

1999

## From logo-centrism to corporate branding?: The (r)evolution in organisational identity

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### Abstract

When the archaeologists of the next millennium dig down into the landfills of the past 100 years, in between the mountains of perfectly preserved disposable diapers and other detritus of our instant civilisation, they will find mounds of unused business cards, envelopes, and letter-heads. These costly rejects of corporate revamps litter the last decade of the millennium as the fall-out of countless restructuring exercises. It is not surprising that cynicism about the point of all this frenetic activity is widespread. Consultants grow fatter as corporations get leaner and meaner (but with more up-market typefaces). In this paper, I explore the various historical phases of organisational identity work and consider what direction it might take in the future.

### Keywords

evolution, identity, rebranding, corporate, logo, centrism, organisational

### Disciplines

Business

### Publication Details

Leitch, S. (1999). From logo-centrism to corporate branding?: The (r)evolution in organisational identity. *Australian Journal of Communication*, 26 (3), 1-8.

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## The (r)evolution in organisational identity

**Shirley Leitch**

### **ABSTRACT**

*When the archaeologists of the next millennium dig down into the landfills of the past 100 years, in between the mountains of perfectly preserved disposable diapers and other detritus of our instant civilisation, they will find mounds of unused business cards, envelopes, and letterheads. These costly rejects of corporate revamps litter the last decade of the millennium as the fall-out of countless restructuring exercises. It is not surprising that cynicism about the point of all this frenetic activity is widespread. Consultants grow fatter as corporations get leaner and meaner (but with more up-market typefaces). In this paper, I explore the various historical phases of organisational identity work and consider what direction it might take in the future.*

### **INTRODUCTION**

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**G**us van de Roer, of van de Roer Design, said of his profession: 'In the 70s we designed logos. In the 80s we designed identities. In the 90s we create brand values and associations' (Goulter & Young, 1998, p. 16). In this brief quote, van de Roer neatly encapsulated the evolution, some would say revolution, that has taken place in our thinking about organisational identity. I use van de Roer's statement as a three-stage framework within which to outline the major changes that have taken place as well as to formulate some future directions for identity work. However, it should be noted here that all three approaches to organisational identity practice are still to be found today.

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### **LOGO-CENTRISM**

Rather aptly perhaps, Logos refers to the Divine word, the second aspect of the trinity. More mundanely, logo is also an abbreviation for logotype. During the twentieth century, logos have been multiplying at such a rate that most organisations not only have one, but are also on to their third or fourth design. Like nuclear weapons, logos have proliferated as part of the ongoing struggle to keep up with, overtake, and potentially destroy the competition.

The logo-centric organisational identity is, as the name suggests, design-driven. In order to position themselves in the marketplace companies cloak themselves, as well as their products, with readily identifiable colours, typefaces, and logos. Consistency in design is the key objective.

Millions of dollars have been spent in the attempt to construct the perfect image for each organisation and much of this money has gone to consultants who have specialised in this work. The logo-centric approach is easily recognised. Practitioners of logo-centrism always produce externally focused recommendations. They deploy the technologies of focus groups and market research to add credibility to their recommendations in an attempt to portray design work as a scientifically validated process. Their recommendations are sure to include the adoption of new colours or a new shade of the existing colour, new signage, and, of course, a new logo, all launched via expensive print or television advertising. Their reports will present interpretations of symbolism as scientific fact. This shade of green will lead people to view an organisation as environmentally friendly, a darker shade will suggest the green of a traffic light. Red is vibrant. Blue is cold. Black is conservative, and so on.

Colour was a central component of Pepsi's attempt to reposition itself. They produced elaborate advertisements featuring blue elephants, blue horses, and blue eyed babies, all designed to communicate the fact that blue, their new corporate colour, was the colour of the future. Pepsi's new identity only made sense to those who knew that Coca-Cola had become synonymous with the colour red throughout much of the world—even repackaging Christmas with their portly version of Saint Nicholas cloaked in Coke red. Unfortunately for Pepsi, signs and symbols are polysemic and cannot be simply controlled. For example, groups of MBA students, who constitute a relatively pro-business audience,

showed a high degree of resistance to the new identity Pepsi were promulgating. Instead of the youthful and futuristic image Pepsi sought, the students' analysis focused on the exploitation of children and animals in their advertising. The blueness of Pepsi did not even register with them as meaningful. One student commented that whenever he saw a Pepsi advertisement it made him think about Coca-Cola.

The point of this discussion is not to dismiss the importance of the visual aspects of identity. There is ample evidence that readily identifiable logos, nomenclature, and symbols contribute billions of dollars of revenue to companies. McDonald's, Coke, Sony, IBM, and Nike would all attest to the enormous value attached to their visual identities. Logo-centric elements of identities can be major assets that contribute directly to the organisational bottom line. The point is rather that a visual identity focus is not in itself sufficient, and that none of the companies mentioned above currently subscribe to the logo-centric school of identity management.

### **CORPORATE IDENTITY**

What van de Roer has termed the corporate identity phase involves a radical shift in thinking about organisational identity. Perhaps the most well known exponent of this shift is Wally Olins, author and founder of Wolff-Olins, one of the world's first, and still one of the world's leading, identity consultancies. While acknowledging the importance of design, Olins (1989) took a far broader approach to identity.

Everything an organisation does must be an affirmation of its identity. The products that the company makes or sells must project its standards or values. The buildings in which it makes things and trades, its offices, factories and showpieces—their location, how they are furnished and maintained—are all manifestations of identity. The corporation's communication material, from its advertising to its instruction manuals, must have a consistent quality and character that accurately and honestly reflect the whole organisation and its aims. A further component, which is just as significant although it is not visible, is how the organization behaves: to its own staff and to everybody with whom it comes in contact, including customers, suppliers and its host communities. This is especially true in service industries that have no tangible products. Here too, consistency in attitude, action and style underlines the organization's identity. (p. 7)

Thus Olins expanded the scope of organisational identity beyond the visual and into the showrooms and factories, paying attention to what the organisation said and did as well as to how it appeared. Design

extended beyond the letterhead and logo and into the communication practices of the organisation. In particular, Olins emphasised the need to translate the organisation's business strategy into a corporate personality that could be communicated both internally and externally. Logos weren't enough—the organisation had to communicate a much broader vision of itself.

The New Zealand Insurance (NZI) identity campaign of the early 1990s represented an attempt by a New Zealand organisation to communicate in this way. Their emotive advertising used some of the most significant episodes from modern New Zealand history—the Maori land march, the sinking of the *Waihine*, the America's Cup victory, the life and death of little Eve van Grafhorst, New Zealand's symbol of the AIDS epidemic. Through these images, NZI sought to convey their identity as part of the New Zealand community and to symbolise their commitment to remaining part of that community. As with most corporate identity advertising, the point was not to sell insurance; it was to position NZI as the kind of organisation from which we would buy insurance.

There are clear differences between the logo-centric campaign and the broader corporate identity campaign. The corporate identity campaign has a much more inclusive focus and thus offers far more scope and power to identity practitioners. Their scrutiny is not limited to how things appear, but is broadened out to include every aspect of organisational life including human behaviour.

However, there are also some major similarities between these approaches. In particular, both are rooted in a view of identity as something that could be constructed by an organisation. That is, meaning is centred in the organisation rather than in the relationship between the organisation and its many publics and stakeholders. As such, meaning is seen as an object that can be controlled rather than as a process that must be continuously negotiated.

Like the logo-centric approach, the corporate identity approach also suffers from the polysemic nature of signs. Though Olins broadened the agenda for identity work, he retained consistency as the major value across these multiple sites of identity. Thus no account was taken of the multiple meanings attached to signs and symbols, much less the diffi-

culty of applying consistency to something as complex as human behaviour. That is, consistency was considered from a unitary organisational perspective rather than from a stakeholder or any other perspective.

### **CORPORATE BRAND VALUES**

The third element in van de Roer's characterisation of organisational identity work is corporate branding. This approach draws upon the marketing discourse of branding and brand values. Organisational identity work is seen as an extension of the marketing function. Thus exponents of this approach would argue that a company, like a can of baked beans, must be packaged and sold. The group of stakeholders involved may be broader, but the principles are the same.

The first step within the corporate branding approach is to identify the brand values, the cluster of elements that distinguish the organisation from its competitors and give it a distinctive character. The brand values also convey the direction in which the organisation wishes to develop and, in this sense, are always at least partly aspirational. These values are then used as the yardstick against which everything the organisation says and does may be measured. Anything that does not fit with the brand values must be discarded. Alternatively, the brand values themselves may need to be reassessed.

It is possible to apply the brand values model of identity management in a narrow way. Such a narrow approach would lay this model open to the same kind of problems as the logo-centric model. That is, it may be seen as superficial and externally focused. However, van Riel's (1995) theory of Common Starting Points (CSPs) offers a more sophisticated way of thinking about corporate brand values. CSPs 'could be considered as central values that function as the basis for undertaking any kinds of communication envisaged by an organization' (van Riel, 1995, p. 19). Thus van Riel adopts the holistic gaze of the corporate identity model but takes his point of reference from underlying organisational values rather than from organisational strategy. Organisational strategy is constantly changing, whereas organisational values tend to be more deep-rooted and longer-term. Moreover, organisational strategy itself should be based on organisational values.

The drive for organisational consistency is a common element across all three models of organisational identity work. However, the application of consistency alters radically between the models. In the logo-centric model, consistency is corporate wallpaper, an externally imposed

and centrally controlled set of norms about an organisation's visual identity. In the broader corporate identity phase it extends across the whole organisation including its products and services, the environments associated with these products and services, the behaviour of everyone associated with the organisation, as well as the design elements of visual identity. Moreover, this quartet of identity elements must themselves all conform to the overall organisational strategy. In the corporate branding approach, at least in the version of it associated with CSP theory, consistency is sought in the roots of each element of the organisation's identity rather than within those elements themselves. Thus the elements of organisational identity must be consistent, not with each other, but with the organisation's CSPs (Leitch & Motion, in press). The corporate identity task is to manage the multiplicity that is part of any identity, rather than to attempt to suppress it.

Although this approach to identity work is still not dominant, it is proliferating. In New Zealand, for example, it may be found in organisations as diverse as Mainfreight, a major transport company, and the New Zealand Rugby Football Union (NZRFU), managers of the All Blacks. These organisations evaluate the elements of their identity not just in terms of how they appear or how they fit with one another, but, more fundamentally, how they fit with the underlying values of the organisation. It is not of primary importance, for example, that Mainfreight trucks all look exactly the same. Rather, the most important thing is that all of the trucks express the same Mainfreight values and that they have enough common elements to be readily identified as part of the same fleet. Similarly, the first question that the NZRFU ask of anything to do with the teams they manage is not whether it fits the style manual, but whether it fits with their values. For example, when the NZRFU are assessing a bid for sponsorship of the All Blacks or other New Zealand teams, they specifically look for a fit between the values of the sponsor's brand and the values of the team. Thus all television advertisements produced by sponsoring companies are assessed by the NZRFU to ensure that these overlapping brand values are deployed to the advantage of both sponsor and sponsored.

#### **THE FUTURE**

The recognition that multiplicity is a characteristic of organisational identity, rather than the enemy to be defeated, underlies the CSP-driven approach to identity work. It is an approach that enables organisations to be more flexible and open to new ideas. In practice, organisations



that adopt the CSP approach may still have a style manual and a logo. It is not a case of consistency versus chaotic disarray, or of moving from autocratic centralism to anarchy. Instead, it constitutes a different way of understanding the concept of consistency, one that enables the organisation to more readily negotiate its way through the complex set of relationships in which it participates. The CSP approach enables an organisation to be lighter on its feet than is possible under the monolithic model so beloved of lumbering giants such as IBM. For example, it is much easier to adapt to changing circumstances if one is not encumbered with a totalising superstructure complete with elaborate systems of surveillance over every aspect of organisational life. Energy and resources can be put into finding creative ways of dealing with issues rather than into controlling and reinforcing the status quo.

The CSP approach also has the potential to provide a more human and humane environment within which people can live and work. It is not conducive to a centralised, top-down model of organisation. The CSP approach requires that all members of the organisation have an understanding of, and some degree of commitment to, the core values and mission of the organisation because they will have to interpret and apply these values in the course of their work. This shift in emphasis from simple compliance with central directives to interpretation and application of values is predicated on a view of people as intelligent and as the source of ideas.

So why would an organisation adopt the CSP approach? The most compelling reason is that it fits both philosophically and practically with the way in which many major organisations currently operate. Over the past two decades, organisations have shed layers of middle management and replaced rigid hierarchies with flatter structures. The centralised corporate identity approach, with its ongoing surveillance of every aspect of organisational life, is a resource-hungry monster that is out of place in the new corporate structures. The CSP approach, on the other hand, fits readily into these decentralised, often team-based work environments and, perhaps most importantly, it is an approach that is compatible with a more open and democratic style of workplace management.

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