The Importance of Icons for Corporate Identity for Start-up Companies

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THESIS PROJECT:
The Importance of Icons for Corporate Identity for Start-up Companies
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Professor Richard Dool

Submitted in partial fulfillment of the requirements for the
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I would like to take this opportunity to thank the people who have supported me throughout my education at Seton Hall University. To begin, I would like to thank my advisor, Professor Richard Dool, for his guidance and support throughout this project and my Seton Hall career. His patience and advice became my sanity.

A special thanks to my parents, Paul and MaryAnne Dunn, for their encouragement and love throughout the entire process and my life thus far. To my brother and sister, Jon and Alyse, for keeping me grounded. To Matt, for keeping me smiling. And, lastly, I would like to thank all those who responded to the survey and participated in the interviews: for your insight and knowledge.
Abstract

The objective of this research project is to look at the importance of icons, more specifically logos, for corporate identity in start-up companies, and why these logos are such a significant factor in the marketing of a company to its consumers.

A logo’s main purpose is to “project the company’s intended image” (First Town Company Unlimited, 2000, p.1) and if properly completed then the logo becomes a significant part of the consumer/producer relationship. “The corporate identity dates back to Ancient Greece” and “hundreds of years later, it [still] remains the vital aspect of any organization’s identity; Logos offer a visual image, describing the spirit of the company and the real story behind its products” (Blue, 2005, p.29). The point of a logo is to create an understanding of the business and what it hopes to accomplish as an element of a corporation’s identity.

Successful marketing refers to not only what the company promotes (the products), but also how the company promotes their business (the environment, the logo).

A business can be successful if the products/services are executed properly, but it is also possible it can be successful if the company name or logo is recognized for producing those high quality products (Speak, 2001). Therefore, a logo which coordinates with the values of the company, and is able to communicate that principle to their target audience, has the potential as a successful marketing tool.

The goal of the project is to analyze the significance of a logo for start-up companies. Included with this research project is a study which examines the views of the owners (of start-up companies) and the public consumers.
CHAPTER I: INTRODUCTION AND OVERVIEW

Introduction 7-8
Research Question 9
Subsidiary Questions 9
Hypothesis 9-10
Content/Background 10-12
Purpose of the Study 12-13
Objectives/Expectations 13
Relevance 14-15
Definition of Terms 15-16
Limitations of Study 16
Summary 17

CHAPTER II: LITERATURE REVIEW

Introduction 18-19
Start-Up Companies: Successes and Failures 19-25
A. Introduction 19-21
B. Successes 21-23
C. Failures 23-24
D. Summary 25
Branding 25-31
A. Introduction 25
B. What is a Brand? 26
C. The History of Brands 26-27
D. Guidelines for Good Brand Management 27-28
E. The Social Value of Brands 28-29
F. Married to the Brand 29-30
G. Summary 30-31
CHAPTER III: METHODOLOGIES

Introduction 46
Description/Design of the Study 46-47
Purpose of the Study 47-48
Description of the Sample 49
Data Collection Method 49-50
Data Analysis 50-51
Summary 51

CHAPTER IV: RESULTS OF RESEARCH

Research Problem 52
Description of Methodology 52-53
Survey & Interview Samples 53-54
  A. General Consumer Survey 54-56
  B. Start-Up Company Owner Survey 56-58
  C. Start-Up Company Owner Interviews 58
Description of the Results 59-73
  A. General Consumer Survey 59-63
  B. Start-Up Company Owner Survey 63-69
INTRODUCTION

The point of the exercise is to determine the name of the company (in the blue sector) based on the logo pictured in this application (above). You have three minutes to do so.

GUESS THE COMPANY:
~The Logo Test~

If 50 men and women were asked to participate in this hypothetical activity (asked to identify the 30 companies associated with each individual logo) it could be assumed that a high percentage of the respondents would score at least 25 out of 30.

We have become so immersed in these images that a fill-in-the-blank activity becomes extremely simple. The question becomes how? How is it that if shown a sheet
of logos or a piece of that logo, we could determine its origin? How is it that if only shown a peacock (of the NBC logo), we could state its company? With the increase in a company's marketing tools, the logo has become one of the most effective, popular, and/or necessary ways to represent a company's products or services to its consumers and other stakeholders.

To construct an appropriate logo for both the proper representation of the company, and also to hit the target audience, the design should unique and memorable. This thesis will look at logos and branding in order to define why a start-up company should use a logo for identity, as well as for sustain within the market.

A start-up company staggers in the premature stage of market development for at least the first year; if after that, the company's status plateaus or declines, the possibility of the company sustaining is low. Adult companies (companies who have passed the 5 year survival mark), may fail if a major issue occurs within or outside of the company. Yet the one item that majority of adult companies have, which not all start-up companies utilize, is a logo. This logo increases recognition to both the consumer and to the industry.

So, what exactly does a logo do for a company? And, why has it become a standard tool?

This point of this thesis is to look into the importance of logos, geared specifically toward start-up companies. Whether it is successful in its advertising or not, the fact is that most businesses have a logo. I hope to determine why and why logos are becoming icons themselves.
RESEARCH QUESTION

How important are icons for corporate identity for start-up companies?

This document will look at the elements of an icon for corporate identity and how essential they are for the success of a start-up company.

SUBSIDIARY QUESTIONS

In an effort to comprehend the impact of logos on start-up companies, this study will dedicate time to answering the following questions:

- Why are logos so important?
- Why do companies have logos?
- Why is there so much money spent on the development and decision of a logo?
- What is the relationship between a company's name, company's logo, and a company's tag-line or slogan? And, what is the effect of each or all three to the consumer?
- Do start-up company owners and consumers have the same opinion on logos and their significance or influence?

HYPOTHESIS

I feel that an organization's choice in logo design has an effect on the public consumers; ideally, a relationship is formed between the company and the consumer based on the organization's image due to the exposure of the image and of the products/services. The point of a logo, for corporate identity, is to reflect the purpose and the service of a company, but also to appeal to the audience population it wishes to target. Therefore, this leads me to the conclusion that a logo is more than simply an image; but is
considered a necessary component of the corporate world and contributes to the success or failure of the company.

CONTENT/BACKGROUND

Known as the "Fountain of Youth" (Sobkowiak, 2002, p.18), start-up companies are becoming a significant part of the economy and the market; and recent public policies are encouraging a continuous establishment of new firms (Pena, 2002). "30 percent of new firms provided between 60-80 percent of the new jobs, sales, and exports in the USA. Policy makers believe that new businesses are not only a driving force of local economies, but also constitute a motor change in several industry sectors" (Pena, 2002, p.180). This increase in development and exposure of new companies within the market creates a larger number of businesses for public consumers to recognize or to overlook. Start-up companies are considered extremely fragile in their first year. Research indicates that "54 percent of new businesses survive a year and a half, and only 25 percent survive six years" (Pena, 2002, p.180). With little over half failing during the premature stage, it is essential small businesses develop an identity that separates themselves from other start-up companies, and launches their image.

It can be argued that "companies exist for two reasons: marketing and innovation" (Tehrani, 2001, p.2). Marketing is much more than advertising and branding, but nonetheless it is critical to the survival of start-up companies as they compete in the market. "If you don't market, you don't exist" (Tehrani, 2001, p.2). Without a company's ability to advertise a company is stunted, but with the proper tools companies have a
higher chance to grow and flourish. The innovation aspect enters when distinction
elements (from other companies) are considered.

A logo is “a distinctive company signature, a trademark” (Agnes, 2003, p. 308). A
logo has become one of the most popular ways to advertise a company or a business.
Although this thesis is discussing start-up companies, the logos of large companies, such
as Coca Cola or NBC, have paved the way for simplicity, yet uniqueness. Yet, they also
contribute to the idea of competitive marketing. As the number of start-up companies
increase, it is becoming more imperative that businesses learn how best to represent their
image and what method is most effective.

Larger companies, who have been in the business for years, are still finding new
ways to remain competitive in the market, with regards to their image/identity. For
example, Guinness and Grand Metropolitan paid 250,000 pounds (approximately 440,000
dollars) on their new name; while British Airways spent 60 million pounds, or
approximately 106 million dollars on their new corporate identity (Williams, 1998, p.
60). Although these companies have the funding to support such decisions, the point is
that businesses are continuing to pay in the hundreds-of-thousands of dollars to create a
first logo or a new (second, third, etc) logo.

Corporate identity is so important within the business industry to distinguish the
different companies and to demonstrate some form of power or status. Creating a logo
that combines both elements produces an aura of achievement not only within the
company, but externally as well. With so many new businesses developing each year,
acknowledging the importance of corporate identity, of branding, and of logo production
is important in aiding in the growth of the company and to maintain its status within the
market. And because most businesses survive through revenue production and cash generation, it is necessary to appeal to a company's specific target audience.

"An organization's visual identity is analogous to the use a person makes of his or her appearance for the purposes of self-presentation" (Bromley, 2001, p.318). As a visual society, we base opinions on first impressions. Whether it be a first impression of a stranger, a future relative, or a new company, we judge what they may offer by their appearance. In the same token, we judge ourselves and are analytical of our own image and presentation, just as a company is with its own corporate identity. If I were to put this in the simplest of terms: As new people or acquaintances are judged by first impressions on a personal level, new companies within the industry are judged by first impressions on a corporate level. Therefore, like society, it is important that a new company highlight its best qualities; and one of the most convenient and effective ways to do so, is through an image, a logo.

PURPOSE OF STUDY

My fascination with logos began with my attraction to the Disney Company. The logo seemed to represent the company through the simple castle structure: childhood, hopes, dreams and wishes became the basis of this very successfully marketed empire. With this foundational attraction, I began to pay more attention to the actual design of the logo—the color use, the layout, the typeface, and began to wonder how effective that placement and unique image became to the company's marketing success or recognition in the corporate world. Soon, the curiosity expanded beyond one company and led to noticing other company's names, logos and slogans/tag-lines. What is it about this
triangular relationship that makes the company successful and how could it aid in its failure? Why do companies have logos? Why is there so much time and money spent on deciding on the appropriate logo for a company? And, what is the phenomenon of logos or brands to the consumer?

Images such as the Disney castle, the Coca-Cola wave, the Target bulls-eye are simply a few examples of logos which upon reading, individuals can immediately draw the image to the brain. “Can you hear me now?” became very popular by the Verizon Wireless Company and to this day people know the company by those five words. Logos are more than simply an image; they develop into the identity and the face of the company both internally (the owner, the CEO’s, the stockholders, and the employees) and externally (the consumers, the target audience).

OBJECTIVES/EXPECTATIONS

The intention of this study is to delve into the reasoning behind the creation and utilization of a logo and its necessity for start-up companies.

The expectations of this study is to gain a greater understanding of how a logo becomes a form of corporate identity, why it is a factor in the success or failure of a start-up company, and essentially suggesting that an effective logo [memorable, geared to appropriate target audience] will benefit a company, long term. In addition, I expect that the hypothesis will be supported demonstrating through the survey results, consumers can develop a relationship with the logo of the company.
I chose this topic for two reasons: first, as a student in the communication field and a prospective employee of a graphic design agency or public relations office, I noticed an important connection between the title communications and the topic of logos; and, second, as an individual interested in the field of design and knowledgeable on the subject.

The communication field is so varied and contains many different avenues. The topic of logos is one of many forms of communication. It speaks to an audience through imagery as representation of a product, service, and/or company. Recognizing that logos are everywhere, I questioned the fascination with logos from a consumer perspective and that of an owner's perspective. I wanted to determine if there was a relationship formed between the two groups to that of a company's logo. From designers, to manufacturers, to entertainment, consumers are overwhelmed by the exposure of logos: logos which live, breathe, and spark their (a company's) existence. Therefore, the topic is relevant and connected to the public on a more personal level.

Image is everything. How one presents him or herself is understood to reflect that individual, and how a company portrays itself in public is reflective of the 'image' of the company. With consumers as the target pool for companies (whether the company already exists or is struggling to get noticed) it must know how to grab the public's attention. Recognizing that we are a very highly visual society, and appealing to our senses, will aid in that success.

The topic of logos is an important subject. Due to the amount produced, the money spent, and the time consumed in their production, there is obviously something
about logos that draws in consumers. And, with an increase in new businesses, it is important to determine a logo’s significance and relationship to start-up companies. This topic is relevant to not only the author, but to current business owners, future business owners, and the public consumer; understanding the information provided will benefit each individual group.

DEFINITION OF TERMS

I. **Brand**: “A trademark, goods of a particular make; a mark of identification” [commercially] (Blackett 2003, 2004).

II. **Corporate Identity**: The symbol, design, image and overall environment of the company—how the company is recognized by the public consumers.

III. **Icons**: a logo of a company (its image, identity which is displayed over products, merchandise).

IV. **Iconic Brands**: “An identity brand that approaches the identity value of a cultural icon” (Holt 2004).

V. **Identity Brands**: “A brand whose value to consumers (and, thus, its brand’s contributions to self-expression” (Holt 2004).

VI. **Logo**: “A distinctive company signature, trademark” (Agnes 2003).

VII. **Consumer Market**: This refers to buying and selling of products/merchandise for the 2005-2006 year.

VIII. **Owner of Start-Up Company**: This refers to the individual who heads a company or organization which entered the market only in the past 2-3 years. He or She
has complete control over the company's decisions regarding external and internal factors.

IX. Public Consumer: This refers to males or females who purchase different products or merchandise in different departments of trade (retail, electronics, etc.)

X. Start-Up Company: This refers to a company that has entered the corporate world within the past 2-3 years and is in the first trimester of being successful or failing.

LIMITATIONS OF STUDY

Although this study discusses and analyzes a topic which can be categorized in many different aspects, it is impossible based on time to study every factor included in the importance of icons. Therefore, there are limits as to the direction I am interested in researching and what is relevant to the conducted study. This thesis will simply look at the general successes and failures of a start-up company, the general background and importance of branding, and will specify only with logos as a factor of branding, of corporate identity, and its importance to general start-up companies, referencing some specific companies only as examples. In addition, a survey will be conducted to local start-up company owners (tri-state area) and to public consumers to determine if a relationship formed with the logos of a company. This thesis will not consider psychological effects of logo aspects, such as color theory.

This thesis will utilize information no more than 10 years past.
SUMMARY

Overall, this thesis is looking at logos and their relationship to start-up companies. In addition, and with the aid of a survey, it will look at general observations of an owner of a start-up company vs. a consumer's opinion on the importance of logos for corporate identity. Emerging from this study will be a greater understanding of how a start-up company fails or succeeds, branding and brands, logos as icons/corporate identity, and ultimately the relationship of a logo to its company or business.
CHAPTER II
Literature Review

INTRODUCTION

This chapter’s intention is to focus on the research and studies that have been done to shed light on the topic of start-up companies and logos. Ranging from academic articles to novels to books, the subject of logos and start-up companies is abundant.

“Corporate symbols, specifically logos, have had modest attention in academic research, particularly in studies that focus on the added value of the logo on the reputation of an organization” (van Riel and Van Den Ban, 2001, p.434). I am not making a claim that logos are not the one and only reason that companies succeed, and without one the start-up company will fall; but that the identity of a company, the logo, is the visual representation of the company. It creates a link between the company’s customers, hence helping to build a successful and well-established business.

Research shows that 30 percent of start-up companies have provided between 60-80 percent of the new jobs, sales and exports in the United States of America” (Pena 2002, p.180). With a contribution factor that high, it is no wonder there are different organizations assisting in the creation, development, and continued success of start-up companies. According to Inaki Pena, author of Intellectual Capital and Business of Start-up Success, there are public policies aimed to encourage new business formation, majority from the United States National Business Incubation (2002). The organization nurtures young firms to guarantee a successful start-up stage, provides hands-on management assistance, produces successful graduates (businesses surviving on their own), and provides abundant networking possibilities (Pena, 2002).
Allan Haas, owner of H2D Inc., a Milwaukee corporate image management firm, states that “in marketing, image is a critical asset. To be successful, a company must use effective visual branding strategies to differentiate the business and strengthen market position” (Newman, 1999, p.15). Much of what separates one business from the next is the image, the logo, which not only identifies the company, but defines it within the market. As a result of the famous ‘swoosh,’ Nike currently owns 47 percent of the United States Athletic shoe market, dominates in the market of sports apparel, and is connected to the world’s most recognizable athletes (Harari, 1998, p.39). According to Oren Harari, the author of Lessons from the Swoosh, “a company must do the unconventional today, before it becomes the conventional wisdom that everyone rushes to emulate” (1998, p.39).

This Literature Review’s purpose is to demonstrate the research that has been collected on the topic of start-up companies, branding, and logos.

START-UP COMPANIES: SUCCESSES & FAILURES

Introduction:

“Every large and successful company was once a start-up struggling to survive. Some of these successful companies were conceived in a flash of inspiration... The point is every company that exists today began rather small” (Kurtzman 2005, p.1).

The Maryland Industrial Partnerships, or MIPS, states that the definition of a start-up company is “a new company in product development mode where the time in business does not exceed four (4) years, there is no public offering, their annual sales do
Start-up companies are an important asset to the economy. They provide an increase in job opportunities and are the result of someone's intuition (to create a product or service). Despite what the company markets or sells, a start-up company has the potential to reach stardom if the company properly executes itself.

Start-up companies can launch their company with one dollar, or they can launch it with $1,000. Regardless of the cost, the point is that in order to start a company, money or funding becomes an issue and a priority. According to Tim Berry, a business planning expert and author of several books and planning software packages, the average cost of a start-up company is approximately $533,000 (see Table 1). Berry states that start-up expenses are simply defined as "expenses that happen before the beginning of the plan, before the first month. For example, many new companies incur expenses for legal work, logo design, brochures, site selection and improvements, and other expenses" (2005, p.1).

**TABLE 1**

<table>
<thead>
<tr>
<th>Start-up Expenses</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal</td>
<td>$1,000</td>
</tr>
<tr>
<td>Stationery, etc.</td>
<td>$2,000</td>
</tr>
<tr>
<td>Brochures</td>
<td>$6,000</td>
</tr>
<tr>
<td>Ornamental</td>
<td>$10,000</td>
</tr>
<tr>
<td>Insurance</td>
<td>$500</td>
</tr>
<tr>
<td>Rent</td>
<td>$900</td>
</tr>
<tr>
<td>Research and Development</td>
<td>$1,000</td>
</tr>
<tr>
<td>Equipment</td>
<td>$100</td>
</tr>
<tr>
<td>Other</td>
<td>$500</td>
</tr>
<tr>
<td>Total Start-up Expenses</td>
<td>$33,750</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Start-up Assets Needed</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Balance on Starting Date</td>
<td>$494,000</td>
</tr>
<tr>
<td>Other Short-term Assets</td>
<td>$0</td>
</tr>
<tr>
<td>Total Short-term Assets</td>
<td>$494,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Long-term Assets</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Assets</td>
<td>$499,000</td>
</tr>
</tbody>
</table>
This chart does not reflect all start-up companies, but it is an indication on average how much could be spent. Nonetheless, with start-up companies needing half of a million dollars in order to simply begin, it is no wonder that over half fail within a year (Pena, 2002).

Regardless of the percentage of start-up companies that succeed and those that fail, the point is all companies start and their successes and failures all seem to coincide. Behind every successful person lurk the remains of past failures. Consider the historic examples of Abraham Lincoln, who suffered defeat in four elections before being voted president; Babe Ruth who struck out 1,330 times en route to hitting 714 homers, including a record of 60 in the 1927 baseball season; and more recently, Tom Monaghan, who failed in business twice before launching Domino’s Pizza (Markman, 2004, p.700).

Failure comes to individuals the same way it hits small businesses—quick and painful or long and draining, but it is learning from those mistakes or knowing what not to do, in the beginning that can lead to success.

Successes:

Start-up companies have been coined the “fountain of youth” because of their creativity, their energy, flexibility, and speed to market (Sobkowiak, 2002, p.18). Yet, with only 25 percent of start-up businesses surviving a maximum of six years (Pena, 2002, p.180), the question becomes how do they maintain longevity, and ultimately transition into a well-established company?

Research shows that companies succeed for multiple reasons. Some are very broad in scope, while others more detailed in definition and purpose. Generally, companies succeed for these following reasons:
1) Cash flow meets and matches the strategy of the company
2) Finds a Loyal Customer
3) Product innovations, new markets, new customer connections, and community building

(Kurtzman, 2005)

According to Joel Kurtzman, author of Start-ups that work: The 10 Critical Factors That Will Make or Break a New Company, start-up companies have the potential of burning through money at a rapid pace, therefore in order to keep investors from being leery, successful start-up companies tighten up spending limits in order to increase revenue and build profit (2005). Start-up companies who find loyal customers, not only gain bragging rights, but it also builds confidence within the market (2005). Success loves success and if the loyal customer is faithful to the company, then there is a potential of breeding other customers from the initial, thus expanding the company's customer pool and income. And, lastly, Roger T. Sobkowiak, author of Corporation Start-Up Dynamics: How the Parent Corporation and the Start-Up have to Change, states that start-up companies have the potential of reaching a wider audience and rising above other companies because they are "sources of product innovations, new markets, new customer connections, and community building" (2002, p. 20). Because start-up companies are considered babies within the corporate market, they have the potential to create different avenues which will draw in different types of customers. For adult companies, who have been in the business for years, it may be more difficult to change their marketing approach if their consumers are so accustomed to the company's standards. They may gain new customers, but also run the risk of losing their older customers. This is where start-up companies can take advantage of being new.
Now, not all companies succeed. Nike established itself in 1966 ("About Nike," 2005) and on the verge of 40 years, has become one of the top ranked companies in the athletic division; yet, only a \( \frac{1}{4} \) of the businesses that are launched survive up to six years (Pena, 2002). So why do companies fail?

**Failures:**

"Start-up companies are a vital ingredient in the success of a nation's economy and yet there is a high failure rate for such companies" (Possani, Thomas, and Archibald, 2003, p.539). Due to the fragility of a start-up company, there is a tendency that the failure rate will remain relatively high. Statistics show that only 54 percent of start-up companies survive one and a half years (Pena, 2002), yet they are economically necessary. Why?

Research shows through academic articles, books, and television news stories that companies fail for a multitude of reasons. Whether it is an external or internal failure, a company strives on every dollar and every customer. Generally, companies fail for the following few reasons:

1) Lack of funding (money)
2) Lack of respect for the business' competitors
3) Execution flaw

(Brokaw, 1991)

"Most of us here have been at this business a decade," notes Wallace C. Leyshon, past business director of a division for Motorola Inc., and founder of ACT (Appliance Control Technology). "We probably have a little higher probability of developing proper strategies than people who thought out their businesses over a shorter period of time"
(1991, p.55). Without the proper knowledge of how the business fits within the market, then it essentially becomes a waste of time and of funds to pursue the business. Brokaw suggests, with case study evidence, that the best way to succeed in the market is to hire someone with that knowledge. Similarly is her take on respecting and acknowledging business' competitors. "Companies should have learned more about what was coming down the pike by studying the competition—really studying what worked, what didn’t work, what expectations other players had developed about the market. There rarely is a reason to think life is going to be easier for a new business just because it’s new" (1991, p. 56).

Chris Janiszewski, author of *Effects of Brand Logo Complexity, Reputation, and Spacing on Processing Fluency and Judgment*, finds that there is a great deal of research done to show that exposure to marketing communications can influence consumer behavior (2001). Overexposure to a product, service, or company attracts loyal customers and ultimately assists in building a larger customer pool. Walter Guarino, Professor of Corporate Advertising and Integrated Marketing at Seton Hall University, says that in order to make a product memorable you have to hit the consumer three times with the product, service and/or company (lecture, 2005). Those three times are sure to guarantee recognition and remembrance of a company. A company needs to, first, get the customer, and then get them, at least two more times before they can consider them loyal customers. Failure to do so may result in a one hit wonder.
Summary:
Start-up companies are a continuous work in progress. How a start-up company markets is both a major success and a major failure; and proper and successful marketing means a more established company and a higher survival rate. Therefore, understanding the market and understanding that start-up companies can be a vital asset for creating new products, new innovations, and new customers, is essential.

BRANDING

Introduction:
Marketing is defined as "a buying or selling in a market; the total of activities involved in the moving of goods from the producer to the consumer, including selling, advertising" (Agnes, 2003, p. 396). To market a company is more than simply selling the name and selling the products. It is about establishing the business within that market; a process which companies find demanding and competitive, but necessary for long term survival.

Marketing is the lifeblood of every corporation. Marketing is in fact, even more important to the survival and prosperity of any company. If you don't market, you don't exist; marketing is not a part-time job, and no company can go very far or even exist without a well-prepared, strategically sound marketing program (Tehrani, 2001, p. 46).

Although there are multiple forms of marketing, one of the more popular and more widely utilized forms is branding.
What is a Brand?

A brand is (noun) "a trade mark, goods of a particular make: a mark of identification made with a hot iron, the iron used for this: a piece of burning or charred wood; (verb) to mark with a hot iron, or to label with a trade mark" (Blackett, 2004 p. 13). Although this definition seems almost prehistoric in nature, it is actually the first form of marking or labeling. But, as technology has developed and companies have expanded beyond the branding of, for example, livestock, the definition has transformed into a more commercial intention. Branding has transitioned into a form of recognition of a company. It is the foundation to which other marketing mechanisms follow.

Visually, a brand can be referred to as a name, letters, numbers, a symbol, a signature, a shape, a slogan, a color, or a particular typeface. Brands rely heavily on imagery for distinction from similar or competitive companies and to wholly create a balance between the company and its image (Blackett, 2004). Although, this may be how most consumers think of brands, there is more to the nature of brands to its individual company. According to Charles Berger, CEO of The Scotts Company, "Brands are not just names on packages. And that's the crucial thing that anybody working in a company, from the marketing manager to the CEO, must understand. Companies own a lot of things that are trademarked, but they are not all brands. Only a handful really, really count and they're the ones that are multi-dimensional" (Speak, 2004, p. 20).

The History of Brands:

The earliest recognition of a brand or branding is with the Anglo-Saxon's; the origin is brandr, meaning "to bum" (Blackett, 2004, p.13). This technique was used to
claim ownership of a farmer’s livestock; thus a farmer with a good reputation took pride in the quality of his livestock and therefore his brand was preferred. This was the first utilization of brands as a guide (for choice) (Blackett, 2004). It was in the Mediterranean region where brands became a representation of symbols. For example, a potter would have imprinted his work, not with his initials, but with an image, such as his thumb-print for proof of ownership—a trademark. The brand-boom did not occur until the years following World War II, when different forms of communication (internet, mass broadcasting, and improved transportation) flourished and the brand became symbols of the world’s economy (Blackett, 2004).

Now, brands or branding is more than simply marking territory or ownership of art or animals, but marks the territory and the ownership to a multitude of products and services. There has been an explosion of branding where corporate branding has essentially developed into its own subject. “Corporations have learned how important it is to be understood and appreciated, not just by investors, customers, suppliers, and employees, but also by opinion formers, activist groups and the general public” (Blackett, 2004, p. 20). Companies have begun to understand how important it is to not only market to one’s stakeholders, but also to the general public in order to ensure a multitude of relationships.

Rules for Brand Management:

“Brand owners need to ensure that they deliver high-quality services that are aligned with a compelling vision and delivered with a genuine commitment to customer satisfaction” (Blackett, 2004, p.22). Guaranteeing successful brand management and
brand-consumer relationship is essential in developing successful marketing and ultimately helping in creating a successful business. There are five rules of thumb when developing brand management:

1) Protect your Brand (Trademark Law)
2) Honor your Stakeholders
3) Treat Brand as an Investment, not a cost
4) Exploit Financial Potential of Brand
5) Understand that Successful Brand Management is Complex

(Blackett, 2004)

These five rules are simply suggestions to follow, but are all extremely important when creating a brand. The first is one of the most important because Trademark Law provides protection and security on not only your brand, but the colors, the shape and style, and most importantly, a business’ logo. A company is dependent on its identity and as mentioned earlier; it can be suggested that start-up companies need marketing to gain recognition and to ultimately succeed. Without that guaranteed protection, the company’s marketing capabilities may suffer as a result.

The Social Value of Brands:

"Brands are in fact a great ally of social progress" (Hilton, 2004, p.48). They are not only apart of a progression, but are in the heart of it. As start-up companies develop so do new brands, new logos and new products. It’s a cycle and as Charles Berger states "There’s no reason the brand can’t be immortal" (Speak, 2001, p.18).

According to Steve Hilton, author of The Social Value of Brands (2004), there are seven social wins of brands and how brands reflect a positive social environment and change (only three are necessary for this particular argument):
Importance of Icons 29

1) Brands foster customer loyalty
2) Brands are a spur to innovation
3) Brands provide a reliable mechanism for consumer protection

Like the target of start-up companies, brands focus on building a large customer pool through marketing. A brand's survival is similar to that of the survival of a start-up company: to make sure that the marketing of the company and the company's values coincide with the target audience.

Married to the Brand:

"Marty has an important relationship, but it isn't just with his older brother, who lives in the same neighborhood. It's with Starbucks" (McEwen, 2005, p.1). Who is Marty, you may ask? Well, Marty is like any other individual who has a favorite store; but not only just a favorite, it's the only place he or she will go to get a drink or to get socks. Now, this portion of the thesis is not about Marty or Starbucks, but what it is about the relationship between the consumer and the company. Brands are now, more than ever, about this relationship.

Brands "identify, define and express the experience of using particular products and services with which consumers connect. Brands are the partners in the dating dance, the entities with which individual consumers sometimes form important, reciprocal, and even loving relationships" (McEwen, 2005, p. 15). This relationship is more than simply a company's name to a child; it means that if developed and continued, the likelihood of that child asking for a product related to that company is relatively high. According to Business Week and Interbrand, Coca Cola's branding value, for example, is estimated over $67 billion (McEwen, 2005, p. 29). Although Coca Cola is a large company and the
Importance of Icons 30

reputational capital is high, this statistic is emphasizing the value of branding within a company; and ultimately, how companies can benefit from branding. "Companies create
brands and support them because brands represent company assets that can be leveraged, bought, and sold. When assessing the worth of a company, analysts and investors assign an important price premium to the intangible goods associated with a brand name (McEwen, 2005, p. 28). The Coca Cola Company is valued much higher than say the tangible goods it holds or is linked to because of the brand value (McEwen, 2005). This brand value depends on the customer's interaction with the company and his or her support of the services and/or products provided.

Summary:

This role breakdown is very important to recognize because brands are important. It all begins with a brand, but it is what comes after the brand that makes this entire thesis logical.

"A strong corporate brand can be a very important company asset. It gives a brand manager another way to talk to and relate to consumers. The communication between a product brand and the consumer is generally focused on getting the consumer to buy or use a product. The corporate brand has to talk in broader, yet still relevant terms with consumers. A strong corporate brand can provide consumers with added confidence to buy and use branded products. An important role for a corporate brand is to communicate the organization's core values. If the consumers understand and believe in these core values, it will give them more confidence to buy new products from the company or try new things" (Speak, 2001, p.18).

One of the purposes of a start-up company is to launch a new product or service and market it to the consumer. But, how does the company market itself, its products and/or its services? One way is through brands or branding—which over time create a relationship between the consumer and the company. How does the brand become even
Importance of Icons 31
more embedded and what signifies this relationship? Through logos. Logos are meant to
speak to both internal and external audiences and like brands, they are important to
corporate identity.

“...The brand is the perception formed by the audience about a company, person, or
idea. This perception is the culmination of logo, visuals, identity programs, messages,
products, and actions. A designer cannot “make” a brand. Only the audience can do this.
The designer forms the foundation of the message with the logo and identity system”
(Morioka 2004, p.18).

LOGOS

Introduction: (Walt Disney Logo, 2005)

What is a logo? Is the picture above a logo? What are the properties associated
with a logo and what exactly is its purpose? All these questions will be answered in this
portion of the thesis, but first: yes, this picture above is a logo. It is one of multiple
versions of the Walt Disney Company logo. And, yet regardless of what event the logo
has been created for, it is still reflective of the Walt Disney Company because the general
signature of the logo remains static over time.

It is hard to say exactly when logos went from being essential, but lackluster
business tools to the international graphic design superstars they are today.
Whatever the event that propelled logos to stardom, the fact remains that today’s
most effective logos do much more than stand for a company, product, or service:
They trigger emotion, create desire, even forge communities. Of course, a logo is
just one element in a corporate identity system, but it is arguably one of the most
important (Silver, 2001, p.11).
Research shows that logos are important elements to not only corporate identity, but to a company (Newman, 1999). Where would majority of Business Weeks' world top companies be without their logo? Would McDonald's be so memorable without its golden arches? Understanding logos and their relationship to a company is essential in recognizing their importance for start-up companies.

Logos are a common occurrence. Almost every company has one and new companies are either have one or are in the process of choosing an appropriate one. According to United States Statistical Abstract, in the year 1996, there were between 800,000 and 3 million new businesses developed (Henderson and Cote, 1998, p.3). It can be implied, that based on previous statistics (Pena, 2002), the creation of new logos fell within that range. Although that statistic is dated 10 years ago, and with new organizations assisting (Pena, 2002) in the development of start-up companies, it can be inferred that the number of current companies benefiting from the components of a logo is just as high.

What are Logos?

"The word, logo, can refer to a variety of graphic and typeface elements; the graphic design that a company uses, with or without its name, to identify itself or its products" (Henderson and Cote, 1998, p.4) This is the general definition, yet, over time, logos have developed into a variety of terms. No longer is a logo, only a logo. For example, a mark, is defined "as a recognizable symbol used to indicate ownership or origin of goods"; or, symbol, defined as "the iconic portion of a logo" (Morioka, 2004,
Whatever the term may be or however it is presented, the word ‘logo’ is no longer the standard use of the term, but has multiple components.

"Logos should be recognizable, familiar, elicit a consensually held meaning in the target market, and evoke positive affect" (Henderson and Cote, 1998, p.3). In order to enhance the company and build a relationship with customers, it must be visually appealing and seize consumers on a more personal level.

The 10 Rules:

“When it comes to their actual design, successful logos are a disparate lot: They might be monograms or pictograms, letters or numbers, circles or squares, animals, plants, suns, stars, or moons. Despite these differences, however, successful logos do share several qualities" (Silver, 2001, p. 11) Silver continues by stating they are similar through practicality, and that they communicated the business’s values. “And, in the end, effective logos share something else, a quality that is a bit more elusive: as visual forms they offer, “sheer pleasure” (Silver, 2001, p. 11).

As a visual identity for a company, regardless of the age of the business, it is essential to understand the rules of a logo in order to correctly utilize its power and properly apply it to the business. The 10 rules are as follows (Morioka, 2004, p. 21-41):

1) Answer who, what, and why?
2) Identify, don’t explain
3) Understand limitations
4) Be seductive
5) Make mnemonic value (“of or helping the memory” (Agnes 2003, p.415) )
6) Pose a question
7) Design for longevity
8) Make the logo the foundation of a system
9) Design for a variety of media
10) Be strong
These steps can help both enhance a company's prosperity and success. The first rule is essential is the foundation. The company should first establish who, what, and why before it can move on to actually designing. The Who, refers to two groups of people: the client and the audience; the What, refers to the need of the logo: What is needed to promote? To sell? What does it say about the company? It is essentially any information that can be researched about both the client and the target audience is beneficial in creating an appropriate logo; and the Why, refers to the message the logo is trying to emulate. There is a purpose to the company and an image it wishes to pursue, therefore, the why provides the answers to that through visual imagery and design. Researching the positioning, the purpose, the mission, the culture, and the audience are only some samples of topics for briefing questions which can help in determining the, who, what, and why portion and begin the establishment of a logo (Morioka, 2004).

The second rule is that it should be recognizable. Companies wish to have their logo represent their name, without needing much more for support. “A logo is a shortcut, a visual language that is quickly recognizable and memorable” (Morioka, 2004, p. 25). Including a lot of jargon, or extra information will clog the logo and then it essentially loses its purpose as visual language.

The third rule suggests that a “logo is not a magic lantern” (Morioka, 2004, p. 27); it cannot mysteriously make a poorly designed and developed company, great. But, it can make an already positive and partially-successful company, better. "The logo gives direction and attitude, while the product informs the meaning" (2004, p. 27).
The fourth rule suggests that logos can visually satisfying and are aesthetically pleasing to the eye. This can be done through simplistic means or daring curves; the point is to test the limits when it comes to design, in order to make a statement and stand out above the rest.

The fifth rule suggests using memory tactics. According to the *Logo Design Workbook*, there are "Four critical attributes of the process: 1) We see shape and color; 2) We position it within our understanding of historical continuity; 3) We then use the information we have from learned responses to form meaning; and 4) Mnemonic value is linked seamlessly to emotional association" (2004, p. 30). Essentially, we use memory to stimulate our senses and this stimulation is linked to logos. For example, if a woman's mother wears Chanel No. 5, and this individual sees a billboard of the Chanel No. 5 logo, a trigger is set off and emotions will form because there is a link between the individual and the logo: the mother. This sort of memory connection is also essential in understanding the logo and consumer relationship and how the relationship is formed and sustained (Morioka, 2004).

The sixth rule suggests using our thinking process. Similar to how our senses spark a question when triggered, a logo should spark the same response. For example, when an individual sees something or out-of-the-ordinary, it may spark a question in the brain about its purpose or meaning. The point of rule six, is that a logo should be able to get the same sort of reaction: probing a question or thought which makes the individual think about the logos presentation. "If the question is presented, and the viewer must provide an answer in his head, he [or she] will be more intimate with it" (Morioka, 2004,
Importance of Icons 36

p.33). But, be sure not to pose an unsolvable question, or the entire purpose of presenting
one will be ruined.

The seventh rule reiterates a major point I have been stating throughout:

longevity. A start-up company hopes for longevity within the business. According to
Charles Berger, CEO of The Scott's Company, brands can be immortal. So, when
designing or contemplating on a logo to represent a company it is important to think in
the same terms (Speak, 2001). "The logo must be able to convey its message over a long
period of time and it must be able to adapt to cultural changes" (Morioka, 2004, p. 34).

Essentially, like any business, like any product, a logo must be able to acclimatize to its
surroundings; and to save future funds on a recreation, designing one to maintain its
position over time is extremely important. "In some cases, the marketplace has changed.
Another competitor may have entered the market, and the business needs to distinguish
itself" (Newman, 1999, p.16). One major difficulty in a start-up company is the initial
launch and it is important to not only know the surroundings (market, competitors,
business), but also to be sure to illuminate that adaptability through the visual experience.

The eighth rule is essential in building a company's distinction. It is one thing to
simply design a logo to put on products, but when that logo is on company's material
(such as brochures, business cards, posters, etc.) it is important to ensure it is unique, but
memorable. "The audience will never see the logo in a void. It will always be in context,
accompanied by other visuals and ideas" (Morioka, 2004, p. 37). When thinking about a
logo, a company must also consider the alterations or, as mentioned earlier, the
adaptations. When the logo is included on documents, it needs to be able to hold its own;
yet still be able to maintain the overall aura of the company.
The ninth rule suggests that the logo must be designed for multiple medias. Depending on the company, the products and/or services provided, the company will distribute different forms of media: cassettes, CD's, DVD's, and possible VHS's (to name a few). The logo must be able to fit aesthetically, while still maintaining its original purpose, to reflect the company's message. “Once again... plan for the unplanned” (Morioka, 2004, p. 38).

Lastly, 'be strong' ties the entire 10 rules together. It is the knot, and the others are the string. Creating a logo suitable for a company is only the beginning believing in the message and believing that it will portray that message to an audience is key. It takes patience, but like any other aspect of business, a logo needs time, energy, and heart to survive. “The businessman will never respect the professional who does not believe it what he does” (Morioka, 2004, p. 40).

When you catapult your strategy over conventional wisdom, you'll enjoy some appealing consequences: a temporary monopoly, a brand imprint on a new market, a head-start learning infrastructure for next generation product and services, an environment that attracts the best and brightest employees, and, of course, margins that will knock the socks off your investors” (Harari, 1998, p. 42).

Although this quote comes from Lessons from the Swoosh, an article highlighting the success of the Nike corporation, it is referencing the success of the Nike logo. The logo becomes a part of the company's culture. For start-up companies to launch successfully and maintain status longer than one and a half years, a proper, yet dynamic logo will help.
Why a Logo?

In the book titled, Logo Design Workbook: A Hands-on Guide to Creating Logos, a diagram is shown with a big red circle asking that question why. The point: To ask the underlying question, why a logo? This question is broken down into three parts: 1) ownership, 2) origin, and 3) identity. Attached to the three parts are three questions: 1) who owns this, 2) where was it made, and 3) who made it. Following the questions are three answers: 1) An object, idea, company or person, 2) place, time and culture, and 3) a company, an individual, a group or a community (Morioka, 2004). All of this leads to the eight reasons why a company should have a logo:

1) Differentiate from the competition
2) Create a focus internally
3) Provide clear identification
4) Enable the audience to form a personal relationship
5) Create merchandising opportunities
6) Create credibility
7) Bring order to chaos
8) Communicate the message

(Morioka, 2004).

The underlying purpose of this thesis is to demonstrate the importance of logos to start-up companies, and essentially explain why. Above are eight reasons why a logo may benefit a company.

If there were 20 different businesses on one street and out of those 20 businesses only two were without logos. Would it not seem odd that they did not have logos? Because some consumers base their decisions on the image of the company, it may be safe to say those two businesses may struggle getting new customers.

An important part of any marketing program related to your practice name, firm image, and positioning concept, is the communication process often categorized as graphic identity. While it has little to do with the quality of the services you provide, the package you present affects your reputation and public esteem. Too
often, professionals seem to be unaware that the first impression they make on others may be the only chance they get. It is important that the first and all subsequent impressions communicate the excellent quality of your practice and concern for your clients (Rogers, 1997, p. 43).

One portion of this quote stands out: "the package you present affects your reputation and public esteem" (Rogers, 1997, p. 43) because not only does the logo display the company, but it exemplifies the company's reputation within the market.

A start-up company's rate of success is low and although logos cannot make a poor company great, it can aid in the positive development of its reputation and create a meaningful relationship with the consumers. According to Stuart C. Rogers, author of *How to Create a Graphic Identity for Your Practice*, larger companies who hire out big name firms, to create the logo, pay approximately $500,000; development costs for basic work for smaller companies are approximately $50,000 (1997, p. 45). As mentioned earlier to launch a start-up business, the cost is on average $500,000, the same amount large firms are spending on logo designs for their company. Businesses are willing to pay the price for an outside firm to create the logo. And, with smaller companies spending an average of $50,000 for a logo, logos are in fact important to businesses. It is implied through these statistics that companies understand the value of a logo and that paying any sum of money is worth the distinction factor that the logo offers to the company and the consumer. Charles Berger, CEO of The Scott's Company, states:

Companies sometimes make financially driven decisions that inhibit continued growth of a brand. It's almost like they're saying: Now that the brand is strong, we're going to move on to something else. Properly supported brands create real momentum. A well-supported brand will make you more and more money (Speak, 2001, p. 20).
Summary

"Graphic identity of the practice is the unifying factor to your entire marketing effort. It signifies to those who see it that the letter, business card, literature, advertisement, or office signage on which it appears, owe their existence to the practice. It must be used in such a way as to communicate the message quickly and clearly. Your logo should always represent the practice" (Rogers, 1997, p. 48). Research shows that the logo is one of the most important aspects of corporate identity (Pena, 2002). As a form of branding, logos are marketed to a wide audience and continuously produced for representation of a company and its message. As companies are formed, marketing becomes an immediate concern. If a company's goals are to develop into a well established business, then marketing becomes their main tool; without it, the company may remain constant. Therefore, a logo can be important for start-up companies because they are one of many marketing tools. They are the instruments which will help launch the company. By creating an appropriate logo, a start-up company has one opportunity to maintain longevity and assist in creating a successful business.

LOGOS AND START-UP COMPANIES: THE LINK

Introduction:

"Branding is not just a name, but a communication that defines competence, standard and image to customers. It speaks familiarity and credibility" (Fatt 1997). Referring back to the scenario of Marty and his Starbucks, the relationship between consumer and company has been established. This is an attraction to that brand of coffee; no different than my attraction to the Disney Company. Questions may form as to how
such a connection could develop; but like day to day interactions, a brand, product, or logo becomes a part of someone's daily routine. So, then what are the properties of this relationship? Without delving into psychological analyses, there is evidence that shows consumers do develop a strong tie to a specific logo.

Logos and Human Relations:

Brand or logo relationship is more than just simply purchasing a product or service from the company once; but is continuously returning to the same company. It is generally accepted that repeated exposure to an advertisement can influence liking for an advertisement and for the brand names and product packages included in the advertisement. There is a considerable amount of evidence that incidental exposure to marketing communications can influence consumer behavior” (Janiszewski and Meyvis, 2001, p. 18).

A loyal consumer discovers some truth behind the message the brand and logo portray, and it this initial pleasure that begins the relationship.

Creating or protecting strong brand relationships isn’t easy, but it’s worth the effort. No brand will ever marry 100% of its customers, but every brand should strive to create more marriages. In 2004, companies invested somewhere in the neighborhood of $166 billion in the United States alone to advertise their brands. Yet advertising is only one part—though a large portion (McEwen 2005, p. 28). That amount excludes additional costs such as promotions, etc. The point is, though, that companies are dipping into their funds to create a brand suitable for marriage to customers. There is no guarantee that every customer will develop a relationship with your logo or brand, but it is always worth the effort if the business wishes to strive. In the book, Married to the Brand, the author references two females: one loves Kraft Mayonnaise, the other Miracle Whip (McEwen, 2005). The point is that one will pay more for her product over settling for another. A relationship is formed between a
importance of icons 42

company and a consumer there. It is not about saving money or that the consistency of
the mayonnaise is better in one than the other, but it is implying is that a solid, strong
relationship can be formed between a consumer and a company.

Therefore, highlighting the value of the company is very important in order to target all
those interested or linked to the company. A logo is the "most visible and familiar
components of corporate identity" (Fatt, 1997, p.61) and as a representation of the
company, the selection process becomes difficult, yet important.

Selecting a logo is an arduous task for companies and includes the difficulties
distinguishing which logo would be remembered the best, be most liked, or create
the strongest sense of familiarity on initial exposure. In addition, it is possible that
desired responses are not achieved because the selected logo has a design that is
difficult to store or access in memory, is not likeable, or fails to evoke any sense
of meaning. However, if managed correctly, a logo can serve as a competitive
advantage and be a way to increase a company's reputation (van Riel and Van Den Ban, 2001, p. 429).

Choosing the wrong logo or a logo which does not exude a sense of intimacy to the
consumer can be detrimental to the company and to its marketing success. Start-up
companies are competing with many different businesses: different products/services and
different ages within the market. Entering into the battle without a proper identification is
a reflection on not only the business and may hurt the potential consumer / company
relationship. Therefore, creating a logo that is suitable to the market, the consumer and
the company creates a triangular relationship which is consistent, stable, and successful.

In an article titled, The Added Value of Corporate Logos-An Empirical Study, the
author provides a case study of a new Dutch Bank. It studied the consumers reactions to a
new logo entering into the market, and the reaction of the consumers three months after the launch. The data came from 400 individuals: 200 at the launch, and 200 after three months. There was a 43% response rate for study A (the launch) and a 36% response rate for study B (three months) (van Riel and Van Den Ban, 2001). Essentially, a comparison of the same logo was done prior to the company being in the market, and after the company was in the market. What the results showed was that:

Confrontation with a logo of a highly familiar company appeared to reflect a more limited set of associations, as compared to the logo of the Bank that all respondents saw for the first time. The new logo did not only evoke more clusters of meaning, it also evoked a wider variety of interpretations (van Riel and Van Den Ban, 2001, p. 433).

This case study re-emphasizes the importance of launching a logo, especially for a new company. Response rates were high due to curiosity, and projection of the image. Proper marketing can satisfy the company's need immediately (and in the future) because it is the continued concern and energy of the company that may help it prosper.

Summary:

Charles Berger states, "the first thing is the importance of being consumer-oriented as opposed to being manufacturing- or product-oriented... Companies with strong long-term consumer relationships are the ones that can sustain growth most efficiently.... Many companies have extremely high market capitalization based upon their consumer relationships and other intangibles" (Speak, 2001, p. 23). The possible consumer/company relationship is important to recognize because it demonstrates that companies are in fact marketing properly, and their logos are having some effect on their
The purpose of the literature review is to show answer the research question: how important are icons (logos) for corporate identity for start-up companies? What the literature review did, in answering this question, was break it down into three sections: start-up companies, branding, and logos; and created links from each main topic. The link from start-up companies to branding was marketing: how marketing is an essential key in the success or failure of a start-up company. The link from branding to logos was that logos are a form of branding. Therefore, an overall connection can be made to show that start-up companies should utilize logos for added success. In addition, research and statistics showed a relationship can be formed between the consumer and the company.

A logo's purpose is to visually identify the company. Yet, the relationship which develops between a consumer and a company, projects a logo's purpose to higher ground. And, because companies strive on customer service, logos do become an important part of the prosperity of start-up companies.

"Avoid being a product manager; be a brand manager. Focus on the relationship with your consumer, not just your product. As a brand manager, your brand is your flame and it's your job to keep it alive and in good condition. Respect the power of the brand and give it more power by putting the right new products under its umbrella. Avoid constantly adding new brand names for each new product. Finally, be passionate and charismatic about your brand" (Speak, 2001, p.24).
Why are logos important for start-up companies? They create distinction, create relationships, and help develop a company's values. And, in order to distinguish a new company from an already existing one, a logo can be necessary.
CHAPTER III
Methodology

INTRODUCTION
The purpose of the methodology section, beyond the historical and statistical facts, is to gain some validity on whether or not logos are important for corporate identity for start-up companies, through a study. Are logos as important to the consumer as they are said to be to the company? Should all start-up companies sanction for a logo to identify their company’s message, products, and/or services?

Research shows that a relationship can be formed between logos and consumers (Janiszewski and Meyvis, 2001). Therefore, the two studies conducted will look at how crucial logos are to both the consumer and the owner of a start-up company.

DESCRIPTION / DESIGN OF THE SURVEY
In order to properly determine the importance of logos to a start-up company, I will be conducting two different studies for two different groups.

The first study is for the general public (general consumers) who on a regular basis purchase a multitude of items and products. I will determine if the logo/brand is a factor in the purchasing of a product. As mentioned in the book, Married to the Brand, discussions were held about how two women determined their purchase of mayonnaise on the logo/brand, regardless of the price difference (McEwen, 2005). Therefore, by asking general consumers I can determine the relationship, if any, and how important they are to a company. The survey is seven questions with three demographic questions. The answers to these questions will be determined by three different types of questions:
Yes/No, Check all the Apply, and the Likert scale. Based upon the variety of answers, I will then determine how important logos/brands are to the consumers and then I can infer how important a logo would be to a start-up company.

The second study is for the owners of start-up companies, who within the past 7 years launched a new company, regardless of style of store. I will determine, first, if they have a logo for their company, and then, how that has or has not benefited them. Understanding what the owner thinks about a logo will help in determining how the business portion of logo selection is discussed and analyzed. For this part, two different types of studies were conducted: a survey and an interview. The survey was placed on Zoomerang.com, a web based survey site, where start-up company owners could participate in filling out the survey. The survey consists of 11 questions, three of which were demographic based. The interview is six questions with three demographic questions. The answers to these questions are completely open-ended. Conclusively, I will be able to infer the importance of logos to start-up companies and I will be able to compare the responses from the consumers to that of the owners and determine the levels to which both agree or differ on the importance of logos, specifically to start-up companies.

PURPOSE OF THE STUDY

The overall purpose of this study is to determine how important icons (logos) are to start-up companies by probing two different types of groups: start-up company owners and general public consumers.
Start-up Companies expend a considerable amount of resources and energy on marketing in order to establish a business. It has been assumed that logos are important to the identity of a company and the brand-consumer relationship affects the success of a company. Therefore, this study will look at both consumers and start-up company owners in order to determine each group's perspective on the importance of logos for a start-up company.

I chose two different styles for each group. First, a survey-style study because it can reach a wide range of audience, all with differing opinions. Because the topic of logos/brands and start-up companies is a universal topic, interviews were not required. A survey of this style will allow me to determine percentages within the consumer and start-up company owner groups: how many base decisions on products (solely on logos/brands) versus those who simply choose at random. In addition, what logos mean to a specific company or in general. And second, an interview based study for the start-up company owners to get their personal opinions on their own company and start-up companies, in general. As mentioned earlier, a comparison of both studies will provide me with insight into a relationship of consumers and logos to that of start-up company owners and logos, determining whether or not the logo is as important to the consumer as it is to the company. Ultimately, the survey and interview results will either disprove or prove parts of the research question and provide possible support for the subsidiary questions.
DESCRIPTION OF THE SAMPLE

The general consumers, who will be surveyed, will not be under 18 years old. I believe that in order to acknowledge logos (and to potentially see a relationship), the surveyor must be of that age for exposure purposes. They will consist of both men and women, of all backgrounds and job experiences.

The start-up company owners, who will be interviewed and surveyed, will not be under 18 years old and the businesses must have been in existence not less than one year. The sample will consist of both men and women owners and the type of business is not reflective because it is all start-up companies.

No personal information will be collected (e.g. names, social security number, address, phone number, etc). All data will be collected on an anonymous basis and will be collated into an Excel spreadsheet.

DATA COLLECTION METHOD

The data collection method will be by survey and interview. The study will consist of two survey based studies and one interview based study. The survey research will be conducted through the use of a survey instrument to measure the impact of logos on start-up companies. The surveys will be collected randomly on a volunteer and anonymous basis. Basic demographic information will be collected from the subjects including their gender, age and educational level. The survey's, for both the general consumer and the start-up company owner, will be placed on Zoomerang, a web based survey site (www.zoomerang.com) where 200-plus surveys will be sent out with hopes of no less than 100 responses. When the survey results are complete, and the responses have
been emailed to my account, I will then collect the data and move on to the analysis portion.

The interviews will be conducted either by phone, email, or in-person. The specific names of the company as well as the names of those participating will remain anonymous. The interviews will gauge each individual company owner's opinion on logos and companies, as well as whether or not the owners believe that logos are necessary for start-up companies. No less than 5 interviews will be conducted. When the interviews are complete, the responses will then be analyzed and strung together with the results of the consumer survey.

DATA ANALYSIS

In the data analysis process, Zoomerang assists by organizing all of the responses into graph form. Using the graph produced, I will take percentages and numbers to determine the response rate and score for each survey. I will then take the response rates and numbers and put them into an excel sheet graph to lay out visually the breakdown of percentages. At the end of each graph (for the two surveys), I will total the number of responses to each question. After the information has been broken down, I will comment on each question with reference to the percentage rates in order to determine the validity of the research question.

In the data analysis process, I will have to decode the responses to the interview questions, by simply finding similarities and differences between the company's responses. Because interview questions cannot necessarily be placed into a graph, the
Importance of Icons

responses will simply be listed after each question. I will connect the responses back to those of the survey for the consumers.

Once all the information has been decoded, I will then be able to conclusively determine the importance of logos to start-up companies and whether or not consumers and start-up company owners agree on the significance of logos for corporate identity.

SUMMARY

Why are surveys important? Not only do they provide broad responses and objective results, but they are convenient and efficient for gaining perspective on a topic or topics. Why are interviews important? They are an opportunity to volley back and forth off of the responses and to gain an even deeper understanding of what is being said.

As research opportunities increase, surveys and interviews are still consistently utilized. With so many different forms, they will always remain a reliable source. There can be miscommunication issues from the survey conductor to the surveyors or interviewer to the interviewee, therefore, clear explanations and directions are necessary to conduct a successful study; successful being defined as 100% participation of questions and high-response rate.

For this specific thesis, a survey and an interview are beneficial for reaching a specified audience in order to aid in the logo research. With the ability to narrow down a sample audience, responses are geared directly towards the topic and provide detailed information for proper analysis.
CHAPTER IV
Results of Research

RESEARCH QUESTION

The purpose of this paper is to analyze the importance of logos for a start-up company. Company logos can represent the company and through their design, can display the core values and purpose of the business. Logos can be one way consumer's link products to a company. And, some consumers have developed such strong relationships with the brands of these companies. Brand loyalty can be a very important asset for start-up's to develop to gain market-share.

DESCRIPTION OF METHODOLOGY

In order to determine how important logos are to a company, two surveys were conducted: the first for general consumers and the second for start-up company owners. The first survey consisted of 10 questions in an effort to obtain the thoughts and opinions of the general consumer on logos and their ability to recognize the company based on the logo. The second survey consisted of 14 questions created with the intention to obtain the thoughts and opinions of the owners of start-up companies. It was designed to determine whether or not the owners of new company's believed that a logo was necessary and important and if yes, how the logo was utilized.

In addition, interviews of start-up company owners were conducted through phone, email, or in person to gain a greater perspective on whether or not logos are important to a start-up company. The six interview questions asked if the start-up
company owner felt that logos were important to his/her company and then for start-up's in general.

The 10 questions in the general consumer survey asked if a logo's role is more than simply a visual representation of the company. The 14 questions asked in the start-up company owner survey asked whether or not a logo was one of the necessary components to marketing their products and/or services. Both of the surveys were placed on Zoomerang, a web based survey site, and the results were tallied for each individual survey.

The interviews were completed within a two-three week period. Because organizations who assist start-up companies keep the names confidential, the process in locating owners became difficult but not impossible.

The consumer survey was sent at random through the Zoomerang site to different employees and students on the Seton Hall University campus. Within a week, I was approaching my goal of 50 consumer subjects. The start-up company survey took a bit longer to complete. Within a two-week period, only eight surveys were completed. My participation rate for this particular survey was low but because the criteria for filling it out was so detail specific. Because of the low survey response rate, which was anticipated, it was decided to add personal interviews with start-up company CEO's to gain their perspective. The interviews were completed within a two-three week period.

SURVEY & INTERVIEW SAMPLES

Prior to explaining and analyzing the results, it is important to look at who participated in the surveys and the interview. Below are the results of the demographic questions asked in the surveys and the interviews,
This particular survey was designed to target general consumers within the United States. The only restriction to filling out the survey is that the participants needed to be 18 years or older. The survey consisted of three demographic questions: gender, age, and education. 43 individuals filled out the survey, for a response rate of 54.

<table>
<thead>
<tr>
<th>Are You?</th>
<th>Number of Responses</th>
<th>Response Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>13</td>
<td>30%</td>
</tr>
<tr>
<td>Female</td>
<td>30</td>
<td>70%</td>
</tr>
</tbody>
</table>

70 percent of those who responded were female and 30% were male. My ideal goal was to have 50 respondents, and although short, the responses that were received were enough to form some conclusions on the research question.

<table>
<thead>
<tr>
<th>Age (in Years)</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>18</td>
<td>3</td>
</tr>
<tr>
<td>19</td>
<td>2</td>
</tr>
<tr>
<td>20</td>
<td>4</td>
</tr>
<tr>
<td>21</td>
<td>4</td>
</tr>
<tr>
<td>22</td>
<td>1</td>
</tr>
<tr>
<td>23</td>
<td>3</td>
</tr>
<tr>
<td>24</td>
<td>3</td>
</tr>
<tr>
<td>25</td>
<td>6</td>
</tr>
<tr>
<td>26</td>
<td>7</td>
</tr>
</tbody>
</table>
Question 2 and 3 asked age and education. I asked question 2 to gain perspective on the average age of the participants which may help determine purchasing habits. I asked question 3 simply to know the education level of my participants and to determine
whether there was a solid distribution in educational level/experience. The majority of
those who took the survey were between the ages of 18 and 27 (with 25 and 26 years
having the most at 6 and 7 participants) One of the 43 participants did not disclose
his/her age. 33 percent have some college experience, 28 percent have a college degree,
and 37 percent of those who took the survey have a post-graduate degree or are currently
studying post-graduate work.

Start-Up Company Owner Survey:

This particular survey was designed to target start-up company owners within the
United States. In order to participate, the individuals needed to be 18 years or older and
the company has to be at least one year old and no more than seven years. The survey
consisted of three demographic questions: gender, age, and education. Eight individuals
filled out the survey, for a response rate of 13.

<table>
<thead>
<tr>
<th>Are You?</th>
<th>Number of Responses</th>
<th>Response Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>6</td>
<td>75%</td>
</tr>
<tr>
<td>Female</td>
<td>2</td>
<td>25%</td>
</tr>
</tbody>
</table>
After sending out the survey through Zoomerang, I monitored this survey weekly. Like the general consumer survey, I was not surprised by the participant's gender outcome. According to *Creating the Multicultural Organization*, “three of every four
college degrees in the United States went to men” (Cox Jr., 2). That number has changed over the years, with more than 54 percent of college graduates going to women (Cox Jr., 2). The majority of those who took the survey were between the ages of 27 and 63: A drastic difference in the age groups of those who participated in the consumer survey. 63 percent of those who took the survey have a post-graduate degree or are currently studying post-graduate work; while the other 38 percent have a college degree.

Start-Up Company Owner Interviews:

The interviews that were conducted as a part of the research for this paper presented some insight into the role of logos for companies from the perspective of a start-up company owner. Although they were retrieved by different means, each one shed light on the opinions of those individuals who went through the start-up company process. The company’s names have been kept confidential in agreement with the subjects and been given a letter for representation within the paper. Below are the sample results of the interviews conducted:

<table>
<thead>
<tr>
<th>Company</th>
<th>Title</th>
<th>Gender</th>
<th>Age</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>President</td>
<td>Male</td>
<td>33</td>
</tr>
<tr>
<td>B</td>
<td>President/CEO</td>
<td>Female</td>
<td>42</td>
</tr>
<tr>
<td>C</td>
<td>CEO</td>
<td>Male</td>
<td>60</td>
</tr>
</tbody>
</table>
DESCRIPTION OF RESULTS

This portion of the paper will be dedicated to explaining the results of the two surveys and interviews. It is important to look at the whole picture to get a sense of what the respondents felt about the survey. The analysis of the results is located in Chapter 5.

General Consumer Survey:

As mentioned earlier, 43 people participated in this survey and provided opinions about the importance of logos for start-up companies. The responses are categorized and a percentage is shown. This helps to see the most popular and/or highly agreed upon responses.

<table>
<thead>
<tr>
<th>How important is it to you that an organization has a logo for identity?</th>
<th>#of Responses</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Important</td>
<td>9</td>
<td>21%</td>
</tr>
<tr>
<td>Important</td>
<td>21</td>
<td>49%</td>
</tr>
<tr>
<td>Neutral</td>
<td>11</td>
<td>26%</td>
</tr>
<tr>
<td>Not Important</td>
<td>2</td>
<td>5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Is it easy for you to recognize a logo of a company?</th>
<th>#of Responses</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>43</td>
<td>100%</td>
</tr>
<tr>
<td>No</td>
<td>0</td>
<td>0%</td>
</tr>
</tbody>
</table>
According to the book *Logo Design Workbook: A Hands-on Guide to Creating Logos* (Morioka, 2004, p. 21-41), there are 10 rules for the design and presentation of a logo. These rules act as guidelines for companies to follow or keep in mind when designing or creating a logo for their audience. The results show that 49 percent of the general consumer public think that having a logo/identity for an organization is important. In addition, 26 percent felt neutral about the topic, 21 percent think that a logo is very important for an organization's company, while 5 percent felt it was not important. I asked the second question to play off the first and surprisingly 100 percent of those who participated felt that logos were easy to recognize. I was surprised by the results because I did not expect such a high response rate, but there are documents to help companies create logos for the public to recognize, so it seemed logical.

<table>
<thead>
<tr>
<th>Is an organization's logo important to you?</th>
<th># of Responses</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>22</td>
<td>64%</td>
</tr>
<tr>
<td>No</td>
<td>16</td>
<td>37%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>What does a logo imply to you? Check all that apply:</th>
<th># of Responses</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizations Image/Identity</td>
<td>37</td>
<td>80%</td>
</tr>
<tr>
<td>Organization's Message/Values</td>
<td>37</td>
<td>86%</td>
</tr>
<tr>
<td>Organization's Products/Services</td>
<td>27</td>
<td>63%</td>
</tr>
</tbody>
</table>
Should an organization’s logo reflect the message and values of the company?  

<table>
<thead>
<tr>
<th>Response</th>
<th># of Responses</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>39</td>
<td>91%</td>
</tr>
<tr>
<td>No</td>
<td>4</td>
<td>9%</td>
</tr>
</tbody>
</table>

According to the book, *Design That Works: Secrets for Successful Logo Design*, "Whatever the event that propelled logos to stardom, the fact remains that today’s most effective logos do much more than stand for a company, product, service: They trigger emotion, create desire, even forge communities (Silver, 2001, p. 11). The results show that 91 percent stated that an organization or company’s logo should reflect the message and values of the company. The previous question asked for the participants to state what a logo reflects to them and 86 percent stated that a logo implies the organization’s values/message.

Does an organization’s logo effect your purchasing decisions?  

<table>
<thead>
<tr>
<th>Response</th>
<th># of Responses</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>23</td>
<td>53%</td>
</tr>
<tr>
<td>No</td>
<td>20</td>
<td>47%</td>
</tr>
</tbody>
</table>

If yes, What are your reasons?  

<table>
<thead>
<tr>
<th>Response</th>
<th># of Responses</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company’s Values</td>
<td>14</td>
<td>56%</td>
</tr>
<tr>
<td>Company’s Services</td>
<td>15</td>
<td>60%</td>
</tr>
</tbody>
</table>
The results show that 53% of people find that a logo affects their purchasing behavior, with 75 percent stating that their reason is the recognition or name of the company in which the item/items were purchased. And, lastly 71 percent of the public considered themselves “brand loyal” customers. Brand loyal refers to an individual who repeatedly purchases the same brand. As mentioned earlier in an article titled, *Effects of Brand Logo Complexity, Repetition, and Spacing on Processing Fluency and Judgment*, “it is generally accepted that repeated exposure to an advertisement can influence liking for an advertisement and for the brand names and product packages included in the advertisement. There is a considerable amount of evidence that incidental exposure to marketing communications can influence consumer behavior” (Janiszewski and Meyvis, 2001, p. 18). After tallying the results, I was surprised that there was an 18 percent
Start-Up Company Owner Survey:

This particular survey was launched toward the end of February of 2006. As mentioned earlier, eight people participated in this survey and provided honest opinions about the importance of logos for their particular company and start-up companies in general. The responses are categorized and a percentage is shown. This helps to see the most popular and/or highly agreed upon response.

Do you have a logo for your organization?  

<table>
<thead>
<tr>
<th># of Responses</th>
<th>Response</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>7</td>
<td>88%</td>
</tr>
<tr>
<td>No</td>
<td>1</td>
<td>13%</td>
</tr>
</tbody>
</table>

How long have you had your current logo?  

<table>
<thead>
<tr>
<th># of Responses</th>
<th>Response</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;6 Months</td>
<td>1</td>
<td>14%</td>
</tr>
<tr>
<td>6 Months to 1 Year</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>1 to 3 Years</td>
<td>1</td>
<td>14%</td>
</tr>
<tr>
<td>&gt;3 Years</td>
<td>5</td>
<td>71%</td>
</tr>
</tbody>
</table>
Based on the survey, 88 percent of those who participated have a logo for their organization, and 71 percent of those organizations have had the logo for 3 years or more. A logo is the “most visible and familiar components of corporate identity” (Fatt, 1997, p. 61). Although the responses vary for how long each start-up company has had their logo, it is evident that the companies chose to have a logo.

Based on the survey results, percent stated that they created the logo internally, while percent used outside companies to create and design the logo. According to Tim Berry, a business planning expert and author of several books and planning software packages, the average cost of a start-up company is approximately $533,000 (see Table 1, Chapter I). Berry states that start-up expenses are simply defined as “expenses that happen before the beginning of the plan, before the first month” (2005, p. 1). And, one of the expenses that new companies experience is logo design. After tallying the results, I was not surprised that so many start-up companies have logos, but I was surprised at how many created them internally.
Is this the organization's first and only logo?

<table>
<thead>
<tr>
<th>Response</th>
<th># of Responses</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>4</td>
<td>57%</td>
</tr>
<tr>
<td>No</td>
<td>3</td>
<td>43%</td>
</tr>
</tbody>
</table>

If no, please indicate how long you had your initial logo (specify in years, months, etc.)

<table>
<thead>
<tr>
<th># of Responses</th>
<th>Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td>3</td>
<td>2</td>
</tr>
</tbody>
</table>

Although the question is similar to that of the first two, the point was to determine how many logos the company's have had. 57 percent of the start-up companies stated that this was their first logo, while 43 percent stated they have had another prior to this current logo. The results also show that some of these companies have had their initial logo anywhere from two to 10 years. Looking back at the research in Chapter II, an article stated that “selecting a logo is an arduous task for companies and includes the difficulties distinguishing which logo would be remembered the best, be most liked, or create the strongest sense of familiarity on initial exposure. . . . However, if managed correctly, a logo can serve as a competitive advantage and be a way to increase a company's reputation (van Riel and Van Den Ban, 2001, p. 429). Although 43 percent of
the start-up companies stated the logo they had now was not their first, they still had a logo prior and maintained one to represent the company.

"Graphic identity of the practice is the unifying factor to your entire marketing effort. It signifies to those who see it that the letter, business card, literature, advertisement, or office signage on which it appears, owe their existence to the practice. It must be used in such a way as to communicate the message quickly and clearly. Your logo should always represent the practice" (Rogers, 1997, p. 48). These results simply show that majority of the start-up companies who participated in the survey use their logo for many different documents within the company. Only one company stated they did not use their logo on the business cards, but all the eight companies agreed they used their logos on their website, letter head, marketing material, corporate brochures and envelopes. As mentioned earlier in an article, "an important part of any marketing program related to your practice name, firm image, and positioning concept, is the communication process often categorized as graphic identity. While it has little to do with
the quality of the services you provide, the package you present affects your reputation and public esteem (Rogers, 1997, p. 43).

| Importance of Logo to Identity | 4 | 7 |

13% fell below Neutral (Least Important) (Column 2)
38% fell above Neutral (Important to Most Important) (Column 7)

<table>
<thead>
<tr>
<th>Do you think that there is a relationship between an organization's logo and the organization's branding?</th>
<th># of Response</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>8</td>
<td>100%</td>
</tr>
<tr>
<td>No</td>
<td>0</td>
<td>0%</td>
</tr>
</tbody>
</table>
The results show that 100 percent of the participants think that there is a relationship between the logo and branding of an organization; and that 38 percent think that the logo’s role in branding is very important to most important. The point of these two questions was to determine if organizations agree with the research in the connection and if they essentially agree that it is an affective relationship. Referring back to Chapter II, research indicates that “the brand is the perception formed by the audience about a company, person, or idea. This perception is the culmination of logos, visuals, identity programs, messages, products, and actions. A designer cannot “make” a brand. Only the audience can do this. The designer forms the foundation of the message with the logo and identity system” (Morioka 2004, p.18).
Do you think that there is a direct relationship between an organization's logo and consumer's attitudes toward the organization?

Yes  6  75%
No   2  25%

The results show that 75 percent of the start-up company owners think that there is a direct relationship between an organization's logo and the consumer's attitude toward the organization. "The logo must be able to convey its message over a long period of time and it must be able to adapt to cultural changes" (Morioka, 2004, p. 34). Research states that there are different rules in which logos follow to gain an audience that is loyal and to convey the appropriate messages/values of the company (Morioka, 2004, p. 21-41).

Do you think that an organization's logo has an effect on the buying decision of consumers?

Yes  4  50%
No   4  50%

I was definitely surprised by these results. With every other response leaning more in one direction, it seemed peculiar that on this topic the results would show a 50 percent split.
Interviews:

These interviews were conducted in the months of March and April. They were conducted over email, phone, and in person. The point of the interviews were to gain greater understanding of what the owner/president of start-up companies think about logos and start-up companies and whether they are an affective asset. Because they cannot be categorized into charts like the two surveys, the results (the answers) are listed below the questions. The names of the start-up company’s remain anonymous and have been replaced by their corresponding letters (refer to Chapter IV Start-Up Company Interview Sample).

Company A: (In-Person)

1) Do you have a logo for your organization?
   If yes:
   a) How long have you had your current logo?
   Answer: 4 Years
   b) How does the logo reflect your company?
   Answer: Creative, Edgy and Professional
   If no:
   a) What are your reasons for choosing not to have a logo?
   b) Is your company considering a logo in the future? (Please Explain)

2) Do you think that a logo is important to the identity of an organization or your organization in particular? (Please Explain Reasoning) identity refers to the message and the values the company wishes to portray to the public and what the company stands for.

Answer: Yes, it provides a representation of your company's images, personality and culture.

3) Do you think there is a direct relationship between an organization’s logo and consumer's attitudes towards the organization? (Please Explain Reasoning)

Answer: Yes, again from question II. But, it is important to note that it is the company's marketing of the logo (which represents the brand) that builds its brand equity. Just having a logo is not meaningful.
4) Do you think a logo has an effect on the buying decision of consumers? (Please Explain)

Answer: The product, price, place and promotion (the 4P’s of marketing) are the primary drivers in the purchasing decision, but without the logo it would be very hard for the buyer to remember which product or service it wants to buy or repeat purchase.

5) Do you think that a logo is important for a start-up company? Why?

Answer: A logo is important for a start-up company because it provides a platform for which to build the communications. It sets the tone for the organization—how they will look and feel to their buying community, how they will operate or incorporate culture, and without it, there is a sense of ‘not open for business yet’ for the company’s employees and their target audience.

Company B: (Phone)

1) Do you have a logo for your organization?
   If yes:
   a) How long have you had your current logo?
      Answer: 5 Years
   b) How does the logo reflect your company?
      Answer: The company has design resources and designed the logo internally. The logo is an unusual shape. Almost like a fabric that is twisted and molded from a grid. It is very mix of computer based design and irrationality. The logo speaks to the computer generated and free form design. We maintain the basic idea use pieces of the original throughout other documents but never the exact logo on all documents. We liked the design, so we decided to make it the identity.

   If not
   a) What are your reasons for choosing not to have a logo?
   b) Is your company considering a logo in the future? (Please Explain)

2) Do you think that a logo is important to the identity of an organization or your organization in particular? (Please Explain Reasoning) identity refers to the message and the values the company wishes to portray to the public and what the company stands for.

Answer: I have two opinions: First, in general, I think it (the logo) is a low value item. However, if you are a certain type of company, for example a consumer brand company, then yes I think that it is important. But, a logo is also only an element of branding. To me, branding is important. For example, the company, Starbucks.
Everyone, even my children recognize the general design and color. But if asked what the exact logo looks like, I don’t think anyone could state it clearly. It is easy to recognize the color and lettering.

3) Do you think there is a direct relationship between an organization’s logo and consumer’s attitudes towards the organization? (Please Explain Reasoning)

Answer: Again, I think that branding is important. Branding is what we wear, how we talk, it is the company’s approach to customers. Branding is almost everything.

4) Do you think a logo has an effect on the buying decision of consumers? (Please Explain)

Answer: See Question 3

5) Do you think that a logo is important for a start-up company? Why?

Answer: I do not think that it is that important, but a company does need some kind of identity. It is important to have consistency in the look and consistency in the identity (name, color, etc.). I think that it is very good to have that.

Company C: (Email)

1) Do you have a logo for your organization?
   If yes:
   a) How long have you had your current logo?
      Answer: 6 Years
   b) How does the logo reflect your company?
      Answer: Not well.
   If no:
   a) What are your reasons for choosing not to have a logo?
   b) Is your company considering a logo in the future? (Please Explain)

2) Do you think that a logo is important to the identity of an organization or your organization in particular? (Please Explain Reasoning) identity refers to the message and the values the company wishes to portray to the public and what the company stands for.

Answer: I do believe a logo can and should have value by identifying an organization. It is typically the first thing anyone notices about a company in a business-to-business environment, whether it be on advertising, letterhead, product, etc. While it may be a cliche, first impressions, even in business, are a critical component for success. If a logo truly represents a company's identity, as you have
defined it, the value can be great. Unfortunately, the vast majority of logos do not reflect either the message or company values to its public constituencies. It is likely not due to lack of effort or understanding of the potential impact, it appears to be just that difficult to accomplish.

3) Do you think there is a direct relationship between an organization's logo and consumer's attitudes towards the organization? (Please Explain Reasoning)

Answer: Only in rare situations do I believe there is a correlation between a logo and the consumer's attitude toward the company. When an attitude is developed due to a logo, it is likely to be due to a strong reaction, either negative or positive. However, while a logo typically produces a first impression, unlike personal relationships, it usually is not long lasting.

4) Do you think a logo has an effect on the buying decision of consumers? (Please Explain)

Answer: I know of no instances where a logo has actually influenced a buying decision. That does not mean it doesn't happen, just that I do not know of any occurrences. I also do not believe logos actually influence a decision to buy.

5) Do you think that a logo is important for a start-up company? Why?

Answer: While I believe a logo is important for a start-up company since it is the first 'image' of the company to the public markets, unless the company possesses very creative talent to develop the logo, it will likely have far better uses for limited cash resources than producing a logo. Therefore, while it may be beneficial, in a practical sense, it isn't one of the top priorities.

**SUMMARY / CONCLUSION**

The point of Chapter IV is to allow readers to see the data that was collected and to develop their own opinion on the results.

Designing both surveys and interviews were beneficial for this thesis. They provided me with general information on the topic of logos, branding, and consumer relations; but also real experiences and honest opinions on both individual and start-up companies.
The results for both of the surveys were consistent with what I expected. The results for both the surveys were in-line with my expectations and consistent with much of the research cited in Chapter II. The interview results, on the other hand, differed from what I expected and shed light on what might be more important to start-up companies. Although the results varied, combined they generated questions about what is really essential to a start-up company, in terms of marketing.

Overall, Chapter IV's intention is to present the results. It is important to see how the methodology panned out in the end, and what could be improved upon for future studies.
This portion of the paper is dedicated to interpreting the results of the surveys and interviews. Although very important to ask the questions and collect the data, it is far more significant to actually understand what is being said. Not only will the implications of the results help conclude the topic of this paper, but will also shed light into any variances in the data results.

When analyzing the material, I looked at each study separately. Following the individual analysis, I grouped the information to make sense of the research project as a whole.

**IMPLICATIONS OF RESULTS**

**General Consumer Survey**

In order to understand what the results imply, I divided the questions into two parts: first, logo and meaning; second, logo and branding. I broke into the two categories because it allowed me to gauge where the general consumer stood on these topics and then where they stood on logos for companies in general. First, from the questions regarding logos and their meaning, the results showed that the recognition and name (76%), and, the organization's image and identity (86%) are two of the most important elements. These results imply that the image the organization portrays to the public is important for repeat business with consumers. With values, services, and reliability coming in second and third, it may also imply that a consumer thinks more about the company than simply...
the products. It can be assumed that individuals consider a logo as simply a design (picture or letter based) to display the company; but recognizing the logo as implying what the company represents is so much more important. It may show a deeper connection between the consumer and the company, therefore placing more weight on the logo and the branding of the company. This is the gateway into the second point, the logo and branding. The results show that a logo is important (63%) to the general consumer and that they consider themselves “brand loyal” consumers (71%). These results imply that consumers actually consider a logo and the way the company is branded and marketed when making a decision on purchasing the product/service. Overall this is important because the point of this thesis is to determine whether or not logos are important for start-up companies. One way is by looking at the opinions of those who purchase the products and/or services of the start-up companies. With the general consumer surveys suggesting that consumers think highly of the logo helps validate the idea that logos are a significant element to companies. The consumers could be thinking of larger companies as their basis for what logos imply to them, but it also suggests that logos are important to companies and would benefit a start-up for future growth and development within the market.

Start-Up Company Owner Survey

As I did with the previous section, I divided this portion into categories. The first part is the logo. The results show that over 75% of the companies that participated in the survey have logos; have had logos for three-plus years; and have utilized the logos on company documents (such as brochures, business cards, letterheads, etc.). Overall,
Importance of Icons

Statistically, the results show that 25% of the companies said that a logo is most important to the identity of a company. These results imply that a logo is important for visual identity of a company. With the percentages so high, there is a clear indication that the CEO's felt that logos are important to a company and for its consumers.

The second part is branding and logo. According to the results, 100% of the survey participants believe that there is a relationship between logo and branding in general; and 33% of the company owners believe that logo is the most important element of branding. Like the first part of this survey, the results show that the logo is not only important for the company, but its role in branding makes it an even more effective tool.

This links me to the next point, which is the consumer. The results in Chapter II show that 75% believe that there is a direct relationship between the logo and the consumer and 25% believe that it is most important to direct the logo toward the consumer. These two statistics imply that companies are using logos as a marketing device for their company. If a company acknowledges that a direct relationship exists, the company is in fact acknowledging the importance of a logo. And, if approximately 90% of the companies have logos, then it can be suggested that it would be beneficial for start-up companies.

This is important because the start-up company owners are the ones making the decisions about whether or not they should adopt a logo for their company. What the results display is an overall agreement that logos are beneficial to the company, large, small, old or new. The information shows that logos can stand independently, but are more effective with branding and that this powerhouse relationship can help a company launch into the market.
Start-Up Company Owner Interviews

The interview results turned out very different than what I thought earlier on in the thesis process. And interestingly enough, the results differ slightly from the results of the start-up company survey. Unlike the two surveys, the interviews cannot be placed into charts and categorized by question and/or answer; therefore, I will discuss the general implications of the results as I have with the previous.

What differed was the agreement about logos being beneficial for a company. Two of the three interviews (Companies B & C) suggested that although logos are important, they are not as valid without branding and they are not absolutely necessary to the company. Although Company A agrees with branding as an important entity, it also suggests that the logo is necessary because it the visual aid of the company to its consumers. This response causes some discrepancy because logos are a form of branding; and as a form of branding, they are essential to completing the entire process. Although they all agree that logos cannot stand alone, a logo is an element of branding and becomes necessary for the marketing of a company.

The results of these interviews can be divided into two categories: logo and consumer relations. The questions that were geared toward the logo developed into discussions about branding and the logo's role in branding. The questions that were geared toward the logo and the consumer developed into a marketing discussion. The implications of the first part (the logo and branding) were a unanimous agreement that a logo's survival is dependent on the branding of the company. It can be suggested that a company is successful, in marketing, if the branding of the company (products, services, etc.) is successful. The logo is not necessarily the only element but it does help; it is the
visual representation of the company and will help the general public remember and recognize the company. The implications of the second part (the logo and the consumer) suggested that it is not necessarily the logo that has the affect on the consumer, but the logo as a division of branding. The logo is important for visual aid, but it is not the main reason for buyers to choose to buy from the firm again; it is the entire branding package as whole that attracts the consumer.

Overall, the results of the interviews show that start-up company owners understand the need to market their company, but the disagreement is in the priority of importance. Each company agreed that branding was necessary to begin, develop and continue relationships with consumers. Although they might not have all agreed that logos are the most important, a logo is still an element of branding. Therefore, it can be assumed that logos are important to start-up companies as a branding tool.

Overall Comparison

When looking at the results (the surveys and the interviews) as a whole, it can be assumed that logos (as a form of branding) are important to companies. Although, the input of 11 start-up company owners and 43 consumers differed slightly in agreement; overall they all believe that the branding of a company has an impact on the consumer and helps the company within the market.

Consistent with the research found in Chapter II, the results imply that when a company is in the preliminary process, it is important to consider a logo for visual representation of the company, but also to succeed in branding to maintain steady consumers.
LIMITATIONS

Throughout the process of researching and gathering data through surveys and interviews, I encountered a few issues that, if a further study is conducted, should be addressed. The paper is the importance of logos for start-up companies. Therefore, start-up companies are necessary for contributing personal and professional knowledge about logos for their particular company or for start-up companies in general. Start-up companies are protected by different organizations who do not disclose their personal information to outsiders, in order to maintain a sense of dignity and distance from unwanted callers, marketers, or solicitors. Therefore, one major issue I faced was being able to gather a large enough list of start-up company owners in order to complete the intended 50 surveyors.

Additional limitations included time and funding (money).

RECOMMENDATIONS FOR FUTURE STUDIES

The first recommendation I have for future studies is based on the first and major limitation. I suggest that if a further study is conducted then it is necessary to begin an early search for start-up companies. Because start-up companies are so well protected, it is difficult to guarantee a solid number of participants. Upon researching and contacting organizations, such as the Chamber of Commerce in New York, New York, I learned of different websites, such as hoover.com. If an individual subscribes, for a large fee, he/she can receive a list of all the companies within that database and the years in which the company was founded. Due to time and money constraints, I was unable to register; but if the proper funding is available, then it is worth considering for a potential larger list of
companies. From the list, the researcher can search for the start-up companies within the time constraint (years of establishment for start-up companies) posted in Chapter I and then contact the companies with the information provided in hopes of gaining some perspective/knowledge through survey-based research or interviews.

In addition, I limited my study of start-up companies to a maximum start-up length of seven years. If an individual wished to research further, the years of existence could be extended, but I suggest a maximum of ten years. Any longer and the company may be a more established business within the market and it would be difficult to research it as a "start-up."

**SUMMARY / CONCLUSION**

At the start of this thesis, I was unsure of how the results of the surveys and interviews would turn out. Primarily because I believed that logos were important to start-up companies, and concerned about how many general consumers and start-up company owners would agree. Fortunately, the results were consistent with my original assumption. The research in conjunction with the surveys and the interviews helped validate the purpose of this thesis.

Referring to an article, stated in Chapter II, branding is important because it will continue to develop and benefit the company as long as the company puts forth the necessary time, energy, and funding.

Companies sometimes make financially driven decisions that inhibit continued growth of a brand. It’s almost like they’re saying: Now that the brand is strong, we’re going to move on to something else. Properly supported brands create real momentum. A well-supported brand will make you more and more money (Speak, 2001, p. 20).
Majority of those who participated in my surveys and in my interviews would agree.
Marketing, branding, logos are all a form of creating corporate identity. It is this identity that sets one company apart from another. And, for a start-up company to enter an already competitive market without some edge, makes it difficult to guarantee continued success.

In conclusion, logos can be important for start-up companies. The research, the results, and the personal experience (of the interviews) demonstrate that start-up companies either have a logo or are considering developing one. With such high percentages of positive feedback, there is a consensus that logos are beneficial.
REFERENCES


The following answers will be private and confidential. The purpose of this survey is to analyze the importance of logos for start-up companies for the completion of my Master's Degree Thesis at Seton Hall University. I would like to thank you in advance for your time, patience, and cooperation. If you would like to know the outcome of this study, please contact me at dunnjill@shu.edu. Thank you! This survey will take approximately 10 minutes to complete and you must be at least 18 years to participate.

Directions: Please carefully read each individual question and answer. Check the box which applies to you and which you feel is the most appropriate response for the question. Some questions may have their own directions, please read carefully.

Demographic Questions:

1. Male Female

2. Age (in Years) __

3. Education:
   - Some High School
   - High School Graduate
   - Technical / Trade School
   - Some College
   - College Graduate
   - Post-Graduate

Survey Questions:

1. How important is it to you that an organization has a logo for identity? (Identity refers to the message and the values the company wishes to portray to the public and what the company stands for)
   - Very Important
   - Important
   - Neutral
   - Not Important

2. Is it easy for you to recognize the logo of a company? Yes No

3. Is an organization's logo important to you? Yes No

4. Does an organization's logo affect your purchasing decisions? Yes No
5. Do you consider yourself a "brand loyal" consumer? (purchase only specific brands)

Yes  No

If yes, what are your reasons? Check all that apply:

___ Company's Values  ___ Company's Services  ___ Recognition / Name
___ Company's Reliability  ___ Past Experiences  ___ Other
___ Comfort  ___ Company's Products

6. What does a logo imply to you? Check all the Apply:

___ The organization's image/identity
___ The organization's message/values
___ The organization's products/services

7. Should an organization's logo reflect the message and values of the company?

Yes  No
Survey (Start-up Company Owners)

The following answers will be private and confidential. The purpose of this survey is to analyze the importance of logos for start-up companies for the completion of my Master's Degree Thesis at Seton Hall University. I would like to thank you in advance for your time, patience, and cooperation. If you would like to know the outcome of this study, please contact me at dunnjill@shu.edu. Thank you! The survey will take approximately 10 minutes to complete and you must be at least 18 years old to participate.

Directions: Please carefully read each individual question and answer. Check the box which applies to you and which you feel is the most appropriate response for the question. Some questions may have their own directions, please read carefully.

Demographic Questions:
1. Male Female
2. Age (in Years) 
3. Education:
   - Some High school
   - High School Graduate
   - Technical / Trade School
   - Some College
   - College Graduate
   - Post-Graduate

Survey Questions:
1. Do you have a logo for your organization? Yes ______ No
2. If yes, did you create the logo internally? Yes ______ No
   If no, did you hire an outside firm to develop it for your organization? And, if you did use an outside firm, how much was spent on the creation of the logo?
   - ___ under $1,000
   - ___ $1,001 to $5,000
   - ___ $5,001 to $10,000
   - ___ More than $10,000
3. How long have you had your current logo?
   - <6 months  
   - 6 months-1 year  
   - 1-3 years  
   - >3 years

4. Is this the organization's first and only logo?  
   - Yes  
   - No

   If no, please indicate how long you had your initial logo (Please specify in time: e.g. months, years)

5. How is the logo used? Check all that apply:
   - Website
   - Letterhead
   - Corporate Brochures
   - Business Cards
   - Envelopes
   - Marketing Material (e.g. Posters)

6. How important do you think the logo is to the identity of your organization? (Identity refers to the message and the values the company wishes to portray to the public and what the company stands for)

   Indicate on the scale: Circle the number which best indicates the importance.

   1=Least Important, 10=Most Important

   1---2---3---4---5---6---7---8---9---10

7. Do you think that there is a relationship between an organization's logo and the organization's branding?

   - Yes
   - No

8. How important is the role of an organization's logo in branding?

   Indicate on the scale: Circle the number which best indicates the importance.

   1=Least Important, 10=Most Important

   1---2---3---4---5---6---7---8---9---10

9. Do you think there is a direct relationship between an organization's logo and consumers' attitudes toward the organization?

   - Yes
   - No
10. Do you think that an organization’s logo has an effect on the buying decision of consumers?
   Yes  No

11. How important is creating a logo geared towards attracting the consumers (so that consumers will recognize, remember, and use your products/services)?
   Indicate on the scale: Circle the number which best indicates the importance.
   1=Least Important, 10=Most Important
   1—2—3—4—5—6—7—8—9—10
APPENDIX III

Interview Questions:

Please read through carefully. If further assistance is necessary, please feel free to contact Jillian Dunn at dunnjill@shu.edu. Thank you for your time!

Demographics:

1) Please state your gender:

2) Please state your title/position within the company:

Interview Questions:

1) Do you have a logo for your organization?
   If yes:
   a) How long have you had your current logo?
   b) How does the logo reflect your company?

   If no:
   a) What are your reasons for choosing not to have a logo?
   b) Is your company considering a logo in the future? (Please Explain)

2) Do you think that a logo is important to the identity of an organization or your organization in particular? (Please Explain Reasoning) Identity refers to the message and the values the company wishes to portray to the public and what the company stands for.

3) Do you think there is a direct relationship between an organization's logo and consumer's attitudes towards the organization? (Please Explain Reasoning)

4) Do you think a logo has an effect on the buying decision of consumers? (Please Explain)

5) Do you think that a logo is important for a start-up company? Why?