them best.

- **Brand identity can be a competitive advantage**: as above mentioned, each company has a different brand identity which makes them unique. If this brand identity is well performed and of a good quality it can become a competitive advantage, because it might become an intangible asset competitors lack.

- **Companies do not need an exhaustive marketing campaign to transmit their brand identity**: Viena has a very concrete brand identity which is very different from the rest. The company’s marketing efforts are nearly nonexistent compared to the other three companies. Even so, Viena has managed to transmit its brand identity to their outlets and their food. Customers know exactly what they will find in a Viena restaurant. This means there are other aspects of the company apart from marketing that can be worked to improve brand identity and make customers aware of it.

- **If a brand identity works, stick on it**: Viena and McDonald’s have had the same brand identity during almost all of their histories, and this strategy has worked for them. The other two companies have had different outcomes. On the one hand, Burger King used to have a certain brand identity which the company discovered it was not giving the desired results. Therefore, it has started a process to redesign its brand identity to try to improve its results. On the other hand, Telepizza used to have a very concrete brand identity which was working very well. However, in recent
years the company has decided to change it. Results have not been as expected and now the company is facing its consequences.

-A well defined brand identity strategy can make the company more successful: in a time tumbled by the economic crisis, someone would expect companies to be going through a rough time. However, both McDonald’s and Viena are currently in a very healthy way and their profits are increasing. This is because both companies have a very well implemented brand identity. It is not that a well defined brand identity is enough to make a company profitable and successful, but it is an important part of it. It is worth mentioning, the two companies with problems with their brand identities - Telepizza and Burger King- are having a difficult time.

-Was my hypothesis correct? My hypothesis stated that a well defined brand identity could make a company more successful. And from my study I have found out that it does. While McDonald’s and Viena have a good one and they are very successful, Burger King and Telepizza, whose brand identities are less clearly defined and implemented, are having some difficulties at the moment.

5. PROJECT LIMITATIONS AND FURTHER RESEARCH

In this part of the project I want to expose the different limitations I had during the process and how it would be appropriate to expand the study.

My project would have been more accurate if I had had total access to the financial results of the companies analyzed to do the comparison more deeply. Besides, I have only used the fast food industry, so it is not sure that my findings can be applied to other industries. Finally, while Kapferer’s prism is very useful, using other methods to further analyze brand identity would have helped to find a more accurate result.

To do more research it would be essential to compare the four companies’ brand identities to their brand images to see if they match, to find out if what they are trying to transmit is actually what they are transmitting. Finally, I have stated that a well defined brand identity is important to make a company successful but there are other aspects which are also important. It would be interesting to know up to which point brand identity is important and which is the relation it has with the other aspects of the business plan.

6. BIBLIOGRAPHY

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