“The Dance of Branding, Innovation and Design Thinking”

A qualitative study exploring how Design Thinking can contribute to Brand Management

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Supervisor: Jeanette Hauff

By Carolina Agersborg & Jenny Lermander
Abstract

The fast transforming world in which technology and digitalization has changed consumer behavior and marketplaces, has led to brands having to adapt their strategies to survive. The purpose of this thesis is to explore how brands can recreate their Brand Management strategies to adapt to the shift in the market, and how Design Thinking can contribute to creating value for the brand. The approach for our research was inductive with influences of abductive, implying we made an analysis of empirical data with prior background knowledge about the topic. A qualitative research method was used since the aim of the study was to obtain a deeper understanding of a fragmented knowledge. The empirical data was gathered through four semi-structured interviews with five participants who all work at organizations that have been working together with Service Design companies. This allowed us to analyze the effect that Design Thinking has had internally for the brands. The findings confirm that brands need to be more flexible and respond fast due to the dynamic fast-moving market. Design Thinking’s human-centered approach using an iterative method was shown to be beneficial within Brand Management. The findings of the study indicate the importance of building a strong brand identity from within the organization, implying that Brand Management is an internal process. We developed the framework Revised Brand Management from the literature review, which integrates participation and innovation into the traditional Brand Management model. We found that these two factors are vital to create a competitive advantage and strong brand in today’s market, and we believe that Design Thinking is a useful method to implement this new strategy.

Keywords: Branding, Brand Equity, Brand Management, Innovation, Design Thinking, Service Design
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Sincerely,

Carolina Agersborg & Jenny Lermander
Definitions

**Brand Management**: the process that aims to control how a brand is perceived by managing brand activities such as brand identity, brand communication, brand loyalty, and positioning.

**Design**: the process of creating meaningful interactions between people and products, communications, environments, interfaces, and services.

**Design Thinking**: a human-centered approach to problem-solving and innovation, where the method is based on a designer’s work and mindset. Design Thinking starts with an insight or a problem and uses an iterative method to create a saturated knowledge and understanding which can evolve into creative solutions and new opportunities.

**Digitalization**: the integration of digital technologies in everyday life.

**Innovation**: the creation of new offerings that creates value and are meaningful and original.

**Iterative method**: a process where one works in loops of repeating and deepening, emphasizing trial-error and reflection, allowing for shorter cycles and early feedback.
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1.0 Introduction

Chapter Introduction

In this chapter, the aim is to set the scene for the topics we have chosen to research and highlight why this topic is relevant to study. Furthermore, we will present our research purpose and the research questions that will guide the entire thesis.

1.1 Setting the Scene

We live in a fast transforming world where technology and digitalization has become a self-evident part of our daily lives. This change has affected consumer behavior and marketplaces where companies operate and made it difficult for brands to survive (Wong & Merrilees 2008). The digitalization and the use of social media in today’s society has changed the relationships between brands and consumers (Strauss 2014). Brands need to present consumers with something meaningful that they can build emotional attachment to, stimulating conversation and engagement. Brands need to be authentic, empathic, and build real relationships with their consumers instead of solely focusing on sales (ibid).

These changes have made it vital for organizations to be flexible, innovative, and attractive to consumers, to stay competitive in the volatile marketplace. The role of branding is a strategic and valuable asset for organizations that can help them gain lasting advantage in the increasingly competitive environment (Ghodeswar 2008). Successful brands are those who manage to differentiate themselves from competitors and manage to offer something unique (Wong & Merrilees 2008). Apple, Google, and Facebook, lay as the top four of the world’s most valuable brands according to Forbes, where innovation has been one of the vital factors that has driven them towards success (Fastcompany 2017; Forbes 2017).

Brands can no longer consider brand development as something predictable and constant, it is instead necessary to be flexible and adaptable (Gerzema & Lebar 2008). Brands need to incorporate creativity and inspiration in every part of what they do, constantly thinking about the future. The brands who succeed in doing this can become significant parts of people’s lives, not only today but in the long-term (ibid). The link between branding and innovation is seldom considered in existing literature (Abbing 2010), however, the expressed need for ongoing innovation in brands and organizations connects Brand Management to Design Thinking (Gerzema & Lebar 2008). Design Thinking is a human-centered approach to problem-solving and innovation (Carlsgren, Rauth & Elmquist 2016a), and can be used as a tool for brands to evolve and adapt to consumer’s needs (Gerzema & Lebar 2008). Many of the world’s most successful brands have succeeded by generating great ideas from their understanding of consumer’s lives and their use of design methods to innovate and create value for the brand (Brown 2008). Due to this, there has been an increased interest in Design Thinking during recent years which has resulted in a growth of popularity in consulting firms that specialize in the process of design and innovation (Darbellay, Moody, & Lubart 2017).

The rise of digital media has further heightened the attraction to this subject since more organizations are considering to abandon their traditional principles, in search for something creative and innovative to stay relevant and competitive (Darbellay, Moody & Lubart 2017). Design Thinking’s emphasis on
the user is relevant for today’s organizations considering the digital culture that highlights the significance of online interactions and experiences of products and services (Darbellay, Moody, & Lubart 2017). Design’s responsibility is more than solely creating attractive things, it should instead be considered a strong source for competitive advantage (Joziassa 2000).

“...in this dance of branding and innovation, design is the music that bonds the two in a shared understanding and a common goal” (Abbing & van Gessel 2008, 53)

1.2 Problematization

“The road to success is littered with the corpses of thousands of brands that just couldn’t hack it” (Lischer n.d)

Organizations need to understand how to build strong brands and create value for consumers in today's complex marketplace. There has shown to be a lack of innovation in many organizations, which makes it difficult for them to survive. The traditional formulas that have created sales and market shares are no longer significant and are losing traction with consumers (Gerzema & Lebar 2008).

Marketers often attempt to adapt their strategies to an increasingly fragmented market, rather than re-evaluate and rethink them all together, resulting in the loss of consumers. The lag between the change in the market and organizations’ ability to change is a growing problem (Gerzema & Lebar 2008). Gerzema and Lebar (2008) argue that they have seen significant drops in consumer’s awareness, trust, and admiration for brands. Brands have failed at adding intangible value to their enterprises, making them lose overall value for consumers. Today, brands can no longer differentiate themselves by only being better and less expensive, they need to be creative and unique. Real creativity is the key in breaking through the clutter and if a brand fails in pursuing creativity throughout the organization and their actions, their position in the consumers’ memory will fade (ibid).

Traditionally, the approach to Brand Management was shaped like a “waterfall”, where organizations step by step, went through identification, initiation, analysis, design, followed by implementation, during a set timescale (Ehrenberg 2018). The disadvantage with the waterfall approach, is that the organization becomes fixed with their first analysis, which might not be relevant when the outcome is due (ibid). Ehrenberg (2018) argues that this method may have worked earlier, but is not as useful in today’s volatile world. Brands find themselves in a position where they need to re-create themselves and rethink their strategies to obtain the degree of creativity and innovation necessary to create value for a brand (Gerzema & Lebar 2008).

Brand Management is a research area that has been studied for a long time while Design Thinking is a rather new concept which is not discussed as much within the marketing subject. There lacks existing research regarding the connection between the two topics and
therefore, we have found it interesting to relate these two, evaluating existing opportunities to create value by involving Design Thinking in Brand Management.

1.3 Purpose and Research Questions

The purpose of this thesis is to explore how brands can rethink and recreate their Brand Management strategies to succeed in the fast-moving market, and how Design Thinking can contribute to these transformations by creating value* for the brand. We aim at creating a contribution to the field of branding.

The following research questions were developed to guide our research:

- How has the shift in the market affected Brand Management?
- How can Design Thinking contribute to creating value for a brand?

*In this thesis, we define creating value for a brand as the increase of intangible value internally in the organization and therefore for the brand. The term Brand Equity will later be defined and used as an explanation of creating intangible value for a brand, however in our thesis we concentrate on the increase of internal value within the organization, rather than external.
## 2.0 Literature Review

### Chapter introduction

In this chapter, the aim is to give the reader a literature review about Brand Management and Design Thinking, and to provide the reader with previous research and discussions in relation to the topic of the thesis. We will present a literature review of the topics Branding, Brand Management, The Shift in Branding, Innovation, Design Thinking, Participation, and Service Design. Lastly, we will introduce our own theoretical framework, portraying Innovation and Participation’s contribution to a traditional Brand Management model. Each section obtains an introduction presenting why the topic is relevant for our study, as well as a transition to lead the reader towards the next subject, clarifying the connection between them.

### 2.1 Branding

This section aims at giving the reader an in-depth understanding of the field branding. This is important for the purpose of this thesis, to understand what is important within Brand Management in order to obtain a strong brand. Branding is crucial since it helps brands create a personality which induces long-lasting differentiation and establishes customer relationships (Ghodeswar 2008). Strong brands can achieve competitive differentiation which leads to long-term security and growth, higher lasting profits, enhanced asset value, and have the power to affect consumer’s consumption choice (Ghodeswar 2008). The field of branding is therefore highly important in the discourse about creating value for organizations.

#### 2.1.1 Definition of a Brand

A brand can be defined as a differential name and/or symbol, intended to identify products or services and differentiate them from competitors (Ghodeswar 2008). A brand is not only the logo itself, but also includes the values, vision, and organization's culture; how the company treats its’ employees, the environment, and their internal processes (Abbing 2010).

#### 2.1.2 Definition of Brand Management

Brand Management can be defined as the process that aims to control how the brand is perceived, what the brand does, and what the brand says (Temporal 2010). A central focus is on how one’s audience perceives the brand, making sure that it is coherent with what the brand wants to be perceived as. This implies the importance of clearly identifying what the brand stands for, its’ personality, and positioning the brand in a way that differentiates them from competitors (ibid).
Figure 1. Brand Management Model

Figure 1 illustrates our interpretation of a traditional Brand Management model. Brand Management is important to build strong brands with great customer relationships (Temporal 2010). For Brand Management to be possible, a brand strategy is needed. Having a clear strategy creates focus and direction to Brand Management, providing brand managers with a platform to base all brand-related activities around, enabling consistency (ibid). The aim of Brand Management is essentially to increase the value of the brand and according to Temporal (2010), the best way of succeeding as a brand is with a strong Brand Management.

2.1.3 Definition of Brand Equity

Brand Equity is a set of assets and liabilities connected to a brand’s name and symbol, that determines the value of its’ product or services (Aaker 1996). Brand Equity represents intangible and subjective assets such as brand awareness, satisfaction and loyalty, perceived quality, mental associations, and brand identity (Temporal 2010). It creates value for both the organization and consumer, and the Brand Management’s task is to create and strengthen these assets to further increase the Brand Equity (Aaker 1996). Brand Equity is connected to the research question that defines creating value for the brand as the increase of intangible value internally in the organization and therefore for the brand.
It is difficult to measure an absolute number for Brand Equity, however it should be understood that the basis of good Brand Management practice lays in these dimensions (Temporal 2010). Brand awareness is the power of a brand’s existence in a consumer’s mind and how well the brand is known in the market (Aaker 1996). Brand loyalty is the consumer’s loyalty to the brand and can prevent price sensitivity (ibid). Mental associations are the thoughts that consumers have when thinking about a brand, the most important being trust (Temporal 2010). Perceived quality is the consumer’s judgement of the brand’s ability to fulfil their expectation in relative terms to other brands. Lastly, brand identity is the characteristics that determines the brand’s personality, differentiating itself from other brands (ibid). To develop and implement a brand identity is important to build a strong brand and enhance the Brand Equity (Aaker 1996). This means to have core values in which individuals, internally and externally, can clearly define what the brand stands for (ibid). Furthermore, this identity needs to be well communicated and expressed in an effective way (Ghodeswar 2008). For a brand to be strong, the brand identity needs to resonate with the consumer’s needs, be different from competitors, and represent the organization and its’ values, goals, and visions (Ghodeswar 2008).

Ghodeswar’s (2008) description of a successful brand is closely linked to the mentioned dimensions of Brand Equity. He argues that a strong brand should be easily recognizable, apprehended as relevant, and create added value for the consumer that matches the consumer’s needs (ibid). Ehrenberg (2018), defines a successful brand to be when people externally and internally have the same collected idea about what the brand is and stands for (ibid). Abbing (2010) stresses that one of the biggest challenges with Brand Management is to tell a coherent story throughout the brand’s range of products, services, and experiences, that at the same time fulfill the brand promise and feels authentic to the organization.

**Transition**

*Brand Management is necessary for all organizations to obtain a strong identity and market share. Gerzema and Lebar (2008) state that we live in a fast-moving world which has changed marketers and brand managers’ roles. Brands need to be where the consumers are, with relevant content and information (ibid). Consumers are exposed to a significant amount of information and marketing nowadays, implying the difficulty for brands to reach out and establish recognition and attention among consumers (Aaker 1996). Therefore, it is important to understand the changes that have occurred in order to maintain market share (Gerzema & Lebar 2008).*

**2.2 The Shift in Branding**

*This section aims at giving the reader an in-depth understanding of the changes that have occurred within the field of branding during recent years. This is significant to fulfil the purpose of this thesis, to understand how the shift in the market has affected Brand Management. The digitalization and technological shift has changed the relationships between brands and consumers. Kapferer (2012) explains that stakeholders today have an*
immensely increased power. This change has introduced a transformation in Brand Management that is characterized by consumer’s empowerment (ibid). The shift in branding has also led to a higher demand on transparency and a bigger emphasize on digital experiences, participation, and innovation.

2.2.1 Changes in the Market

Technology and digital innovation have put large amounts of data in all stakeholders’ possession, making the pursuit for information and knowledge easier (Gerzema & Lebar 2008). Consumers are no longer passive listeners to the information brands attempt to convey, but are instead driven by curiosity, searching for product information, criticism, and reviews. This has increased the demands that consumers obtain towards organizations and forces brands to be honest, transparent and empathetic (ibid). Digitalization has made it more difficult for organizations to hide information and people expect organizations to be transparent and that the values are connected to the organizational culture (Ehrenberg 2018). This has also increased the importance of building real relationships that emphasizes dialogues, allowing the conversation to be more open between brands and consumers, engaging consumers throughout the entire developing process (Gerzema & Lebar 2008).

One-way communication between marketers and consumers no longer exists due to digitalization, making it important for marketers to be better listeners and attract consumers in new ways (Gerzema & Lebar 2008). Successful brands must constantly be leading, adapting, surprising, innovative, responding and involving their consumers. The consumers’ role in branding has changed and brands therefore need to pursue collaboration instead of persuasion, allowing consumers to be part of the creative process (ibid). Through new technologies and methods, organizations can obtain a deeper insight in consumers lives and experiences, which can generate and inspire new ideas (Brown 2009). Participatory Branding, where the consumers co-create, has become the norm both for the development of new products and experiences. Consumers want to have power in the developing processes of brands where they can customize products and feel engaged in the process (ibid). Since branding is as much an internal as an external concern, it is important that the people within the organization are part of the creation of the brand (Ehrenberg 2018).

Another change is the shifting focus from the products attraction to the consumers’ experience (Tonkinwise 2011). Kolko (2015) argues that organizations should emphasize the user experience and focus on humanizing and simplifying their businesses. It has become vital for brands to create experiences that feel personalized and special for the consumers (Brown 2009). Brown (2009) argues that the best experiences require consumer engagement and participation. The touchpoints need to be created authentically and genuinely, with the core values of the organization as the center of the experience (ibid).
Figure 3. Emotional Capital Model: Adapted from Temporal (2010, 28)

“...brilliant strategies come from deep consumer insight” (Temporal 2010, 19)

Figure 3 illustrates the different characteristics that plays a significant role in strong brands (Temporal 2010). Brands need to capture the hearts of their stakeholders to gain commitment (Aaker 1996), and therefore Emotional Capital is important in today’s market. Traditionally, organizations would create strategies and develop products from what they thought the market would want (Temporal 2010). Temporal (2010) believes that for brands to succeed today, a more human-centered approach with deep consumer insights is necessary, constantly considering the Emotional Capital within the brand, such as the elements in Figure 3. Temporal (2010) argues that it is difficult to create brand strategies through rational means nowadays. Though consumers consider rational elements such as quality and compelling product attributes, the final decision is usually based on emotional elements. Since trust and loyalty are essential for decision making, it is important for organizations to use Emotional Capital within Brand Management (ibid).

Temporal (2010) explains the difference between corporate strategies in the 20th century compared to how strategies are created today. The typical business strategy in the 20th century originated from corporate visions and missions, thereafter developing a business strategy and brand strategy. Temporal (2010) argues that today, successful brands develop a clear brand promise and values for the brand, allowing them to be the basis of the business strategy and all brand-related activities of the organization. This further indicates that the brand identity, including the brand promise and values, are essential and can be considered the foundation of a strong brand (ibid).

2.2.2 Iterative Method

According to Ehrenberg (2018), an agile process of working with brand strategies will become more common, due to the shift in branding. He explains the agile processes departments working parallel with each other, having shorter cycles, quickly testing the prototype, constantly reflecting on the process, considering inputs and adapting from the feedback, and continuously going through these loops (ibid). Ehrenberg (2018) refers to this
as agile methodology, however we consider the agile methodology to be similar to the iterative method, which is more frequently mentioned in literature and discourses about Design Thinking. Therefore, we will use iterative methods as a synonym to agile processes in our study. An iterative method implies “working in a series of repeating, deepening, explorative loops” (Stickdorn et al. 2018, 20). This allows for shorter cycles, early feedback, quick prototyping and trial-and-error (ibid).

Figure 4. Iterative Method. (Brandwork, n.d)

Figure 4 shows the iterative method which Brandwork use when working with different branding projects (Ehrenberg 2018). The figure illustrates how they work parallel with other departments simultaneously, working constantly in loops of repeating, deepening, and exploring, to improve the prototypes from consumer insights that are obtained along the way. A challenge with working iteratively is that there is a lot to consider simultaneously. It is however useful for today’s fast-moving market since it encourages trial-and-error, rather than working on a strategy for a long time that might not be valid anymore (ibid). Ehrenberg (2018) suggests an iterative method to be used in Brand Management since it increases efficiency by receiving feedback quickly and adapting to the rapidly changing market.

“Tradition Business Models and strategies marketers have used for generations no longer work” (Gerzema & Lebar 2008, 2)

2.2.3 Transformation Framework

Gerzema and Lebar (2008) believe that organizations need to rethink their Brand Management strategies to be able to create a strong brand in today’s fast-moving market. They introduced a Transformation Framework, shown in Figure 5, that could be implemented to strengthen brands (ibid).
Step one in the framework involves understanding the brand’s current strengths and weaknesses, and how well the Brand Management is adjusted to the dynamics of the marketplace (Gerzema & Lebar 2008). Step two involves identifying what the brand’s energy core is. This urges for collective brand thinking and the process of becoming more consumer-driven. The third step involves creating an energized value chain which means to work with implementing the fuel from the core values to drive the brand forward, constantly searching for new sources of vision, invention, and dynamism. Step four involves becoming an energy driven brand by using the defining characteristics of the brand that exceed customer expectations to drive the brand forward. Lastly, the final step emphasized the importance to actively listen to one’s audience and refresh the brand meaning. Brands must be in a constant state of renewal to survive (ibid).

Transition

"Brand Management can be considered important for an organization to create value and differentiate from competitors, thereby maintaining competitive advantage. The shift in branding has demanded a change in how organizations operate. It is necessary to work with something unique and meaningful in which brands can capture their audience. Brand managers need to broaden their perspectives and constantly adapt, surprise, innovate, involve and respond to their consumers to build and maintain strong brands (Gerzema & Lebar 2008)."
2.3 Branding and Innovation

This section aims at illustrating the connection between branding and innovation and why it is important to implement innovation into Brand Management strategies. This topic is relevant to fulfill the purpose of this thesis by understanding how the shift in the market has affected Brand Management and how brands can respond to this. Innovation can create value internally and externally through development of new offerings, processes, or by satisfying consumers’ needs (Abbing 2010). Abbing (2010) argues that brand communication can only promise a value and that innovation is required to deliver it.

2.3.1 Definition of Innovation

Abbing (2010) defines innovation as the creation of new offerings that creates value, are meaningful, and original. This can apply to anything from services, processes, business models, and products, and does not necessarily require technology. It can be something smaller, and often regards processes and new ways of operating (ibid).

2.3.2 Brand-Driven Innovation

“As the nature of innovation shifts from the application of new technology to the delivery of meaning and value, brand and design become critical resources, as well as partners, in the development of market-leading products and services”

(Abbing & van Gessel 2008, 51)

Today’s market requires brands to develop a completely new approach, managing the brand as a moving target (Gerzema & Lebar 2008). Innovation is one of the most important sources of competitive advantage today (Abbing 2010). Organizations constantly need to innovate and develop new products and services to respond to this shift in user-needs and demands. Innovation can create value through development of new technology, by satisfying earlier unfulfilled consumer needs, through differentiation from other competitors or through improvement of internal processes (ibid). Abbing (2010) emphasizes that an innovative brand aims to inspire and challenge the people involved to create something meaningful. Ehrenberg (2018) argues that to adjust to consumers constantly changing requirements and needs, it is important to have innovation within the organization.

Brand-driven innovation emphasizes how branding and innovation are connected, and establishes a method, using Design Thinking, to create a synergy between them (Abbing 2010). The connection between innovation and Brand Management is that both focus on creating value and how the value can be beneficial. To encourage innovation, failing and learning is important which Design Thinking’s iterative method emphasizes (ibid). Abbing (2010) stresses that a brand can be understood as a promise to deliver satisfaction and quality to the consumers. This promise is meaningful to the consumers only if the values relate to the
consumers’ needs. Furthermore, innovation is needed to fulfill this promise and to make the
brand meaningful (ibid).

Innovation requires an organization that is willing to change and a culture of shared values,
beliefs, ambitions, and visions (Abbing 2010). For a brand to be innovative, the innovation
process needs to be understood and performed by everyone involved and not only be focused
to the marketing department. Instead, all team members should participate in generating new
ideas (ibid). Learning within the organization will lead to gaining new knowledge, skills, and
insights, that will make organizations better at what they do and lead to the development of
new areas of excellence (Abbing & van Gessel 2008). When humans are involved in tasks
they find challenging and interesting, they reach a state of mind where creative thinking,
happiness, and productivity, start to increase, which can create meaning for both consumers
and employees (Gerzema & Lebar 2008).

2.3.3 Reflections on Innovation

Innovation has earlier been viewed as something risky (Abbing 2010). The current opinion of
innovation, on the other hand, is about creating value, creativity, entrepreneurship, and a
vision. It is something that is part of the whole organizational culture, and even though
innovation can still be seen as something difficult and risky, it is also many times seen as
something enjoyable (ibid).

There are several challenges with being an innovative organization. Often, innovation
becomes a reactive response to the constantly changing world, instead of a proactive
exploration of opportunities to create value (Abbing 2010). It is a challenge to find a balance
between responding to the daily challenges and concerns that organizations face, and at the
same time focus on innovation (Brown 2009). This is because organizations are usually busy
with daily operations and to stay in phase with the market (Abbing 2010).

Another challenge with innovation is that it might be difficult to drive changes within
organizations, both when it comes to branding strategies, identities, or innovation. Ehrenberg
(2018) argues that innovation indeed is important for brands, however, the brand needs to
have an innovative approach that is coherent with the brand identity (ibid).

Transition

_Innovation is considered as one of the most important sources to competitive advantage for brands_ (Abbing 2010). _There are great opportunities in how Design Thinking can help connect branding, creativity, and innovation, to create value. Design Thinking’s human-centered approach can support innovation by its’ ability to generate growth and create attractive, user-friendly innovation by using consumer insights. It can be difficult for organizations to begin working in an innovative way, however Design Thinking is a method that integrates creativity with business, and can be used to increase innovation_ (ibid).
2.4 Design Thinking

In this section, the aim is to illustrate the methodology of Design Thinking to provide a clearer understanding of the subject, and is significant for answering one of the research questions of this thesis, how Design Thinking can contribute to creating value for a brand. Abbing (2010; 52) describes Design Thinking as the "oil in the brand-innovation symbiosis", helping brands create meaningful innovations and making the innovations more infused into the brand. Design Thinking aims at solving problems and creating meaningful interactions and value for the users (Kimbell 2011).

2.4.1 Definition of Design Thinking

Design Thinking can be described as a human-centered approach to innovation, where the method is based on a Designer’s work and mindset (Carlgren, Rauth, & Elmquist 2016a). The central focus is to understand and observe consumer needs, and to convert this knowledge into customer values and market opportunities for businesses (Brown 2008).

Brown (2008) argues that Design Thinking has a lot to offer the business world. There are changes in organizations today, where Design takes on a more strategic role in organizations to enhance flexibility, and can manage the problems of today's complex world (Kolko 2015).

Brown (2008) argues that Design Thinking has a lot to offer the business world. There are changes in organizations today, where Design takes on a more strategic role in organizations to enhance flexibility, and can manage the problems of today's complex world (Kolko 2015).

Figure 6. The Design Thinking Process: Adapted from Gibbons (2016)

Figure 6 illustrates The Design Thinking Process. Design Thinking starts with an insight or a problem that should be solved, and the iterative method is the core for generating a solution (Abbing 2010). Using an iterative method such as the one above, often creates a new understanding of the problem which can evolve into creative solutions and new opportunities. This iterative way of thinking that is used in Design Thinking, enables organizations to faster visualize and try out strategies, and could be a valuable supplement to the more traditional strategic business manner (ibid). Another important aspect of Design Thinking, is that it assists with redefining and revising different solutions by emphasizing participation and involving all stakeholders in the reflection process (Plattner, Meinel, & Leifer 2011). One of the main aims of Design Thinking is to break down silos and help individuals co-create and collaborate with each other (Stickdorn et al. 2018). Silos is a word that often is used in design
management to describe the incapacity to work in an integrated way, and design can help to connect silos (Abbing 2010).

Empathy is emphasized as one of the most important differences between academic thinking and Design Thinking (Brown 2009). The consumer insights are obtained by building empathy with consumers and observing behaviors to understand real desires and needs (Kolko 2015). Design Thinking aims to translate the observations and consumer insights to relevant understanding and put these insights into products and services that improve people's lives and give meaning to them (Brown 2009). This can further lead to long term profitability and growth (ibid). The increased popularity of having a human-centered approach is because consumer’s expectations are evolving. Organizations can respond to this higher demand by obtaining a better understanding of consumers’ needs (Stephens & Boland 2015). Visiting the site or situation where the problem occurs and engaging with those experiencing the problem can help build empathy and a better understanding (ibid). Design Thinking can therefore create meaningful experiences that encourage participation and co-creation (Brown 2009).

2.4.2 Participation

Participatory Design is connected to Design Thinking and is an area concerned with democratizing the workplace (Bjögvinsson, Ehn, & Gillgren 2012). Participation and joint decision-making is important internally for organizations and for the introduction of new ideas. One can describe the values of Participatory Design as democracy, which enables user participation and employee participation, and comprehending the importance of participant’s tacit knowledge as a part of the design process instead of only the formal and explicit competencies (ibid). In this thesis, Participatory Design is referred to as participation and implies an internal process emphasizing the importance of allowing the workplace to be a democratic environment where everyone can participate.

2.4.3 Implementing Design Thinking

To make Design Thinking an effective approach within an organization some aspects should be considered, such as expectations, how cross-functional teams are created, how performance is measured and evaluated, and how the approach matches with the organizations current development work (Carlgren, Rauth & Elmquist, 2016b). Another important aspect of implementing Design Thinking is to foster a culture and environment where people can feel secure to experiment, take risks, and fully explore their own capacities (Brown 2009).

Design Thinking creates opportunities to integrate the organization by connecting different disciplines and work in more cross-functional teams (Abbing 2010). Even if departments such as marketing, communication, branding, and product development are becoming more connected, many organizations still work in silos (ibid). In Design Thinking it is more common to work in cross-functional teams where the same processes and space is used for the different disciplines (Brown 2009). Design Thinking aims at releasing people’s creativity, and
argues that when a team of optimistic, talented, and collaborative Design Thinkers cooperate, it can lead to innovative and unexpected actions (Brown 2009). Design Thinking is about bringing people together from different silos to collaborate with each other (Stickdorn et al. 2018). Participation enables democracy and user participation within the organization which emphasizes the importance of participant’s tacit knowledge as a part of the design process instead of only the formal and explicit competencies (Björgvinsson, Ehn, & Gillgren 2012).

2.4.4 Reflections on Design Thinking

One critique towards Design Thinking is that there is a lack of consideration about how to implement Design Thinking into organizations (Stephens & Boland 2015). Organizations may find it difficult to adopt the Design Thinking method because the existing organizational structure does not encourage innovation or taking risks (Carlgren, Rauth & Elmquist 2016b). Since the decision level would change to a team level instead of a management level, existing power dynamics within organizations can also be threatened. Another challenge with implementing Design Thinking could be lack of resources, that it might be difficult to find time for an iterative learning process or the extra tasks that Design Thinking could imply (ibid).

Buchanan (2015) argues that Design Thinking is quite vaguely defined in the discourse about design and innovation. This ambiguity can be a consequence of that it is a relatively new concept that has different meanings, which makes it difficult to vocalize exactly what Design Thinking is or means (Kimbell 2011). Even though the term Design Thinking has become more promoted as an approach to create innovation during recent years, there is still little evidence of successful impact (Carlgren, Rauth, & Elmquist 2016b). One challenge with Design Thinking is the difficulties with measuring and evaluating the contribution and outcome of using it. This is something that may hinder industries to change their processes into a Design Thinking methodology (ibid).

Transition

Brown (2008) argues that there is a greater demand on being innovative today, and emphasizes that Design Thinking with its’ human-centered, iterative, and practical approach for problem-solving, can be a useful method to solve today’s complex problems (ibid). Some organizations have therefore found it beneficial to hire consultants in order to implement these methods. The four organizations that have been used in this research have hired consultants from Service Design companies to implement Design Thinking and improve the digital experiences.
2.5 Service Design

This section aims to provide the reader with an understanding of what Service Design is to clarify the context of the empirical results.

2.5.1 Definition of Service Design

Service Design is a practice that aims at creating a holistic service for the user by implementing Design Thinking to develop services (Stickdorn & Schneider 2017). Service Design is a concept that often comes up in the Design Thinking discourse and can be considered as a human-centered, creative, and iterative method to service innovation (Sangiorgi & Prendiville 2017). It is often considered a process which is driven by a design mindset, aiming at finding “elegant and innovative solutions through iterative cycles of research and development” (Stickdorn et al. 2018, 21).

A fundamental dimension of Service Design is the collaborative attribute, building on participation (Sangiorgio & Prendiville 2017). This implies the importance of dual dimensions of understanding and engaging consumers to be part of the design process, to create improved service experiences. The human-centered approach implies the ability to investigate and understand consumers’ experiences, interactions, and practices, using these as the main source to inventing and redesigning services (ibid).
2.6 Revised Brand Management Model

From the theoretical evidence discussed above, we believe that traditional Brand Management models are no longer as efficient due to the shift in branding. We therefore argue for a revived model, shown in Figure 7 below:

Figure 7. Revised Brand Management Model

Figure 7 illustrates the addition of innovation and participation into Brand Management. From the literature review we could see that the changes in branding has led to higher demands on brands to be more fast-moving, innovative, and inclusive, to satisfy the consumers’ needs and increased demands. It has also been seen that brand identity is the foundation for strong brands. Our Framework Revised Brand Management is a response to these changes. We argue that participation and innovation are important within Brand Management to build strong, competitive brands in today’s market.

Chapter Conclusion

*From the theoretical evidence collected in our literature review, a deeper understanding of our topics is obtained. It can be concluded that the theoretical evidence indicates that Brand Management needs to be updated, and that Design Thinking could be a method to implement innovation and participation into the organization as part of Brand Management. The literature review was concluded with our own framework, Revised Brand Management framework which will be used in the analysis and discussion.*
3.0 Research Methodology

Chapter Introduction

In this chapter, the aim is to present the methodological approach, research design, data collection techniques, processing and analysis method and ethical considerations. This is for the reader to understand the entire process of the research. In qualitative research, the aim is usually to understand and interpret a phenomenon. It is important to constantly be reflective in the entire research process. Therefore, the last section of the methodology chapter will discuss reflections and criticism to obtain an authentic and transparent review of the entire research process.

3.1 Methodological Approach

The research process of our study began through curiosity. We spoke to three prominent lecturers within the fields of Marketing and Design Thinking to obtain an understanding of how these can be connected and researched. We then went on to bury ourselves in theoretical information and articles within the field, gathering as much knowledge about the subjects as possible. We also interviewed a person who has several years of experience working with branding and Design Thinking, and who has started a consulting firm called Brandwork that uses iterative methods while combining branding with Design Thinking. From the literature review gathered, we formulated a semi-structured interview and began contacting organizations relevant to our topic for our qualitative research. By analyzing the empirical evidence while reflecting on the literature review, we came to a conclusion. Therefore, it can be considered that the study’s relationship between theory and research indicates an inductive research approach with some influences from an abductive approach, considering the background knowledge prior to the empirical research (Patel & Davidson 2011). An inductive approach means an explorative approach, where a research object is explored without being connected to previous established theory. The researcher then formulates a theory from the empirical evidence (ibid). A limitation of using an inductive research approach is that there is no empirical data collected prior to the research which makes it difficult to analyze (Bryman & Bell 2015). Therefore, we decided to use influences of an abductive approach. An abductive approach is characterized as when the researcher shifts between empirical and theoretical evidence, formulating a hypothetical pattern by investigating a case and trying it on new cases (Patel & Davidson 2011). The approach is a combination of an inductive and deductive approach. The advantage with using an abductive approach is that the researcher does not become locked to an idea and that the research can obtain prior knowledge about a topic before gathering empirical evidence (ibid).
3.2 Research Design

We have used a qualitative research method. This method suits our purpose and research questions when analyzing Brand Management and Design Thinking from an organization’s perspective. Qualitative research methods are often used to obtain a different or deeper understanding and knowledge about a fragmented knowledge that exists (Patel & Davidson 2011). The explorative approach in qualitative research was ideal for our study to obtain a deeper and comprehensive understanding of our chosen topics.

3.3 Data Collection Techniques

For our research, we found it important to obtain both primary and secondary sources of data to obtain a holistic view of the topic. Primary data was collected using a qualitative research method that aimed at examining the research questions of this study. The secondary data used in this thesis consists of literature, scientific articles, and theories, suitable for our research topic. Describing how our data was collected enables the reader to understand the process of our data collection.

3.3.1 Background Interview

To gain a deeper understanding of Brand Management and Design Thinking and how they can be practiced, we talked to practitioner and expert within branding, design methods, and iterative methods, Viktor Ehrenberg. He is the co-founder and creative director of the Gothenburg based branding consultancy Brandwork, who uses iterative work methods instead of traditional Brand Management methods. His expertise about both branding and Design Thinking was relevant for us and was used in our literature review.

3.3.2 Literature

The research began with a literature review of the subjects in question to obtain a theoretical basis of our topics, and to obtain knowledge about what has been researched in this field already. Literature was gathered via The University of Gothenburg’s library as well as through different search portals such as Google Scholar. Further, we have also used relevant books about the subjects. When searching for relevant literature and articles we used keywords such as Branding, Brand Management, Innovation, Design Thinking and Service Design.

3.3.3 Qualitative Interviews

We decided to use qualitative interviews to obtain empirical data about our research topic. The aim of qualitative interviews is to gain as rich and detailed responses as possible, to obtain a better understanding of a phenomenon (Bryman & Bell 2015). To grasp how brands can gain value using Design Thinking, this method was the most suited. In our research, four
interviews were conducted with five people who have experience within the field of branding and/or Design Thinking. In qualitative interviews there lies an emphasis on the interviewees’ own perspective. It is often encouraged for the informants to develop ideas freely (ibid).

We used a semi-structured interview for our research which is a type of qualitative interview that leaves room for adaption. A semi-structured interview is when the researcher beforehand develops an outline of topics, issues, themes, and open-ended questions, that the researcher later has the possibility to moderate and change throughout the interviews (Eriksson & Kovalainen 2015). We created a list of questions as guidelines for the interview. By using a semi-structured method, we could change the questions, ask new questions, and leave out some questions if this fitted the interview situation. If we felt that the respondent had already touched on a question in a previous answer, we chose to leave it out to obtain a natural discussion. Therefore, qualitative interviewing is a flexible method to use (Bryman & Bell 2015). The outline for the interviews was created by considering what information we wanted to receive. We started off with a section for the interviewees’ background to grasp an understanding of the informant’s experience and fields they have worked in. The following section of the interview was about Brand Management and what defines a strong brand. Furthermore, we went on to ask about the shift in the environment for Brand Management and how this has affected their strategy as well as how they work with innovation. Lastly, we had a group of questions about their work with Service Design companies and how Design Thinking has assisted them in their work and in their organization (See Appendix 10.1 for English Interview Outline, 10.2 for Swedish Interview Outline).

We were both present during the interviews. This can be argued to enhance the interview since it creates a more informal atmosphere (Bryman & Bell 2015). Another advantage of both being present during the interviews was that we were both able to adjust and ask new questions that were not part of the interview guide (ibid). The interviews lasted for approximately 40 to 60 minutes and were conducted by telephone, video Skype, or face-to-face, depending on convenience. The interviews were conducted in Swedish to make the interview as authentic and comfortable as possible for the informants. The interviews were sound recorded for several reasons. It can be difficult for interviewers to remember or note down everything that is of importance during a 40-60 minute interview, especially when wanting to be alert and present in the interview (Bryman & Bell 2015). Therefore, it was convenient and useful for us to make a sound recording, simplifying the analysis process later. Making recordings also allows intonations, hesitations, and expressions to be saved and later be used in the analysis (Bryman & Bell 2015).

3.3.4 Sampling

For our qualitative interviews, convenience sampling was the main method used for recruiting informants. Convenience sampling is a type of non-probability sampling where the participants are chosen since they are a convenient source of data that is accessible at the time (Bryman & Bell 2015).
Since the research topic focuses on two areas, branding and Design Thinking, our sample of informants consisted of employees at organizations who had been associated with Service Design companies. Ideally, we attempted to interview two people per organization, one who works with branding and one who works with Service Design and innovation, alternatively someone who had experience with both subjects. For the empirical data gathering, five people were interviewed. When the interviews could not be conducted face-to-face due to geographical obstacles, we conducted the interviews via Skype or telephone. By analyzing the changes that these organizations have experienced as a result of their cooperation with Service Design companies, we believed that we would find key features of success in creating value for a brand connected to Design Thinking. In Table 1, information about the organizations and employees who were used in the empirical data analysis is presented.

<table>
<thead>
<tr>
<th>Organization</th>
<th>Respondent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telia</td>
<td>Anne-Gro Gulla</td>
</tr>
<tr>
<td></td>
<td>Chief Marketing Officer</td>
</tr>
<tr>
<td></td>
<td>Interview conducted: 18-04-12</td>
</tr>
<tr>
<td></td>
<td>Skype Interview</td>
</tr>
<tr>
<td></td>
<td>Referred to as “Anne-Gro, Telia”</td>
</tr>
<tr>
<td>Kristofer Öberg</td>
<td>Digital Strategy Director/ Service Designer</td>
</tr>
<tr>
<td></td>
<td>Interview conducted: 18-04-12</td>
</tr>
<tr>
<td></td>
<td>Skype Interview</td>
</tr>
<tr>
<td></td>
<td>Referred to as “Kristofer, Telia”</td>
</tr>
<tr>
<td>SEB</td>
<td>Ulrica Matsers</td>
</tr>
<tr>
<td></td>
<td>Head of Group brand and Strategic Marketing</td>
</tr>
<tr>
<td></td>
<td>Interview conducted: 18-04-26</td>
</tr>
<tr>
<td></td>
<td>Telephone Interview</td>
</tr>
<tr>
<td></td>
<td>Referred to as “Ulrica, SEB”</td>
</tr>
<tr>
<td>Scandic Hotels</td>
<td>Johan Åhlén</td>
</tr>
<tr>
<td></td>
<td>Brand Director</td>
</tr>
<tr>
<td></td>
<td>Interview conducted: 18-04-23</td>
</tr>
<tr>
<td></td>
<td>Telephone Interview</td>
</tr>
<tr>
<td></td>
<td>Referred to as “Johan, Scandic”</td>
</tr>
<tr>
<td>Västrafik</td>
<td>Annelie</td>
</tr>
<tr>
<td></td>
<td>Service Designer &amp; UX Designer</td>
</tr>
<tr>
<td></td>
<td>Interview conducted: 18-04-20</td>
</tr>
<tr>
<td></td>
<td>Face-to-face Interview</td>
</tr>
<tr>
<td></td>
<td>Referred to as “Annelie, Västrafik”</td>
</tr>
</tbody>
</table>

Table 1. Descriptions of the Organizations and Respondents of the Study.

3.4 Processing & Analysis Method

Since qualitative interviews were used as our empirical data collection technique, the step following the data collection included transcribing the interviews. This was done directly after each interview. Completing the transcription as close as possible to the interview allowed thoughts obtained throughout the interview to be freshly in mind when transcribing (Patel & Davidsson 2011). Another advantage of completing the transcription directly after the interviews was that it raised awareness of interesting themes and considerations to use in the later interviews (ibid). Therefore, it was important for us to use an on-going analysis method.
throughout the data collection process, constantly making and noting down reflections and findings. The advantage of using this method is that it can generate ideas about how to go forward in our data collection and analysis (Patel & Davidsson 2011). For the secondary data collection, the processing stage consisted of intensely revising what was relevant for our research topic as well as critically considering possible bias to decrease the risk of a bias conclusion.

Though we used an on-going analysis method, the step following processing the data was analyzing in depth. The aim of qualitative content analysis is to describe and interpret the data that has been gathered (Eriksson & Kovalainen 2015). We have chosen to use a mix of categorization and interpretation as our analysis method to provide a holistic interpretation of the empirical data. First, we focused on recurring phrases or themes that were seen in a majority of the interviews. This was done during the interviews, directly after the interviews, and later when we focused on analyzing the empirical data. Throughout the transcription, we made annotations and marks indicating what we found to be the most interesting and relevant. This was done to help find the most significant phrases and topics of the interviews (Bryman & Bell 2015). When analyzing specific phrases or themes it can easily be that one focuses on specific content creating a rather static conception of the data (Eriksson & Kovalainen 2015). This is important to keep in mind and allow room for other perspectives (ibid). Thus, we chose to also use interpretation as a method for our content analysis. Interpretation aims at understanding the relationship between different concepts. When interpreting data, it is important to use the research questions to guide the analysis which we did (ibid). The aim of the analysis was to connect the empirical findings with the theoretical background to create a holistic comprehension of our findings.

3.5 Ethical Considerations

Since the research method included interviewing participants, ethical considerations were crucial to prioritize in our research. Voluntary participation is an important aspect in research ethics, and the participants should be informed that they are able to withdraw from the study at any time (Eriksson & Kovalainen 2015). We made certain to inform the participants about this prior to our interviews. Furthermore, informed consent is important in conducting ethical research as well, which implies providing the participant with information about the research purpose, aim, method, and what the empirical evidence will be used for (Eriksson & Kovalainen 2015). The informed consent should also include informing the participants that any further questions by them will be answered and that if they desire, they will receive a final version of the thesis (ibid). This was made clear in all the interviews we conducted and made our research transparent towards the participants. Professional integrity is also important when conducting qualitative analysis. This implies reporting all logic in the analysis process, clearly describing all procedures and processes so that the reader easily can understand how the analysis was pursued (Eriksson & Kovalainen 2015). It was very important for us to be transparent throughout our entire research. A verbal consent was conducted in the beginning of the interview assuring that it would be fine for the participants that we recorded the interview. Anonymity and confidentiality is also vital in ethical
qualitative research. Personal information should be kept confidential if the participant desires (Eriksson & Kovalainen 2015). We therefore asked all the participants in the beginning of the interview if they wished to be anonymous. All the informants found it okay to have first and last name in the thesis except for one respondent who wished to only have their first name. This can be seen in Table 1.

3.6 Methodological Criticism

A central topic which has been criticized in qualitative research is the writer’s presence in the research implying a degree of subjectivity (Eriksson & Kovalainen 2015). It therefore needs to be considered that our interpretation of the data collected could be biased and influenced by our subjective opinions. When evaluating the quality of research in social sciences, it is common to consider reliability, validity, and generalization (ibid).

3.6.1 Reliability

Reliability can be defined as the extent to which a measure or procedure illustrates the same result on repeated trials (Eriksson & Kovalainen 2015). Therefore, one can consider reliability as the degree of consistency in the research (ibid). Since qualitative research is subjective, it has been debated if reliability is a possible way of measuring the quality of a qualitative research (Patel & Davidsson 2011). It can however be concluded that the results from our study appeared to be consistent, since the informants were united about the majority of their opinions, implying a high degree of reliability in the context of qualitative research.

3.6.2 Validity

Validity refers to the extent of which the conclusion of the research gives an accurate description of the data collected and findings of the study, and can be proven by the evidence in the research (Eriksson & Kovalainen 2015). In the case of qualitative methods, validity is not related solely to the actual data collection stage (Patel & Davidsson 2011). Instead, it is important that validity is considered in all parts of the research process. This can be expressed in how the researchers are able to apply and use their pre-understanding throughout the entire research process. Regarding the data collection itself, validity is linked to whether the researcher succeeds in obtaining a basis for making a credible interpretation of the informant’s perspective. A good qualitative analysis is defined by a good underlying logic where different components are related to a meaningful and holistic understanding (ibid). In our research, we made it a priority to clearly present the reader with the entire research process to obtain a high degree of transparency and credibility, furthermore increasing the validity. We also attempted to be as critical as possible to increase the validity of our findings.

In qualitative research, it is common to use methods such as triangulation to further establish validity (Eriksson & Kovalainen 2015). Triangulation means to obtain multiple perspectives
for the data collection, to clarify if the results are reliable and valid (ibid). In our research, we used different data collection methods such as reviewing literature and interviewing a brand consultant for our theoretical evidence, and interviewing multiple individuals with different work experiences for our empirical data. This indicates that we used triangulation of data, using evidence from multiple empirical sources. We also used triangulation of researchers since we were two researchers that investigated the empirical evidence and cross-checked each other’s interpretations (Eriksson & Kovalainen 2015). This increases the studies reliability.

3.6.3 Generalization

Generalization refers to the extent of which the findings of a study can be extended to a wider context (Eriksson & Kovalainen 2015). Within qualitative research, this means a well-argued selection of research cases or individuals that can be used as a representative sample (ibid). The sample method used in our research was a non-probability sampling in the form of convenience sampling. This type of sampling strategy has been criticized for not being significantly generalizable (Bryman & Bell 2015). We have studied a variety of organizations in Sweden within different industries that all have experience with Service Design companies. This means that our research can only be generalized to Swedish organizations that have this type of competence within the organization.

3.6.4 Reflections

Throughout the entire data collection process, we have attempted to be as critical as possible regarding the sources of information. Advantages of using secondary data is that it can be time-saving and can give alternative perspectives. Analysis of secondary data can often lead to new interpretations and perspectives within the subject. Restrictions that may arise when using secondary data is that the study relies on someone else’s data collection which implies that as researchers we must trust someone else’s study (Bryman & Bell 2015). It can also be that the articles are written in a different market or country which could create a misleading idea of how it is generalizable to our study conducted in Sweden. It is also important to understand when reviewing literature that the interpretation of the secondary data and the analysis is subjective to us which creates bias. We attempted to review the literature available about the topics as critically as possible, making notations about everything that may be of relevance to us, allowing us to also go back in our earlier notes to see if we have missed anything important. We were also critical of the sources where we found the secondary data, making sure that they were as reliable as possible.

In the research, we obtained primary sources of data through qualitative interviews with people who have experience in Brand Management and/or Design Thinking. The organizations in our study were chosen because of their collaboration with Service Design companies. The sample involved organizations from different industries such as telecommunication, the financial sector, hotel and hospitality, and public transportation.
We found it positive to obtain perspectives within different industries, however it was important for us to consider how this would have affected our results. One brand for example, is partly owned by the state and is a communal transportation organization. It was important for us to reflect on how this might affect their work with Brand Management since they do not experience competition in the same way as the other organizations we analyzed do. We did not find this to be a limitation for our analysis since we observed branding from an organization’s perspective and how Design Thinking can create an internal value within the organization. We came to the realization that Brand Management is about customer relationships, trust and value-creation, both for a private or public organization, even if the strategies and contexts may differ.

The number of interviews and informants was chosen due to the resources and time available for the study. Since qualitative interviews are time consuming we found that it was enough to conduct four interviews with five respondents. One of the interviews for the empirical data collection was conducted in person which allowed for an open dialogue and thorough, well developed answers. This was one of the longest interviews and allowed for an easier analysis since we could see face expressions, gestures, etc. Two of the interviews were conducted on the telephone which disabled us to analyze annotations and expressions in the same way as a face-to-face interview. It could also be considered that face-to-face interviews are more comfortable and easier for the informant to develop ideas. One interview was conducted via a video call on Skype which enabled the ability to see each other even though the interview was not conducted in person. We found that it was beneficial to see the informant during the interview. Ideally, all the interviews would have been conducted face-to-face to obtain the same saturation and development of discussion. Had we conducted the study again with more resources, this would be a priority. It was also considered that the Skype interview was conducted with two informants, which could have affected their answers. We found that they felt comfortable speaking freely and that they complemented each other’s knowledge in a beneficial way and it allowed us to receive both perspectives for our research and therefore did not impact our results negatively. The informants had the opportunity to view the outline questions for our interview beforehand, which we found enriched the discussions with the informants since they had more time to consider and reflect.

It is important to consider the possible bias of the informants since they currently work at the organizations and most likely have a positive view of their methods and organization. Obtaining qualitative interviews creates subjective data which needs to be considered. If we had the opportunity to conduct the study again, we would attempt to interview respondents who are sceptical towards Design Thinking since everyone in our study saw positively towards the method. It would also have been beneficial to obtain the perspective from those who work at organizations who do not use these methods. This would benefit the research by giving other perspectives. We also had in mind that not all our informants had complete knowledge about both branding and Design Thinking. They had different experiences and knowledge prior to the interviews which could have affected their answers. There is also a risk that they answered questions without certainty and this was also kept in mind when analyzing the data later. Ideally, we would have conducted an interview with both
departments, one with the expertise in Design Thinking and one with expertise in branding, to obtain a holistic perspective from each organization.

Qualitative research methods that include qualitative interviews involve the stage of transcription (Patel & Davidsson 2011). In this process, it can occur that the researcher has a conscious or unconscious influence on the transcription, creating a slight bias. This is because spoken language and written language are not the same thing. Spoken language allows for intonations, hesitations, and expressions, which is not easily transferred to written language. It can therefore occur that the transcription can be altered (ibid), which was important for us to consider during the data processing. We noticed that the intonations and hesitations did not give our analysis any further clarification, and therefore did not become significant for our research.

Another reflection that was made during the data processing was how the change in language could have affected our results. The interviews were conducted in Swedish to make sure that the informants were as comfortable as possible to speak freely and develop thoughts. We felt as if the interview would not have been as fluent and natural if it had been conducted in English. This however, implied that we needed to be cautious in the translation momentum, and consider the possible alterations and misconceptions that could have occurred during the translation. It is important to be critical during the data processing stage to decrease the risk for bias and influence on the results. We found that the translations were done in a way that did not decrease the authenticity of the data.
4.0 Empirical Evidence and Analysis

Chapter Introduction

In this chapter, the aim is to present the results obtained from the qualitative interviews. This primary empirical research was gathered to acquire different perspectives from professionals working with branding and Design Thinking as well as simplify the application of this thesis into practical use for organizations. By synthesizing the empirical material that we gathered in our four interviews, we defined tendencies that are presented in Table 2 below. Furthermore, we will explain these tendencies using citations and summaries of trends discussed throughout all interviews. These findings are combined and analyzed with the theoretical evidence, to gather a holistic and deeper understanding of our topic. Furthermore, this will help us to fulfill the purpose of this thesis, exploring how brands can recreate their Brand Management strategies to succeed in the fast-moving market, and how Design Thinking can contribute to these transformations by creating value for the brand.

4.1 Results Table

<table>
<thead>
<tr>
<th>Topic</th>
<th>Tendencies</th>
<th>Implications</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Branding</strong></td>
<td>• Brand Identity</td>
<td>• It is important to have clear core values and brand promise that permeates the organization’s culture</td>
</tr>
<tr>
<td></td>
<td>• Brand Awareness</td>
<td>• Coherent communication externally and internally that is built on the brand identity is important</td>
</tr>
<tr>
<td></td>
<td>• Brand Culture</td>
<td>• Brand management is not limited to the branding or marketing department. It is an internal concern that is affected by all activities of the brand</td>
</tr>
<tr>
<td></td>
<td>• Competitive Advantage</td>
<td>• It is important to implement an innovative mindset that encourages creativity within the organizational culture</td>
</tr>
<tr>
<td><strong>Shift in Branding</strong></td>
<td>• Digitalization</td>
<td>• Important to improve digital experiences and integrate emotional value to build customer relationships</td>
</tr>
<tr>
<td></td>
<td>• Technological Advances</td>
<td>• It is necessary to be authentic and genuine through all brand-related activities</td>
</tr>
<tr>
<td></td>
<td>• Transparency</td>
<td>• Organizations need to be more fast-moving, flexible and open to change</td>
</tr>
<tr>
<td></td>
<td>• Consumer Expectations</td>
<td></td>
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<tr>
<td></td>
<td>• Customer Experiences</td>
<td></td>
</tr>
<tr>
<td><strong>Innovation</strong></td>
<td>• Competitive Advantage</td>
<td>• It is important to use consumer insights to develop meaningful products, services and experiences</td>
</tr>
<tr>
<td></td>
<td>• Innovation Labs</td>
<td>• It could be beneficial for organizations to implement iterative methods, working in repeating, deepening, explorative loops with shorter cycles and early feedback</td>
</tr>
<tr>
<td></td>
<td>• Value Creation</td>
<td>• Cross-functional teams could be a way to encourage development of ideas</td>
</tr>
<tr>
<td></td>
<td>• Human-Centered Approach</td>
<td></td>
</tr>
<tr>
<td><strong>Design Thinking</strong></td>
<td>• Iterative Method</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Collaboration</td>
<td></td>
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Table 2. Presentation of the Results Obtained from the Interviews.
4.2 Empirical Evidence and Analysis

4.2.1 Branding occurs Internally

Obtaining a clear and defined brand identity was a recurring opinion in the interviews when discussing branding. The Transformational Framework acknowledges the importance of defining the strengths and weaknesses of a brand and identifying the core values (Gerzema & Lebar 2008). This can be related to obtaining a defined brand identity. The informants went on to explain that to be well-known, coherent, and relevant, are also important factors for branding, as well as creating a positive feeling and experience for customers. Several of the informants also mentioned that it is important to have a strong promise towards the target group and that this promise needs to be known throughout the organization.

“A strong brand has a strong promise to the target group, and manages to be both relevant and consistent” (Anne-Gro, Telia)

Brand awareness was a trend within all the interviews, implying that it is important for brands to become strong in the market and to obtain a greater market share. The informants all mentioned that it is of great importance that the consumers have a positive mental association of the brand and have encountered positive experiences with the brand. The informants mentioned trust being a vital part of the associations to the brand, allowing consumers to, with confidence, purchase a product or service with the brand, knowing that they will be satisfied. This can be considered as the Brand’s Equity, which is the intangible value of a brand where assets such as brand awareness, brand identity, perceived quality, brand loyalty, and mental associations are significant to obtain value (Aaker 1996). Brand Equity creates value for both the organization and consumer (ibid). Brand Management aims at strengthening these assets to further increase the Brand Equity and thereby create value for the brand (Aaker 1996).

“A strong brand is defined by the experiences that the consumers have with the brand. The sum of all interactions between the brand and consumer should create a coherent feeling about what the brand stands for. It is not only about the product, but also about the people consumers meet when interacting with the brand, and how the brand behaves in the society” (Ulrica, SEB)

The Brand’s Equity can be enhanced by developing and implementing a defined and clear brand identity (Aaker 1996), which the informants thought to be essential. This includes knowing what the brand stands for and its’ core values (Aaker 1996). Step three in the Transformational Framework describes using the core values to search for new sources of vision, invention, and dynamism (Gerzema & Lebar 2008). This indicates that it is important to allow people inside the organization to try to find new ways of improving the brand, whilst still having the core values as the center of all activities. This was something that Kristofer, Telia mentioned as highly important, however can be a difficult balance to manage. Johan, Scandic, mentioned that guidelines can be a method to succeed with creating a brand identity.
These guidelines should permeate the whole organization and should be applied to all departments, including guidelines on how to communicate and how to operate in PR. Another indication that shows the importance of a strong brand identity to be built internally is how Ulrika, SEB explained that SEB actively works with communicating the brand’s vision, mission, and brand promise, to everyone within the organization. This is to ensure that these values are the center of all brand-related activities. This emphasizes that the employees need to know and feel the brand as much as the consumers and that brand building occurs internally.

“Everyone involved needs to think about the brand, they need to know how Telia talks, how we operate and what our drivers are. That is what makes Telia a strong brand. It is not only marketers or brand strategists that work with branding, everyone in the organization has to do it in their way” (Anne-Gro, Telia)

Thus, it is not only the marketing or brand director that works with branding, rather everyone in the organization is involved. It was found in the interviews that it has become more important to manage the communication and activities of the brand due to the increased transparency in the market. The transparency allows the organization’s culture to shine through all the interactions with stakeholders, making it increasingly important that the Brand Management consists of clear ways of communicating, both internally and externally (Anne-Gro, Telia). Emphasizing participation into Brand Management can assist with allowing the communication internally to be consistent to the brand promise and core values. Brands need to be authentic and empathic to create an emotional value for the consumer (Strauss 2014). Abbing (2010) stresses that one of the biggest challenges with branding today is to present an authentic story throughout the brand’s range of product, services and experiences, that is coherent with the brand promise. The informants agreed that defining a clear tonality that should be used in all communication could be a solution to this. The informants further emphasized the importance of being genuine and authentic through all interactions, delivering high quality touchpoints and services with the brand promise as the core.

“To create a strong brand it is important to be genuine and authentic, to build the brand on the organization’s strength and communicate what the brand stands for […] We also have a clear purpose and a vision that everyone working at SEB knows by heart” (Ulrica, SEB)

4.2.2 The Shift in Branding Requires New Tools

The interviews went on to discuss the shift in branding. Ulrica, SEB, mentioned that individuals still associate themselves with brands and co-create their identity with brands, however Brand Management requires new tools to build strong brands.

“The method to create strong brands has changed due to the digital channels which requires new tools” (Ulrica, SEB)
Traditional business models of Brand Management need to be revised to be able to create strong brands in today’s digitalized society (Gerzema & Lebar 2008). The informants were united that there have occurred significant changes within the field.

“The digitalization changes everything” (Anne-Gro, Telia)

The informants explained how digitalization has changed customer preferences and made consumers more well informed, which has decreased the information asymmetry, putting organizations in a more vulnerable position. The increased demand of transparency and authenticity was a tendency among the informants. Consumers demand that brands are honest and transparent since technology and innovation has put large amounts of data into the stakeholder’s possessions, increasing and simplifying their pursuit for information and knowledge (Gerzema & Lebar 2008). This implies that organizations need to work with branding in a reformed and open way. This was amplified by one of the informants who stated,

“One big change is that consumers are much more well-informed today. They can easily compare different offers, services and prices. This is becoming a challenge for organizations, to compete with something different, not just price. Organizations must be more transparent and focus on improving the digital customer experience as it is becoming increasingly important” (Johan, Scandic)

This citation illustrates the importance for brands to compete based on something other than prices. It is instead important to improve customer experiences to obtain consumer’s attention. The informants agreed that there is a risk that brands forget the emotional and creative part due to digitalization. This can be seen in the citations below,

“There is a risk that organizations put too much resources on optimizing, creating smart solutions, better accuracy and intelligent interactions, and forget the emotional values. It is often the creativity, the feeling of a certain product or service, that make people choose it” (Johan, Scandic)

“One of the challenges with the digitalization is that it is easy to lose the emotional aspects and it can become very static. Marketers need to understand how to build the emotional value in to the brands” (Ulrika, SEB)

This indicates the importance of creating experiences that people remember, integrating emotional values within the Brand Management and services. One of the informants emphasized that brands were built mostly through the physical meetings between the customer and the brand before the digitalization. Today however, most meetings with customers are digital, challenging the relationship building. It was agreed among the informants that because of this change, and the introduction of two-way communication, it has become increasingly important for organizations to build strong customer relationships throughout all platforms. Kristofer, Telia emphasized the need to think more from an omni-
perspective, to create seamless experiences in all the organizations’ channels and have the same tonality and purpose throughout every communication channel, improving the user-experience regardless of being a physical or digital interaction. This relates back to the importance of obtaining a clear brand identity that is coherent throughout all brand related activities and interactions.

“What we do has to work functionally for the consumers and we base this on the customer needs. If we have a solution in retail or customer service, we also need to deliver the same solution digital” (Kristofer, Telia)

The informants argued that both the physical and digital touchpoints are vital for brands to build strong customer relationships that can potentially increase brand loyalty and integrate meaningful experiences. Brands need to implement emotion values into the digital interactions, which can be a very difficult task (Johan, Scandic). The digital experiences need to feel personalized and customized to obtain value for the consumer (Tonkinwise 2011). It is also vital that these experiences meet the consumer’s expectations (Buchanan 2015). This can be related to the Emotional Capital discussed in the literature review, emphasizing the characteristics that play a significant role in building strong brands (Temporal 2010). These include making the service encounter personal, evoke emotion, communicate clearly, develop trust, build loyalty, and create experiences (ibid). Consumers are more likely to be loyal to the brand if organizations build strong customer relationships and create experiences with emotional value (Aaker 1996).

“Organizations today need to create experiences that people remember and that creates brand engagement” (Ulrica, SEB)

A common topic that the informants discussed in the interviews was how the change in technology has affected consumer behaviors and has led to higher expectations. Brands nowadays need to be quick and responsive to manage this change and not lose their consumers to competitors. These changes require organizations to be willing to adapt and rethink organizational structures (Abbing 2010). The informants mentioned working cross-functionally as a solution to the shift in branding and demand of being more fast-moving, and is a way to implement more participation internally within the brand. The informants agreed that if organizations are not willing to change, they most likely will not stay competitive.

“The shift in branding, due to the digitalization, forces organizations to be more fast-moving. If an organization is not willing to change, it will be difficult to survive” (Kristofer, Telia)

To increase the efficiency within the organization, the informants mentioned to eliminate the silo-mentality and instead work more holistically with all the departments, having a more open structure where communication, participation, and cooperation is encouraged. Building an organizational culture that encourages participation internally will increase the incentive for employees to be part in the development of the brand, thereby increasing the intangible value internally (Gerzema & Lebar 2008). One of the informants mentioned the importance
for teams to be able to solve problems with an iterative method while still being influenced by the organization’s core values and guidelines. An iterative method is a useful way of working to stay competitive, flexible, and can adapt to fast changes in the market (Ehrenberg, 2018). It allows for shorter cycles, early feedback, quick prototyping and trial-and-error (Stickdorn et al. 2018), which is beneficial when working in a fast-moving market. However, the informants explained that it is a difficult balance between following guidelines and working iteratively. It is however something that they have tried to improve and is considered important in their Brand Management.

“In order to get a holistic perspective, it is important to work cross-functional and remove the silo-mentality and work as a whole organization [...] By working like this, one can take advantage of the different skills and knowledge that people have in the organization”

(Annelie, Västtrafik)

The interviews also indicate that it is a challenge for organizations to initiate change in established structures. Implementing cross-functional teams that use iterative methods can for some be difficult if they are used to working in a traditional way. Annelie, Västtrafik mentioned that working cross-functionally can be challenging since it can lead to longer discussions when more people are involved. Iterative methods can however solve this due to the shorter cycles and quicker testing (Stickdorn et al. 2018). Another challenge with constructing these cross-functional teams is that there might be a lack of resources, such as time, or an unsupportive management, which opposes this way of working (Carlgren, Rauth, & Elmquist 2016b).

4.2.3 The Importance of Innovation

The informants were united that innovation is necessary for brands survival. The informants believe that innovation is something new that creates value for stakeholders.

“Innovation is about generating ideas, improving existing products, services, and processes, and making the experience more fun and more efficient for both employees and customers”

(Ulrica, SEB)

The shift in branding has made it more difficult for brands to obtain consumer’s attention. Johan, Scandic used Google and Amazon as examples of some of the biggest brands today and went on to explain that their foundation is built on innovation. He explained that innovation is what has driven them and made them grow in a fast pace, and that innovation therefore can be seen as key to strong brand’s success. Innovation has shifted from only being applied to new technology, to the delivery of meaning and value, and can be seen as the source for developing market-leading products and services (Abbing & van Gessen 2008). Brands need to constantly innovate and develop new products and meaningful services to respond to the shifts in consumer expectations and needs (Abbing 2010). Innovation can thereby create value for a brand and further increase the long-lasting profit and growth (Abbing 2010). The Transformation Framework also indicates the importance of constant
renewal and innovation to be able to stay competitive as a brand (Gerzema & Lebar 2008). To manage these challenges, the informants agreed that organizations need to rethink their structures within the organization to increase efficiency and momentum, and drive creativity. The informants explained how it is difficult to gain competitive advantage and that without innovation, organizations are unable to evolve and grow.

“I think it is very important to always work with innovation and try to make improvements, otherwise you will disappear and get eaten up by competitors” (Johan, Scandic)

A common tendency in the interviews was that the informants believe that people have a misconception of the word innovation. They believe that many people associate innovation with something large and significant, which discourages many people to think innovatively. Innovation is often something smaller, like a system or process change, that simplifies and improves something and does not have to be a revolutionary new technology (Abbing 2010).

“It is easy to think about technology and digitalization when discussing innovation, but innovation is more about understanding a consumer insight, listening to what the consumers think is important, and adapting a service from these insights” (Johan, Scandic)

4.2.4 Innovation Departments and the Importance of Participation

A way of integrating iterative methods and creativity within the organization is through different innovation projects. Telia, SEB and Västtrafik have all during recent years initiated a department or project that aims at increasing innovation and encourage participation within their organizations. These “Innovation Departments” are creative spaces where everyone in the organization can become involved and generate new ideas, innovating together. When creating an innovative culture within an organization, it is important to engage and let everyone participate in generating new ideas (Abbing & van Gessel 2008). Furthermore, when humans are involved in a challenging task, the creative thinking, productivity, and happiness increases (Gerzema & Lebar 2008). Västtrafik started what they call, Innovationsarenan, after working with the Service Design company Transformator Design. They wanted to keep this knowledge about Design Thinking’s method within the organization to increase efficiency and maintain more varied discussions. Telia also has an innovation catalyst, called Purple Plus, that works solely with innovation and Design Thinking. The idea behind this is that anyone who has an idea can accelerate the idea in the Innovation Department. SEB has also during recent years introduced a concept called Innovation Lab, which aims at involving people in the Design Thinking and innovation processes, whether people want to actively take part or passively see what different teams work with.

“We work a lot with creating a space for innovation [...] it is about creating an innovative culture. Innovation for me is to foster a culture that constantly wants to improve and make changes that creates benefits for the customer” (Ulrica, SEB)
Another common trend throughout these interviews with Telia, SEB, and Västtrafik, is that innovation is part of the entire organization, rather than limited to the Innovation Department. The informants all answered that it is important for the entire organization to have an innovative mindset. For a brand to be innovative, innovation needs to be performed and understood by everyone in the organization, and requires that the organization is willing to change (Abbing 2010). This can be related to that branding occurs from within. The organization’s culture and identity is essential to drive the brand forward and needs to be communicated to everyone within the organization.

“We have daily innovation in our organization that focuses on continual improvement or development of new business areas. This kind of innovation is not restricted to our innovation-house, instead it is a part of the whole organization” (Kristofer, Telia)

To encourage employees to become involved in Innovationsarenan at Västtrafik, Annelie, Västtrafik emphasized that they work with transparency and openness, where questions, ideas and discussions are welcomed. This is a way to foster a culture where people can experiment and try new things out without being judged (Brown 2009). This is an example of how participation has been implemented internally within the organization. Innovationsarenan focuses on understanding the consumers, by talking with them and asking questions, giving people involved authority in meetings. This human-centered approach allows Västtrafik to know the consumers’ needs, and is a common tendency in all the different Innovation departments.

All the informants believe that the Innovation departments create value internally within the organization since the employees find this an enjoyable way to participate, constantly create small improvements, and brainstorm ideas. Annelie, Västtrafik mentioned that Innovationsarenan helps build and maintain relationships with consumers since they feel heard and prioritized. This is a way in which the Innovation Lab has created value both internally within the organization, and externally for consumers. Ulrica, SEB also believed that their Innovation Lab has benefited the brand and created an intangible value by stating,

“Of course it affects the brand that people have been involved in Innovation Lab [...] People have been able to be part of improving, changing, and building the brand. In that sense, it can be seen that the brand is connected to everything that occurs at SEB”

(Ulrica, SEB)

In the discussion about possible challenges with working innovatively and iteratively, Annelie, Västtrafik mentioned that it can be difficult to manage it all simultaneously, to find a balance between being innovative and fast-moving, while still managing the daily operational work. Since organizations tend to be busy with daily operations and solving everyday problems, it can be difficult to infuse innovation in their daily work (Abbing 2010). Innovation often becomes a reactive response to the complex world and its’ changes, instead of being a proactive exploration of various opportunities (Abbing 2010). Annelie, Västtrafik also stressed that innovations need to make sense for the brand and be within the area of what
the brand operates with. The brand’s innovative approach needs to be coherent with the brands identity (Ehrenberg 2018). It is therefore, important to point out that innovation might not be the best solution for all organizations. Another challenge mentioned was the difficulty to measure and evaluate the results of an innovation project or Design Thinking. Annelie, Västrafik argued that it is difficult to measure what has created value since the time lapse between the action and the result can be quite long. This is also aligned with critique towards working innovatively and using Design Thinking. It is difficult to measure the result of it and there is little evidence of its’ successful impact (Carlsgren, Rauth, & Elmquist 2016b). All the informants however, still believe that it has created an intangible value, specifically internally within the organization.

4.2.5 The Value of Design Thinking

When discussing Design Thinking in depth, there was a general consensus amongst the informants that Design Thinking implies a useful human-centered approach to problem-solving and understanding consumer needs.

“Design Thinking is about working human-centered. To look at specific problems and identify the pains and gains in a specific moment of a specific customer journey”
(Kristofer, Telia)

“[...] a process that involves the end-user, where the aim is to gain as much knowledge as possible, analyze the information, discuss more with the end-user and continue this loop until there no longer is a knowledge or understanding gap” (Annelie, Västrafik)

All our informants have been working together with Service Design companies. For many of the informants, they believe that working together with Service Design companies and using Design Thinking methods is a response to the shift in the market, product development, and consumer needs. Design Thinking and its’ human-centered approach has gained popularity since it enables understanding consumer needs and satisfying their increased expectations today (Stephens & Boland 2015; Brown 2009). The informants also agreed that in today’s market, it is necessary to operate in a different and much faster way, to be able to stay relevant.

“Design Thinking has the ability to do things much faster compared to other more tradition work methods. We need to work more iteratively, simplify things, and work more with customer insights” (Ulrica, SEB)

The informants that have used Design Thinking were united that it has contributed to faster processes and a new way of involving both employees and customers. Ulrica, SEB argued that this has created value for employees by making the process more iterative and enjoyable, but also efficient. One of the aims with Design Thinking is to redefine and revise various solutions by involving all stakeholders in the process (Plattner, Meinel, & Leifer 2011). The
iterative method enables organizations to try out new things quicker and visualize ideas, as a more efficient addition to traditional business strategies (Abbing 2010).

A common trend in the interviews is that the customer experience is central in all brands. The informants explain the importance of listening to the consumer’s opinions and receive insights to obtain a better understanding about how to create possible solutions for them and enriching the customer experience. Design Thinking can help organizations to create meaningful experiences, and emphasizes co-creation and participation by using a human-centered approach (Brown 2009). An essential part of Design Thinking is the collaborative dimensions where participation is emphasized. An example of this is to engage consumers to be a part of the design process to create better service experiences (Sangiorgi & Prendiville 2017). Some of the most successful brands have gained their popularity because of their understanding of consumers’ needs and use of Design Thinking to innovate and create value for the brand (Brown 2008).

“Design Thinking can be seen as a self-evident way to put the customer in center and make the customer experience as good as possible [...] Customer insights are central in everything we do and we cannot do enough of it. From my experience, user tests are extremely valuable and worth putting resources on. You always learn something new from them” (Kristofer, Telia)

Another tendency that is seen within all the interviews is the desire to build relationships with their consumers. They all agreed that a way to do this is to show the consumers that they care about them and are willing to listen to their opinions and to change. Using Design Thinking enables organizations to get to know their consumers better, obtaining qualitative consumer insights. The core in Västrafik’s approach for example, is to go out and work with consumers until a saturation is reached. They start with identifying a trend or a problem and then focus on this until they obtain a full understanding of their consumers’ needs. This is a way of building relationships and creating better brand experiences. Organizations can obtain a deeper understanding of consumers’ needs by visiting the site and experiencing the situation or problem (Stephens & Boland 2015). This can also make the consumers feel like they are co-creators of the brand and its’ development.

“Our focus is to always think about the consumer needs. Since we already know a lot about our consumers, we focus on what we do not know. To fill these gaps, we go out in the field and talk to consumers. This enables us to obtain a deeper understanding of consumer’s problem” (Annelie, Västrafik)

It has been understood that Design Thinking is a competence that is needed within organizations. A fundamental part of Design Thinking is the focus on collaboration, participation, and co-creation and to embrace concepts from different disciplines (Sangiorgi & Prendiville 2017). Annelie, Västrafik, believes that it would be beneficial for marketers and Service Designers to work closer together to obtain different perspectives about a problem. She names a possible disadvantage with this is that it could elongate the process and the
implementation of the solution, however she still found it to be beneficial. The focus on collaboration could also be seen as a trend in the interviews, since the informants believe that Design Thinking increases cross-functional work. Kristofer, Telia described how they already collaborate over the disciplines, and how the customer focus is central in everything they do no matter the department. The collaborations with Service Design companies has led to increased connections between other departments, which is seen as a positive factor for the informants.

“By working in cross-functional teams it is easier to take advantage of people's different knowledge and skills” (Annelie, Västtrafik)

Annelie, Västtrafik mentioned that working between disciplines is a challenge, but could create value since it gives new perspectives for the same problem. Working cross-functionally can lead to new unexpected opportunities (Abbing 2010). This is also seen as important within the Transformational Framework; to use the core values of the brand while still searching for new sources of vision, invention, and dynamism (Gerzema & Lebar 2008). Actively listening to the audience, being open towards feedback, and being prepared to refresh the brand is also very important (ibid), which working cross-functionally and using Design Thinking can assist with. The informants are united that working with these methods benefits each organization internally, however it takes time to implement. This is aligned with our framework Revised Brand Management, indicating the importance to create a space that encourages participation, and trial and error.

4.2.6 Design Thinking’s Contribution to Brand Management

The informants believe that Design Thinking can contribute to Brand Management. The iterative and human-centered approach is considered useful in today’s volatile world. Design Thinking can be seen as a method to manage the fast changes in technology and Brand Management, and can help brands survive in the fast-moving market (Brown 2008).

Ulrika, SEB and Annelie, Västtrafik agreed that collaboration between the marketing analysis department and Service Designers could be beneficial. Annelie from Västtrafik continues to explain how both the types of data are important and relevant, and therefore important to combine.

“To be able keep up to date and deliver good services, organizations need to combine the qualitative and quantitative. This could help create a fuller picture of the consumer”

(Annelie, Västtrafik)

Johan, Scandic believes that the competence of Design Thinking is a necessary competence for organizations today by creating new and better structures that contribute to the Brand’s Equity, however he does not believe that organizations can rely on consultants to create value for the brand. He believes that Design Thinking needs to, in the long-run, be an in-house competence to further create value for the brand. Design Thinking should be learnt and
integrated into the existing Brand Management strategy such as our framework Revised Brand Management suggests, by focusing on innovation and participation. Design Thinking can support brands in connecting branding, creativity, and innovation, to create value and further support the innovative process with its’ human-centered approach (Abbing 2010).

Kristofer, Telia gave a good example on how Service Design and branding can collaborate to create value. Kristofer, Telia, who is a Service Designer and works with the Digital Development at Telia, is involved in an internal project where the focus is on improving the one-way communication. His competence focuses on observing behaviors and building empathy with consumers, allowing useful insights on customer needs to be obtained. He explains that these insights from the practical user-tests can contribute to Brand Management and further enhance the brand experience. This shows how consumer insights contribute to the brand experience and creates an intangible value for the brand and the consumer.

Anne-Gro, Telia mentions that branding and customer experience are practically the same thing which further illustrates the connection between the two. Design Thinking is a process which concentrates on enriching the customer experience by putting the consumer in focus, and that the customer experience is part of the branding field. Kristofer, Telia agrees with this idea and argues that there is a high importance of customer insights and continual improvements when working with branding as well as with product development. This is also emphasized in the literature review where Design Thinking is described as the bridge between innovation and branding, since it helps brands to create meaningful innovations simultaneously as it makes the innovations permeate the brand and organizations (Abbing 2010).

Ulrica, SEB gives another perspective on how Design Thinking creates value for brands, emphasizing the idea of testing new things.

“I think that Design Thinking can complete marketing in that it emphasizes to test things, to not be afraid of making mistakes and instead always be willing to adapt and change. In my opinion, this is very important” (Ulrica, SEB)

Design Thinking emphasizes to test things and be practical, instead of creating long-term strategies (Kolko 2015). This is a response to today’s fast-moving market, where organizations need to be faster and more flexible. It can be considered favorable to allow design to take on a more strategic role in organizations (Kolko 2015). Organizations can shorten their cycles and thereby receive quick feedback on what needs to be changed and improved by using iterative methods (Stickdorn et al. 2018). This further emphasizes the significance of innovation as part of Brand Management. Design Thinking connects innovation and branding, and help brands fulfil their promise by providing focus, vision, and direction (Abbing & van Gessel 2008). This further strengthens our framework Revised Brand Management where innovation and participation are added, and that Design Thinking is a method that can help to implement this in organizations.
5.0 Discussion

Chapter Introduction

In this chapter, the aim is to fulfil the purpose of this thesis, referring back to our research questions, “how has the shift in the market affected Brand Management?” and “how can Design Thinking contribute to creating value for the brand?”. We will further explain, clarify and justify the findings of the empirical and theoretical evidence, discussing the most recurring trends.

The findings from our research shows that branding is considered important for organizations to differentiate themselves and to stay competitive. Individuals still associate themselves with brands and co-create their identity with brands, however, Brand Management needs new tools and methods to create strong and long-lasting brands (Ulrika, SEB). A recurring trend through both the literature review and empirical evidence is that to create a strong brand, a clear brand identity is essential to enhance the Brand Equity (Aaker 1996). A strong brand identity could be obtained through guidelines, which should permeate the whole organization to be efficient (Johan, Scandic). It could also mean obtaining a clear brand promise that everyone in the organization knows (Ulrica, SEB). It is necessary for the brand promise and core values to be clearly communicated internally in the brand for it to be clear for external stakeholders. Brand identity is nowadays the basis to all related activities of the organization and the business strategy (Temporal 2010), indicating that branding is everything that the organization does (Anne-Gro, Telia; Ulrica, SEB). This implies that it is essential for everyone within the brand to participate in communicating the brand’s values. Hence, building a strong brand is an internal process, rather than an external, where the touch-points, both physical or digital, that consumers experience with brands are directly affected by everyone in the organization. Characteristics that have shown to being essential in today’s competitive market is creativity, positivity, and a culture that allows trial-and-error. An identity that shows openness to new ideas, feedback, and renewal, simultaneously as obtaining clear core values that drives the brand forward (Gerzema & Lebar 2008). Furthermore, brands today must to a greater extent be flexible, innovative, and work more human-centered to be a strong brand.

There has been a realization that Design Thinking is a useful competence within modern brands. Organizations in our study have seeked help from Service Design companies indicating that conventional marketing strategies and methods might not be enough. Deeper consumer insights are required to survive as a brand today. Design Thinking has shown to create value internally by restructuring the organization. Its’ human-centered approach with a fundamental focus on participation, co-creation, and iterative method, increases brands’ work with innovation and development. In today’s society, innovation is necessary within Brand Management to obtain competitive advantages. The shift in branding has made it necessary for organizations to operate faster. To work more with an iterative method could be an efficient way to become a more flexible organization and respond to the fast changes. Design Thinking can furthermore help organizations to gain a better understanding of consumers’ real
needs by observing and interviewing and thereby conducting a more qualitative data, rather than conventional market research.

Considering the evidence that branding is an internal process that builds on a strong brand identity and that the demand on transparency has increased, we find that participation is a tool needed to amplify the brand identity. Participation can assist with making all touch-points with stakeholders more genuine since it makes the brand identity become a culture within the organization. Brands need to be transparent and authentic since technology has made it easier for consumers to find information (Gerzema & Lebar 2008). Our findings confirm that communication is an important part of successful brand identities, both internally by eliminating the silo-mentality and encouraging cooperation, and also externally towards consumers, showing a defined tonality and personality. Participation allows the brand identity to be built from within, engaging everyone involved to be part of the creation and development of the brand. This allows all the touchpoints with stakeholders to be characterized by these core values. Participation can also create incentive and intangible value for the brand since the workplace becomes a more democratic environment where everyone is encouraged to get involved. This may also encourage a feeling of ownership among the employees, as they become creators of the brand themselves, which gives them a stronger connection to the brand. Therefore, we see participation to be a way to create a more genuine brand identity and an important part of Brand Management today. The addition of participation into our framework Revised Brand Management is therefore strengthened by our findings.

It has also been validated through our findings that brands need to compete through something other than price nowadays. Price has been a higher priority for marketers before, however in today’s market, people’s attention needs to be attained through something more meaningful (Johan, Scandic). Our findings implied that Emotional Capital has become more important due to this. Brand Management needs to consider the softer attributes such as personalization, evoking emotion, communicating with their stakeholders, developing trust and relationships, and providing meaningful experiences. Intangible value is significantly more important nowadays, most likely due to the digitalization which has opened up for higher demands. The focus on experiences, puts a demand on brands to create experiences that feel personalized and valuable for the consumer (Tonkinwise 2011). These changes and new demands have encouraged marketers to use Design Thinking in Brand Management. Design Thinking can with its’ human-centered approach to innovation, create meaningful and memorable experiences that feels special for the consumer, and are coherent with the brand promise.

Innovation is necessary to survive as an organization today. Brands are demanded to innovate and develop new concepts, products, and meaningful services to respond to the increased expectations and technological changes (Abbing 2010). Working with innovation and Design Thinking can be challenging and requires that the organization is willing to change and that everyone is involved in the innovation process (Abbing 2010). Therefore, it is important to adapt this methodology in a way that suits the organization in question. The emphasis on co-
creation and participation encourages more collaborations between different departments and to eliminate the silo-mentality. These cross-functional collaborations can lead to new innovative solutions, which can be difficult to discover in too homogeneous teams (Gerzema & Lebar 2008). Working more cross-functionally and engaging individuals in challenging tasks can increase creativity and satisfaction, which increases the productivity. Furthermore, it also creates meaning and value for both employees and consumers (ibid). From our findings, we could see a trend within the organizations to work more with innovation. Organizations have started Innovation Departments to create a space for innovation, participation, and creativity. Organizations have understood that this is an important competence to obtain within the brand and that Design Thinking can assist with this strive. This indicates that innovation and participation are necessary within modern brands. Lastly, it is important to consider that even if our results emphasize that Design Thinking is considered useful for Brand Management, it is not the only and ultimate answer to our research question. Our research has however proven that it is a feasible and useful approach for Brand Management to adapt Design Thinking, in order to build a strong brand in today’s volatile market.
6.0 Conclusion

Chapter Introduction

The aim of this chapter is to refer back to our research questions, presenting the reader with our conclusions. Our research questions are, “how has the shift in the market affected Brand Management?”, and “how can Design Thinking contribute to creating value for a brand?”

Brand Management is a strong strategic tool for organizations survival. The field of branding has however changed significantly during recent years due to the digitalization and changes in consumer behavior. Therefore, it has been concluded that traditional Brand Management strategies need to be reconsidered for brands to be able to survive. One way in which Brand Management has been affected is the increased consumer expectations. The shift has forced brands to consider how to integrate emotional elements into their products, services, and experiences, in order to obtain consumer’s attention. The environment in which brands exist has shifted into an experience society, where all interactions need to be meaningful and personal. Another way in which the shift in the market has affected Brand Management is the increased demand on transparency and authenticity. Today’s society requires brands to be transparent in all aspects. This means that everything that occurred behind closed doors a couple of years ago is a public manner today. This implies that brands need to be authentic in every interaction, physical and digital. Brand’s identities are therefore an essential part of Brand Management, most likely more important now than before, in order to obtain consumer’s attention. The environment in which brands exist has experienced a significant impact from the shift in the market, requiring new approaches and tools to manage to stay competitive.

Design Thinking implements an iterative method with a human-centered approach that can be seen as beneficial for brands to obtain a competitive advantage in today’s market. It was concluded in our findings that Brand Management is essentially an internal process that is built from within. Branding is about creating a platform for shared values and beliefs and an identity which the people in the organization can adapt and communicate themselves. Thus, everyone in the organization is involved in creating the brand, not solely the Brand Director or Marketing Department. Design Thinking encourages participation and co-creation, which can support brands in the internal branding process and make employees feel involved to a greater extent. When the employees feel as a part of the brand and believe in the values of the brand, it fosters a feeling of authenticity that becomes translated externally to other stakeholders. The expressed need for ongoing innovation in Brand Management and organizations also connects branding to Design Thinking, since the method encourages innovation. The iterative method encourages shorter cycles and quick responses which can also be seen as beneficial in today’s fast-moving market. It can therefore be concluded that Design Thinking has the ability to contribute to Brand Management by integrating
participation and innovation into the traditional Brand Management. Our framework, Revised Brand Management can create value for the brand by contributing to an organizational environment that integrates innovation and participation. Therefore, we can conclude that the human-centered approach and iterative method that characterizes Design Thinking can create value for brands.

7.0 Implications

Chapter Introduction

This chapter aims at explaining the application of this thesis into practical use for organizations. This thesis provides a revived view on Brand Management and how Design Thinking can be used as a competence to build strong brands today.

Our framework Revised Brand Management suggests that innovation and participation are highly important parts of building a strong brand today. Organizations should incorporate these elements into their Brand Management in order to build a stronger brand identity that is able to manage the fast-moving market. For many organizations, however, this may be a foreign method of working. Therefore, it could be beneficial for organizations to acquire Design Thinking as a competence. For some organizations, this might be in the form of hiring consultants to teach the Design Thinking method and begin integrating participation and innovation into the organization, however in the long-run it could be considered beneficial to obtain this as an in-house competence. Design Thinking emphasizes participation, co-creation, and to erase the silo-mentality which enables innovation and creativity. By involving and engaging all stakeholders and by implementing cross-functional teams, new innovations can be created. Since our results indicate that branding is an internal matter, the involvement and the feeling of ownership of the brand is important among the employees, which our framework Revised Brand Management emphasizes.

Organizations should furthermore consider implementing Innovation Department to create a meeting point for Design Thinking, creativity, innovation, and teamwork over the disciplines. These Innovation Departments should use iterative methods to create an environment that encourages trial-and-error, constant flows of discussions, and small innovations. This can contribute to helping stakeholders understand that innovation does not have to be something intimidating. Our empirical findings have shown that Innovation Departments create intangible values within the organization that enhance a collaborative and creative culture which can be perceived externally.
8.0 Limitations and Further Research

Chapter Introduction

The aim of this chapter is to provide the reader with the limitations of this study. We want to express our recommendations for further research, as we find there to be several areas in which the knowledge and information is still fragmented.

8.1 Limitations

It is always important to obtain a critical eye towards one's research. Due to time constraint and lack of resources, it was necessary for us to limit our study to a rather narrow topic. Our research is limited towards an organization’s perspective and therefore it is difficult to conclude whether a value has been created or not for the consumers. The empirical evidence gathered was solely done on organizations that had been in contact with Service Design companies which limits the research to their perspective. Another limitation is that the field of Design Thinking is rather new and therefore may be difficult to define and analyze. Organizations may use this method without identifying it specifically as Design Thinking and this can alter the views on what it actually means. Another limitation is that it is difficult to measure the actual result of Design Thinking, which means that our results are based on subjective opinions about internal value-creation.

8.2 Further Research

Our thesis has shown that innovation and participation is necessary within Brand Management and that Design Thinking is the process in which this can be made possible. We believe that our findings from the study have contributed to the field of Brand Management and is applicable for organizations in Sweden that need to gain a long-lasting competitive advantage. We have considered different areas in which it would be interesting to conduct further research on.

The empirical evidence gathered was solely done on organizations that had been in contact with Service Design companies, which limits the research to their perspective. It would therefore be interesting to also research organizations who have not experienced Design Thinking as a competence, in order to see how this has affected them, and how they have been able to respond to the shift in branding. This could be conducted by performing a case study on an organization that lacks elements of innovation and participation in their Brand Management, and that does not use Design Thinking’s processes, and analyze the effect of implementing these strategies. It could also be interesting to make a comparison between an innovative brand and less innovative brand to see the differences, similarities, and how they cope with the shift in branding.
This research was limited to an organizational perspective and it would therefore be interesting for further research to analyze the consumer’s perspective of Design Thinking’s method, and how this has or has not created value for them. This could be done either through a qualitative method or quantitative, understanding the external value of Design Thinking. Another perspective that would be interesting to observe is the relationship between branding and Design Thinking out of a Service Design company’s perspective, and study a wider spectrum of different cases on how Design Thinking can create value for organizations and contribute to Brand Management. This could result in a deeper understanding of how Design Thinking can be implemented in different organizations.

It would also be interesting to conduct an international study in order for these findings to be generalized globally. Brand Management may differ between countries and would therefore be interesting to study. Though Design Thinking has shown to be valuable in Sweden’s market, this may not be the case globally.
9.0 References


Stickdorn, M., & Schneider, J. (2017) This is Service Design Thinking. Amsterdam: BIS Publishers


10.0 Appendix

10.1 English Interview Outline

Debriefing

Would you like to be anonymous in our thesis?
Would you like to receive the result of our thesis?

Background
1. What is your background? How did you get to where you are today?
2. What is your role at your company?

Brand Management
3. What do you think defines a strong brand?
4. What do you think is important when building brands today?
5. What are your strengths and weaknesses as a brand?
6. How much resources does your brand put on marketing compared to innovation?

Shift in Branding
7. In your opinion, has the environment for Brand Management changed during the last five years?
8. If so, how have you reacted due to these changes?
9. Has this change in branding affected your organizational structures? If so, how?
10. What are the biggest challenges with these changes when it comes to Brand Management?
11. How do you think the future will be in your industry when it comes to Brand Management and building relationships with your customers?

Innovation
12. What does innovation mean for you?
13. Do you work anything with innovation? Why is it important/not important?
14. How do you work with innovation within your Brand Management?
15. If you work with innovation, do you see any challenges with working with innovation?
16. In your opinion, do you work consumer/human-centered?
17. How do you work with understanding your consumers better, building relationships and engaging your consumers in the development of your brand?

Design Thinking/Service Design Companies
18. How and when did you come in contact with Design Thinking? Why?
19. What experiences do you have with working together with a Service Design Company? Why did you start working together with a Service Design company?
20. Which department is it that works primarily with the Service Design company? or is it integrated in different departments?
21. Do you think it would benefit Brand Management for marketers to work with Design Thinking, creating cross-functional teams between the two disciplines?
22. What are the biggest challenges with using Design Thinking?
23. How has the collaboration with the Service Design companies contributed to your brand? Has it created an intangible value for your consumers/employees?
24. What opportunities do you see with using Design Thinking within Brand Management? Do you think it has and could create value for the brand?
25. In your opinion, is there something that is missing within the field of marketing and branding that Design Thinking could contribute to?
10.2 Swedish Interview Outline

**Debriefing**

Vill ni vara anonyma i vår uppsats?
Vill ni ha slutresultatet av vår uppsats?

**Bakgrund**

1. Vad är din bakgrund? Hur kom du dit du är idag?
2. Vad är din roll på företaget?

**Varumärke**

3. Vad tycker ni definierar ett starkt varumärke?
4. Vad är viktigt för att kunna bygga ett starkt varumärke idag?
5. Vad är era styrkor och svagheter som ett varumärke?
6. Hur mycket resurser lägger ni på marknadsföring jämfört med innovation?

**Skift i marknaden**

7. Anser du att miljön för varumärkesbyggande har ändrats de senaste 5 åren?
8. Om ja, hur har ni isåfall svarat på dessa förändringar?
9. Har denna eventuella förändring påverkat era organisatoriska strukturer? Hur i så fall?
10. Vilka är de största utmaningarna med dessa förändringar när det kommer till varumärkesbyggande?
11. Hur tror du att framtiden kommer se ut i er bransch när det kommer till varumärkesbyggande och att bygga relationer med kunder?

**Innovation**

12. Vad betyder innovation för dig?
13. Arbetar ni någonting med innovation? Varför är det viktigt/inte viktigt?
14. Hur arbetar ni med innovation i erat varumärkesbyggande?
15. Om ni arbetar med innovation, ser du några utmaningar med att jobba med innovation?
16. Skull du säga att ni jobbar kund/användarcentrerat?
17. Hur jobbar ni med att förstå era kunder bättre, bygga relationer och engagera kunder i utvecklingen av ert varumärke?

**Design Thinking/Service Design Företag**

18. Hur och när kom ni i kontakt med Design Thinking? Varför?
20. Vilken avdelning hos er är det som främst använt sig av/jobbat med Design Thinking?
21. Tror du att det hade bidragit till er varumärkesstrategi ifall marknadsförare och service-designers jobbade ihop?
22. Vilka är de största utmaningarna när det kom till att arbeta med Design Thinking?
23. Vad har det samarbete med Service Design företag bidragit med till ert varumärke, har det skapat ett värde för kunden?

24. Vilka möjligheter ser ni med att arbete med Design Thinking för att skapa värde för ert varumärke?

25. Tycker ni att det finns något som saknas inom området marknadsföring och varumärkesbyggande som Design Thinking hade kunnat komplettera med?