Exploring Brand Development in Taiwanese SMEs: The Case Study of 1300 Only Porcelain

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ABSTRACT

This study explores brand development and performance in small- and medium-sized enterprises (SMEs) in Taiwan through factors such as brand name, brand logo, brand image, and brand communication. The study uses in-depth interviews with employees of one small company (1300 Only Porcelain) in Kaohsiung city, which specializes in high-quality porcelain. The grounded theory methodology is considered an appropriate method to explore brand development and performance of the small company. Our results show that the company has been very careful in choosing, implementing, and designing its brand elements such as brand name, brand logo, brand image, and brand communication. The company has considered all of these elements very cautiously in order to build up its facility and to create memorable, favorable, and positive images among customers. This company’s brand, however, is not widely recognized in Taiwan or around the world, for reasons explained in the study.

Keywords: Brand, brand name, logo, brand image, brand communication
1. INTRODUCTION

Branding has emerged as a top management priority in the last decade. It can best be thought of as a psychological phenomenon. The power of a brand exists in the minds of customers, including all the thoughts, feelings, perceptions, beliefs, attitudes, and behavior that result from myriad possible brand interactions [Webster and Keller, 2004]. According to Zehir et al. [2011], brand is the vital key to integrated marketing. Brand is increasingly the central core or hub of what consumers want, need, and consider to be of value. Doyle [2002] also affirmed the important role of brand in marketing strategy, emphasizing that the benefits of investing in branding will help an enterprise to gain competitive advantage. Branding and brand management, therefore, have clearly become important management priorities for all types of organizations [Keller and Lehmann, 2006].

Bevee et al. [2007] pointed out that small businesses, through freedom of innovation, introduce new products and contribute countless advances in technologies, marketable goods, and services. According to the European Union (EU) definition in 2003, the category of micro-, small-, or medium-sized enterprises (SMEs) is made up of enterprises that employ fewer than 250 persons and have an annual turnover not exceeding 50 million euro. Under this definition, SMEs are entities that engage in economic activity, irrespective of their legal form.

Wade [1990] and Levy [1991] affirmed that SMEs are nimble, always ready for competition in international markets, and have powerful incentives to improve technology and find niche markets when they want to export more of their products.

In Taiwan, the role of SMEs in postwar economic development has attracted much attention in recent years. Some believe that SMSEs have played a more important role in Taiwan than elsewhere and that their relative importance means that Taiwan’s postwar growth path has been closed to free-market capitalism [Wade, 1990]. There is no doubt that SMEs in Taiwan have played a very important role in the country’s industrialization [Chuang 1999] and economic growth [Li,
1988]. In a speech [Robert, 2006], the General Director of Taiwan’s Small and Medium Enterprise Administration, Ministry of Economic Affairs, presented statistics on SMEs in Taiwan for the period 1999 to 2005, as shown in Table 1.

Table 1
Statistics for SMEs in Taiwan, 1999-2005

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of SMEs</th>
<th>Number of Persons Employed by SMEs</th>
<th>Sales in US$ billion</th>
<th>Export Sales in US$ billion</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>1,060,738 (97.73%)</td>
<td>7,344,000 (78.25%)</td>
<td>219.9 (28.95%)</td>
<td>38.1 (21.11%)</td>
</tr>
<tr>
<td>2000</td>
<td>1,070,310 (98.08%)</td>
<td>7,405,000 (78.06%)</td>
<td>229.4 (28.98%)</td>
<td>41.5 (20.03%)</td>
</tr>
<tr>
<td>2001</td>
<td>1,078,162 (98.18%)</td>
<td>7,288,000 (77.67%)</td>
<td>197.5 (28.58%)</td>
<td>37.5 (20.65%)</td>
</tr>
<tr>
<td>2002</td>
<td>1,104,706 (97.72%)</td>
<td>7,361,000 (77.86%)</td>
<td>215.7 (29.51%)</td>
<td>38.9 (19.28%)</td>
</tr>
<tr>
<td>2003</td>
<td>1,146,352 (97.83%)</td>
<td>7,425,000 (77.56%)</td>
<td>256.2 (31.47%)</td>
<td>39.1 (18.11%)</td>
</tr>
<tr>
<td>2004</td>
<td>1,164,009 (97.80%)</td>
<td>7,553,000 (77.18%)</td>
<td>294.4 (30.60%)</td>
<td>44.9 (17.05%)</td>
</tr>
<tr>
<td>2005</td>
<td>1,226,095 (97.80%)</td>
<td>7,648,000 (76.93%)</td>
<td>303.95 (29.46%)</td>
<td>46.13 (17.60%)</td>
</tr>
</tbody>
</table>

Which factors account for the success attained by SMEs in Taiwan? Does brand play an important role in their success? How do they develop their brand?

The purpose of this study is to answer these questions by exploring the performance of brand development in Taiwan through the analysis of factors such as brand name, brand logo, brand, image, and brand communication.

2. BRAND DEVELOPMENT THEORY

Kotler [1991] defined brand as “a name, term, sign, symbol, design, or combination of them which is intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competitors.” The American Marketing Association (AMA) similarly defined brand as the name, expression, symbol, or combination of all these items which build a company’s
identity. According to Matzler et al. [2008], *brand* is a commitment that tells customers that we know this name and we trust this name; hence, building mutual trust is the primary objective of creating a brand.

Referring to the role of brand in doing business, many previous researchers affirmed that brand is one of the most valuable intangible assets that companies have and its value is to the final customers [Webster and Keller, 2004; Zehir et al., 2011; Mohammad, 2012]. Mohammad [2012] stated that brand affects not only the behavior of the customer in relation to the repeated purchasing process, but also his or her adherence to the brand, which stems from the conviction of its strength and influence. Thus, brand has become a source of purchasing decision-making and one of the variables that determine the value of the organization in the competitive environment [Mohammad, 2012].

Keller and Lehmann [2006] stated that brand and brand management have clearly become important management priorities for all types of organizations. The inherent strength of a brand is generated through the leverage of its name, symbol, or logo [Kotler, 1998] because prominent brand names and their images catch the attention of consumers and prompt them purchase the brands [Aaker, 1996].

According to Chan and Huang [1997] and Keller et al. [1998], brand name is the base of brand awareness and brand communication. Sjödin and Törn [2006] argued that successful brand management requires a consistent and cohesive image, upheld by congruent brand communication. Brand image is at the heart of an organization's promotional activities [Bendapudi, Singh, and Bendapudi, 1996].

These studies reveal a cohesive and interactive relationship among the elements of brand development. The elements exist, develop, and support one another in order to create a successful brand for an enterprise. In the current study, we emphasize, analyze, and explore four elements of brand development – brand name, brand logo, brand image, and brand communication – and investigate how they are performed in the context of SMEs in Taiwan.
2.1. The Concept of Brand Name

Brand name is defined as the value that a name provides to a brand [Pappu and Quester, 2008]. A brand name not only helps identify the product [Friedman, 1985], but also represents a rich set of symbols and meanings embodied by the product [Levy, 1978]. A brand name is able to evoke feelings such as trust and confidence [Turley and Moore, 1995]. Prior research has focused on the relationship between the characteristics of a brand name (such as length, distinctiveness, suggestiveness, commonness, and linguistic features) and factors such as liking, recognition, and recall [Pavia and Costa, 1993; Heath et al., 1990; Vanden Bergh et al., 1987].

Ailawadi and Keller [2004] affirmed that brand names are key indicators of brand perceptions in elaborating today’s competitive environment. Brand name is regarded as one of the most important assets when it comes to evaluating whether a company will invest in another [Barwise, 1993]. Thus, choice of a brand name has been considered an important means of building brand equity for a new product [Aaker, 1991, 1996; Keller 1993, 1998].

According to Keller et al. [1998], one key consideration in choosing a brand name is the extent to which it conveys descriptive or persuasive information. With regard to descriptive meaning, the question is: To what extent does the brand name suggest something about the product category (e.g., the shape, the color)? With regard to persuasive meaning, the question is: To what extent does the brand name suggest something about the particular kind of product (e.g., in terms of key attributes or benefits)? A brand name should be chosen, therefore, that is inherently memorable, thus facilitating recall and/or recognition in purchase and/or consumption settings, and/or whose inherent meanings enhance the creation of strong, favorable, and special brand associations relating to the meaning [Keller et al., 1998].
2.3. The Concept of Logo

Prior researchers have offered different definitions of the term *logo*. It has been defined, for example, as a graphic design that is used as a continuing symbol for a company, organization, or brand [Bennett, 1995]; as a graphic design that a company uses, with or without its name, to identify itself or its products [Henderson and Cote, 1998]; and as a visual shorthand that carries desirable meanings and associations for products, services, and organizations [Pimental, 1997].

With regard to the role of a logo, Sakici and Ayan [2012] indicated that a logo symbolizes a firm, product, or the name of a service by using lettering and image elements. Others regard a logo as the signature of a company, reflecting a new concept or a certain life style, for example. It has been said that a logo provides a brand with a face, thus enhancing the brand's authenticity and intimate appeal to customers [Henderson and Cote, 1998]. In brief, a logo acts as the primary visual representation of a brand's general image and meaning [Henderson and Cote, 1998; MacInnis et al., 1999; Swartz, 1983; Loken, Joiner, and Peck, 2002]. The power of a logo is a guarantee of the quality and the value of products [Ad et al., 2012].

A logo is also one of the main instruments used to communicate image, gain attention, increase recognition and differentiation of the brand, and provoke an emotional response [Aaker, 1991; Henderson and Cote, 1998; Kapferer, 1997; Melewar et al., 2005; Pittard et al., 2007; Walsh, Winterich, and Mittal, 2010; Ad, Adr, and Pascu, 2012]. It can serve as a bridge between the public and the company [Ad, Adr, and Pascu, 2012]. By reflecting the meaning of a brand, a logo provides summary information about the brand's marketing efforts [Henderson and Cote, 1998; MacInnis et al., 1999; Van Riel and Van den Ban, 2001]. In all of these ways, a logo can shape a brand's reputation [Baker and Balmer, 1997; Olins, 1989; Van den Bosch, de Jong, and Elving, 2005], along with consumers' attitudes, their
purchase intentions [Woo et al., 2008], and their brand loyalty [Müller, Kocher, and Crettaz, 2011].

From these studies, it is clear that creating or designing an attractive logo plays a very important role in the process of brand development. According to Sakici and Ayan [2012], a logo should not only reflect the designer, but also the firm or product’s properties. It should be simple, easily understandable, memorable, and original.

Ad, Adr, and Pascu [2012] stated that creating a logo is a consequence of rather specific analyses concerning geometric shapes, colors, and various signs and symbols, which are blended into a harmonious mixture designed to catch people’s attention and remain in their thoughts. With regard to research relating to a brand logo, Hynes [2009] indicated that to study the “triadic relationship between color, design and the evoked meanings of logos is to understand how these contribute to building a consistent corporate image,” noting that the dynamics of this triangle are complex and difficult to separate.

2.4. The Concept of Brand Image

Prior researchers have viewed brand image as a collection of ideas, feelings, and attitudes that consumers have regarding a brand [Gardner and Levy, 1955; Schmitt, 2012]; as a mental representation of meaning [Paivio, 1969]; and as a concept summing up the idea that consumers buy brands for meanings related to their physical attributes [Levy and Glick, 1973]. Brand image has also been defined as the consumer’s mental picture of the offering [Dobni and Zinkhan, 1990].

According to the idea of brand concept management (BCM) proposed by Park et al. [1986], brand image is derived from consumers’ functional needs, symbolic needs, and experiential needs. Functional needs focus on basic functions and features of brands that satisfy consumers’ needs and solve their problems. Symbolic needs express the desire for products that fulfill internal needs for self-
enhancement, role position, group membership, or ego-identification. Experiential needs relate to desires for products that provide sensory pleasure, variety, and/or cognitive stimulation [Park et al., 1986].

With regard to doing business, using an ideal brand image not only helps enterprises to establish market position, but also protects brands from other competitors [Hall, 2002]. Bendapudi, Singh, and Bendapudi [1996] argued that brand image is at the heart of an organization's promotional activities when it has the ability to shape consumers' attitudes toward the brand, product, or service, and to influence their actions, including behavior toward the organization (e.g., Cheung and Chan, 2000; Park, Jaworski, and Maclnnis, 1986; Romaniuk and Nenycz-Thiel, 2013).

2.4. The Concept of Brand Communication

Referring to communication, Duncan and Moriarty [1998] said that it is the human activity linking people together and creating relationships, and is central to human behavior. Brand communication is the primary integrative element in managing brand relationships with customers, employees, suppliers, channel members, the media, government regulators, and the community. The functions of brand communication, such as expressing meaning, play an important role in building brand relationships [Duncan and Moriarty, 1998]. The authors also indicated that brand communication should enhance brand loyalty by making consumers more related to the brand, thus strengthening the consumer’s brand relationship over time [Duncan and Moriarty, 1998].

Panda [2004] noted that the objective of brand communication is to expose the audience to a brand, whereby the effect can be maximized in terms of increasing awareness and higher recall, so that the customer will buy the brand that has the highest recall and that satisfies the customer to the optimum level.
Kempf and Smith [1998] emphasized that brand communication is the primary integrative element in managing brand relationships with customers and in creating positive brand attitudes such as brand satisfaction and brand trust.

How does one classify brand communication? Azize et al. [2012] and other researchers have divided brand communication into either one-way (indirect) communication or two-way (one-to-one or direct) communication. One-way (indirect) communication consists, for example, of print-TV-radio advertising. This type of communication aims mainly to increase brand awareness, to improve brand attitudes such as brand satisfaction and brand trust, and to affect purchasing behavior such as brand choice [Zehir et al., 2011]. Two-way (direct) communication focuses mainly on directly influencing the buying behavior of existing customers and is therefore essentially transaction-oriented [Crosby and Stephens, 1987; Sahin et al. 2011].

3. METHODOLOGY

This section describes the research design for the current study, discusses the background of the porcelain company in Kaohsiung city, and describes the sample and data collection process.

3.1. Research Design

To better understand the activities of brand development in Taiwan SMEs through factors such as brand name, logo, brand image, and brand communication, we undertook a research program based on a grounded theory approach and used a theoretical sampling strategy [Strauss and Corbin, 1998]. Theoretical sampling involved a sampling case that was most likely to offer theoretical insights and was chosen as the most appropriate to reveal the nature of the research area identified. The current study used in-depth interviews at one porcelain company in Kaohsiung city. This qualitative technique was considered an appropriate methodological vehicle for implementing the goal of developing and understanding the subjective
meanings of the small company’s mediated experience, together with activities in developing brand and brand elements.

3.2. Company Background

Porcelain is the foundation of the ceramics discipline and is regarded as one of the most complex ceramic materials. It is created mainly from clay, feldspar, and quartz. Porcelain is heat-treated to form a mixture of glass and crystalline phases [Carty and Senapati, 1998]. According to Rosenthal [1949], the word *porcelain* is believed to have originated from the Portuguese word *porcellana*. Today, porcelain has a wide application in a variety of products ranging from electrical insulators to dinnerware. *Porcelain* has been defined as “a fine-crystalline, strong, impervious ceramic product [which] relates to the structure and type of product rather than to any particular composition” [Milligan, 1950].

The 1300 Only Porcelain company in Taiwan had its origins in 1997 when Henry Shen established Cijin Art, a company specializing in making wall reliefs for architectural design and applying them to architectural ceramics. In 2010, after six years of transition from architectural ceramics to refined porcelain, Shen launched the brand 1300 Only Porcelain, with a series of collections of fine porcelain collectibles and luxurious table settings. At every stage of production, all works of 1300 Only Porcelain are carefully examined in terms of the highest quality standards regarding whiteness, spotlessness, join lines, cracks and warping, glazing, surface finish, balance, and completeness of the overall design. Only products with the most perfect qualities are accepted and presented to the world.

The genesis of 1300 Only Porcelain and new trends introduced by the brand symbolize an important milestone and a new era for Chinese porcelain. In 2012, the company received many awards, including the Outstanding Exhibitor Award at the 8th China (Shenzhen) International Cultural Industries Fair.
3.3. Sample Description

Because of time and geographical limitation, we conducted only theoretical sampling [Strauss and Corbin, 1998] for our qualitative study. The face-to-face interviews were implemented by the authors and the managers of Cijin Art Co. Ltd. The first direct interview was conducted by the authors and the marketing department manager on April 10, 2012, with Ya-Wen Lin, age 40. She has worked in the marketing department of Cijin Art Co. Ltd. since the company was established. The second direct interview was conducted by the authors and the vice general manager on November 15, 2015, with Yung-Cheng Ho, age 50. He is one of the company’s stockholders and works as the chief technology officer. The interview protocol was developed by the researchers before conducting the interviews. The protocol focused on the performance of brand development by SMEs in Taiwan through subjects such as brand name, brand logo, brand image, and brand communication.

3.4. Data Collection

The data collection method used in the current study was chosen because it allowed us to obtain a deeper understanding of the company’s brand development and performance. Data collection was undertaken in 2012 and 2015 by direct interviews at the studio of Cijin Art Co. Ltd. With the permission of the interviewees, the interviews were audio-recorded and transcripts were prepared in written text. Each interview lasted more than one hour. To analyze and simplify the data from the interview transcripts, we used the data reduction techniques of coding, summarizing, and periodically discussing the information with previous researchers. The coding structure was based on existing literature concerning the business and on activities of brand development in the market place.

4. FINDINGS

Multiple themes emerged from the data collected during this study pertaining to brand name, brand logo, brand image, and brand communication. The findings
with regard to each of these themes are discussed in the following parts of this section.

4.1. **Brand Name**

A brand name not only helps identify the product [Friedman, 1985], but also acquires a rich set of symbols and meanings embodied by the product [Levy, 1978]. As was the case with Keller et al. [1998], we discovered that the brand name in our case study is built up with both descriptive and persuasive meanings.

In our study, descriptive meaning is expressed by three elements: temperature (i.e., 1300), international language (i.e., English name), and the purpose (i.e., the company’s goal). These expressions are stated clearly in the following verbatim excerpt from the interviews.

**1st Interview:** . . . Ah, actually, the company designs it, first . . . the name 1300 only porcelain also represents about temperature, the firing temperature of the works. And also it’s an international language because it’s number . . . so it’s simple like that we’re target to become a world class porcelain studio not just in Taiwan but the global brand . . . And also our goal, to become the world class porcelain studio not just the local studio.

Persuasive meaning is embodied through the key attributes of material (i.e., porcelain) and image (i.e., the glory of Chinese porcelain from 1300 years ago). It is reflected in the following verbatim excerpt:

**1st Interview:** 1300 only porcelain . . . we want to revise the glory of Chinese porcelain from 1300 years ago because 1300 years ago from now, it’s about Tsong and Tang dynasty. At that time, our porcelain – the Chinese porcelain – is very famous all over the world. And that is the time when the Western people, they wanted to learn how we make porcelain because they think it’s also called gold, white gold because it is rare, so treasure, very precious. They think it’s very precious so that why they would love porcelain from that time . . . So we want to revise the glory of that time but we don’t want to follow
the design of the old time. We want to make our own a new area of Chinese porcelain, a new time of glory.

A brand name that is both memorable and meaningful offers many advantages [Keller et al., 1998]. Because consumers often do not examine much information before making product decisions, a brand name must be easy to recognize and easy to recall and must also be inherently descriptive and persuasive. A memorable or meaningful brand name can reduce the burden on marketing communications to build awareness and link brand associations. Both marketing practices and theoretical and empirical research have suggested that meaningful brand names are easier to remember and recall than non-meaningful brand names, and that meaningful brand names are generally preferred over non-meaningful brand names [Klink, 2001; Kohli and Suri, 2000].

The company in the current study applies this theory in order to create a memorable and meaningful brand name for customers. As the excerpts from the interviews indicate, the company was very careful in choosing its brand name. In fact, the first thing the company designed was the brand name, and it chose one that encompassed both descriptive and persuasive meanings. Its brand name references four meanings; namely, history, temperature, international language, and the company’s goal. It is rare that one brand includes that many meanings. The brand name is also special in that it blends both the number (1300) and the material (porcelain) in which it specializes. The name stands out because, unlike other brands established in Taiwan, it is not Chinese. It reflects clearly the company’s focus on the global market and is designed specifically to catch the customer’s attention and preference.

4.2. Logo

Through observations and interviews, we found that the logo of the company in the current study is very simple. It is a number (i.e., 1300) in the color gold. The
logo focuses on creating simple yet memorable images in the customer’s mind, as indicated in the following interview excerpt:

**1st Interview:** *It is the number . . . the logo is coincided with brand name which makes our brand clearer. And it will help the customers remember us more . . . because the logo explains exactly our brand name . . . I think it is the high level of identity like customers can recognize it.*

Our review of the literature revealed that an effective logo should be simple, easily understandable, memorable, and original [Sakici and Ayan, 2012]. Furthermore, it should be the consequence of rather specific analyses concerning geometric shapes, colors, various signs, and symbols, which are blended into a harmonious mixture designed to catch attention and remain in a person’s thoughts [Ad et al., 2012]. In the current study, the company did a very good job of applying this information.

According to Ad et al. [2012], color is a very important constitutive element serving as a balance to the graphics. He suggested that it is essential that the logo have a very good graphic structure. Using many colors in a logo reduces its favorable reception by consumers. In our case study, the company uses only one special color (gold) with a simple graphic. This choice enhances the image of luxury and the high rank of the product. Not only is the logo rich-looking, it is also elegantly simple and easy to understand. The number appears in normal typeface, without unnecessary flourishes, as reflected in the following excerpt:

**2nd Interview:** *Our logo is number – 1300 -- in normal character. It is in gold color because we use only two colors for all of our products -- white and gold. It is our unique character. So the logo need have the same color with the product . . . We like the simple logo because it will help the customers to remember it easily. It reminds you about the temperature and the glory of Tang dynasty’s porcelain . . . we will keep this logo for a long time because it exposes all what we want to inform everybody.*
In their study of the effect of a logo on consumer evaluations, Foroudi et al. [2014] suggested that typeface is the visual perceptual property of a company and communicates to consumers when the logo is simply not feasible. They pointed out that typeface is used for specific actions referring to corporate identity which impact consumers' feelings and should therefore be immediately readable. The company in our case study followed this principle by creating a logo that makes it easy for customers to remember at first sight.

In their study, Henderson and Cote [1998] identified three design dimensions of corporate logos: naturalness, elaborateness, and harmony. Van der Lans et al. [2009] concurred in their cross-national study, stating that these three are universal design dimensions. They defined naturalness to represent organic aspects and roundness; elaborateness to include complexity, activeness, and depth; and harmony to include symmetry and balance. In the current study, the company incorporated all three dimensions in its logo, which reads the same as its brand name and embodies four meanings (history, temperature, international language, and the company’s goal). In their research on aesthetic theory, logo design, and consumer response to proportion across cultures, Pittard et al. [2007] found that the most preferred logos are those based on a form in nature that is expressed in the divine proportion. In the current study, the company adheres to this concept, meaning that it cares much about customer response and strives to create a favorable and positive image at first sight or hearing.

4.3. Brand Image

In keeping with the concepts expressed by Park et al. [1986], the brand image of the company in the current study encompasses both symbolic brand concepts such as exquisite porcelain works and experiential brand concepts such as the white and gold, luxury, and really fine porcelain works. These attributes are expressed clearly in the following excerpt:
**1st Interview:** The image of our brand . . . I think they would be really curious about brand because they never seen something that in porcelain. And I think they would think it will be luxury because it is white and gold. The element that appears is white and gold, nothing else. And the goal is to carry two characters. So I think they would think it is luxury and really exquisite, really fine, porcelain work.

Consumer research has shown that powerful brands create meaningful images in the minds of customers [Keller, 1993; Shocker et al. 1994]. Using the ideal brand image not only helps enterprises to establish market position, but also protects brands from other competitors [Hall, 2002]. In our case study, in order to create meaningful images of exquisite luxury and to establish market position, the company focuses on designing fine products in a creative, innovative, and special way so that the products promote themselves to customers. These concepts are expressed in the following excerpt:

**1st Interview:** But the design, it is very unique from the other brands because it is white and gold . . . creativeness in our innovation. We always try not to follow the trend. So our work is not nothing like the traditional ones because we challenge unique. It’s very dimensional. We call it 720 degree sculpture because from left to right, the circle from left to right 360 degree . . . And from top to bottom is another 360 degree. All together is 720 degree . . . Like gold, it makes more luxury and more high-end. . . .

Because of the company’s creative innovation in product design, customers have a deep, favorable, and lasting impression of amazement about the beauty of its products from first sight. This response is described in the following excerpt:

**2nd Interview:** We try to make the customers amazing because they have nothing to compare with our products. They’ve never seen the beautiful and special products like that. They are amazing at the first time of seeing them. The first feeling is beautiful.
Brand image is at the heart of an organization's promotional activities [Bendapudi, Singh, and Bendapud, 1996]. In the current study, the company cares especially about building up meaningful and positive images for customers, and, from the beginning, designed its brand name, logo, and products to match the company target goal.

4.4. Brand Communication

Based on the results of our interviews, we found that the company in our case study performs both kinds of brand communication; namely, one-way (indirect) communication and two-way (direct) communication [Azize et al., 2012]. In terms of one-way (indirect) communication, it uses many kinds of multimedia such as TV, magazines, and newspapers in order to increase brand awareness and to improve customer’s attitudes toward the brand. This approach is reflected in the following excerpt:

**1st Interview:** Yes, through the newspaper or TV, about boast casting . . . TV and also magazine, some business magazines or some luxury magazines . . . ah, a lot of free ways like blog, Facebook, Twitter . . . or I can say the online media. Yes, we have website . . . yes, for VIP, sometimes, we have some discount or also maybe some gifts for them . . . we send the invitation for VIP customers.

The company performs two-way (direct) communication with the public by organizing music concerts, promoting art and sculpture activities, and meeting or being interviewed by authors. These practices are described in the following excerpts:

**1st Interview:** Yes, we are planning to have to have some kinds of charity in the future but right now, for our class on next Friday, we have concert in our art center...Yes, that’s also one way of promoting art – sculpture art – inventing in Kaohsiung. That’s not for non-perfect, just carry out to promote sculpture and art activity in Kaohsiung to attract more residents to enjoy this
kind of activities. It’s like the feedback to society, and it’s free to everyone who can join the party, join the concert . . . Not really study but for them to have practical experience like if they are interesting in painting or sculpturing . . . and we have suitable, appropriate position . . . we can offer it for them for free . . .

1st Interview: . . . We do have some reports. They come to interview Mr. Shen, our art director. Some authors, they come to interview the others, and sometimes, it is reported in both Chinese and English. So it’s also used to communicate to foreigners in Taiwan. It’s also voted online, everyone can see all over the world. . . A lot of them offer interview, they come to interview us so that it is for free. . . it’s so so for communication like to communicate the new collection and any information about company, any events, any information about your company’s products.

To reinforce and upgrade the professional knowledge of its workers, the company also regularly organizes training classes every month for some employees and every day for others. These classes help all workers to become good instructors when communicating the company brand to customers. This approach is described in the following excerpt:

1st Interview: Regularly, we have classes, not formal classes but we also share with each other about how technique we used to be going to discuss with customers like we would share and also we have managers they give us classes of how we can be better in introduce. . . . .yes, that once a month for the whole of company and for the sales, for the marketing department, we have meeting every day. . . well, one Tuesday or every day, it depends on the public of the meeting.

These statements indicate that brand communication plays a very important role in the activities of brand development in the company in our case study. Our results reveal that, although the company is fairly new, it already uses a number of
activities to communicate its brand image to customers so as to create a good impression. The company’s approach is in keeping with the findings of Kempf and Smith [1998], who emphasized that brand communication is the primary integrative element in managing brand relationships with customers and in creating positive brand attitudes such as brand satisfaction and brand trust.

5. DISCUSSION AND IMPLICATIONS

This study underscores the critical importance of exploring the activities of brand development (i.e., brand name, brand logo, brand image, and brand communication) and the brand performance of small- and medium-sized enterprises (SMEs) in the context of advanced marketing theories. Our literature review indicates that the four elements of brand development have a close relationship to one another in attracting consumer satisfaction and performance [Aaker, 1996; Sjödin and Törn, 2006; Bendapudi, Singh, and Bendapudi, 1996].

Recognizing the critical role of brand and brand management in doing business, the company in our study has given special attention to creating and conducting a vast number of activities relating to brand development, using the four elements of brand name, brand logo, brand image, and brand communication. These activities interact with and support one another in order to create positive brand images and awareness among customers and in order to increase customer satisfaction, loyalty, and purchase intention.

In our case study, all activities of brand development are prepared, performed, and designed carefully to promote the target goal of the company, as expressed through four meanings; namely, the glorious history of Chinese porcelain, the highest temperature, the international language, and the company goal of being a global brand. These meanings, however, are not widely recognized by people throughout Taiwan or around the world. The most common image in the customer’s mind is the temperature number (1300). As stated in the 1st interview, “They would guess it is temperature. Some customers guess it as temperature.”
Which factors influence to this phenomenon?

First, according to Schmitt et al., [1994], logo recognition and recall may be better in Asian countries which have logo-graphic writing systems than in countries with phonological writing systems. Tavassoli [2002] affirmed that Chinese consumers are more influenced by the visual features of words (e.g., color) than English-speaking consumers. Thus, if a company puts elements such as aesthetic, logo-graphic writing or attractive images in its logo, along with its name, the result would be better. A logo that includes the brand name will be more impressive and attractive and thus enhance customer recognition and recall about the brand.

Second, the brand of the company in our case study embodies images of exquisite quality, luxury, and the finest porcelain at the same time that the company excels in creative and innovative technology. The lack of widespread recognition in Taiwan may be due to the fact that the company was established only a few years ago, or it may be that the company logo lacks the aesthetics necessary to create a more lasting impression among customers. It may also be that the company’s activities relating to brand communication have not emphasized all the meanings of the brand name.

Third, from the literature, we know that communicating the brand image to consumers is an important marketing activity [Gardner and Levy, 1955], and that a well-communicated image increases the brand’s market performance [Shocker and Srinivasan, 1979]. In our case study, the company owner concentrates on conveying the brand image to customers through mass media such as TV, magazines, newspapers, and promotional activities. If the owner were to invest more in conducting marketing strategies through specific activities such as bundling strategies, coupons, and charity events, all of which focus on price or brand reputation, the company may be able to increase its market share and attract
more customer attention. It would be better, for example, if the company would combine its own music concerts with some of these specific marketing strategies.

Our findings provide important theoretical and managerial implications for SMEs in Taiwan. We assume that the activities of brand development have a mutual relationship and that brand name in the context of Chinese consumers should focus more on the visual features of words [Tavassoli, 2002]. The activities of brand communication should be closely tied to specific marketing strategies in order to achieve gains in the competitive market. Our findings also have implications for designers, brand managers, marketers, and company owners with regard to establishing, developing, and running a new business. When choosing the brand name, logo, images, and ways to communicate them to customers, they should carefully analyze their target market, environment, and the relationships among these activities so as to explore more aspects, perspectives, or potential. By combining these elements, they may achieve the greatest gains.

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