# Corporate identity as a marketing tool in small and medium furniture manufacturing companies

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**Abstract:** Corporate identity as a marketing tool in small and medium furniture manufacturing companies. The aim of the study was to collect and analyze the data concerning the degree of utilization of corporate identity one of the core elements of the design management strategy, by small and medium-sized furniture firms. The results of survey conducted among 50 furniture manufacturing companies were presented focusing on the way the visual identification elements are used and whether there are consistent with the corporate/brand identity project. Data collected through direct interviews, surveys and analyzes of websites and furniture stores was subjected to a comprehensive statistical analysis.

Keywords: design management, visual identification project, marketing, furniture companies

## **INTRODUCTION**

In view of the high level of competition on the market companies need to support their production actions by creating a positive image of their companies or brands. More and more attention is paid to those strategic tools that can enable the company the differentiation of its products and gaining the competitive advantage. Design is considered to be one of the most important factors influencing company activity in this field (Trueman, Jobber 1998; Gemser, Leenders 2001; Buil et al. 2005). By creating a consistent corporate identification, companies can differentiate themselves from the competition, generate interest, attract attention to their products and gain loyal customers. What's important is that this tool can be successfully used also by small and medium companies (Borja de Mozota 2002).

The corporate/brand identity is one of the elements of design management strategy inherently connected with marketing. The financial success of company to a large extent can be achieved by creating a unified brand strategy and image structure so called visual identification consistent with this strategy. Benicewicz-Miazga (2012) defines a comprehensive corporate identity as a basic tool for building and strengthening brand image on the market. Four layers of marketing communication can be distinguished: color, style, name and number. This sequence plays a key role in marketing processes since it points out the order of acquisition of knowledge by man. Better and more consciously design of the company's image can be created using this information. Marketing activities undertaken on the basis of thoughtful, well-developed and consistently implemented strategy of design management in the enterprise can contribute to the company development and achievement of the market success (Benicewicz-Miazga 2012).

The main goal of the research is to collect and analyze the data concerning characteristics and degree of utilization of visual identity - one of the core elements of the company's design management strategy by small and medium-sized furniture firms.

## MATERIAL AND METHODS

The performed investigations comprised economic subjects specializing in furniture production, located or having furniture stores in Poznan and surrounding towns. The examined sample of enterprises was selected on the basis of a quota selection method. It was

divided into layers according to the following criteria: the level of employment and the geographical structure. In this analysis data from 50 enterprises was collected and analyzed. Investigations were conducted using the survey method and direct interviews conducted at furniture manufacturers. The analyses of websites and furniture stores interior design were also performed in order to verify the conformance with the corporate/brand identity project. Collected data was analyzed statistically with the use of STATISTICA 10.0 PL software.

#### RESULTS AND DISCUSSION

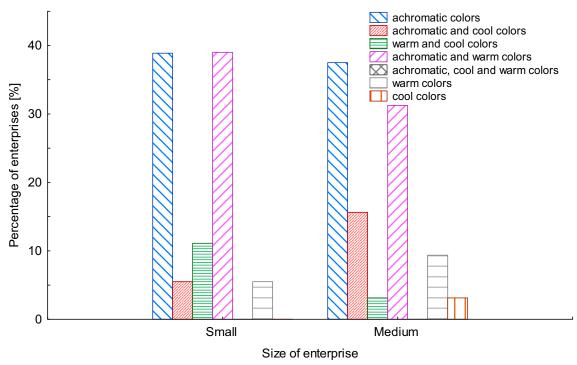
In accordance with assumptions of the methodology of the paper, the sample of furniture companies among which the analysis was performed amounted to 50. Characterizing the sample it should be noted that small businesses accounted for 36% while medium ones 64% of all organizations investigated. Companies choosing means of selling their products may sign contracts with external partner showrooms or own their individual network of furniture stores. Analyzing the company visual identification used as a marketing tool it was decided to focus on those companies that have their own furniture stores or have chosen other ways to reach customers, such as for example sale of furniture on the Internet.

It is crucial to consider the results of research showing the analysis of the company operations associated with having the brand mark, its building and strengthening as well as having the project of corporate identity elaborated. Last but not least the characteristic of the corporate identity design is also of crucial importance. The performed investigations indicated that all of the surveyed companies had their brand marks. A detailed analysis of logo design showed that only 6% of companies use graphic signs in their logos design and the predominant colors used in the logo design are: red, white and black. Thus the most frequently chosen are achromatic colors and their combinations with warm colors. The graphic symbol in logo design appeared only in the case of visual identification of companies manufacturing upholstered home furniture. Those images illustrated the outlines of sofas, armchairs or chairs.

Analysis of the palette of colors used in the logo designs of investigated companies, performed using the statistical grouping method, indicated the little differences in the colors range applied by small and medium-sized furniture companies (Figure 1). Small businesses often decide to use achromatic colors or a combination of achromatic and warm colors, however apart from that they apply a combination of warm and cool colors as well (10%). The most popular compilation of colors for medium-sized companies were also achromatic ones and little less (accounted for 30%) achromatic and warm colors. However in comparison to small companies, medium ones use combination of achromatic together with cool colors and warm colors separately more often.

In order to analyze the design defined in terms of the support of marketing activities it was decided to verify compliance of the corporate identity project used in web page design and furniture stores interior design. All furniture showrooms, in which the study was carried out, were located in Poznan and the surrounding area. In the case of 75% they were owned by medium-sized furniture manufacturing businesses. Medium sized companies often place their stores in shopping centers located in the city center (85%) while for small enterprises such is the case in 60% of analyzed companies having their own showrooms.

It should be emphasized that in case of 75% of analyzed showrooms the interior design was consistent with the given company corporate identity project. For companies having several stores in Poznan, the investigations were conducted in each of them, in order to assess the compliance of individual showrooms interior design. The performed analysis indicated that in each of those companies a consistent visual identity in the whole network of store departments was used.



**Fig. 1** The structure of analyzed furniture enterprises depending on the company size and the combination of colors used in the furniture manufacturing companies' logo design Source: Own elaboration based on conducted empirical research

The sign of logo was present in all of analyzed showrooms. The board with logo was placed at the entrance to the showroom, which constitutes one of the requirements of administration of buildings such as shopping centers. In order to characterize the visual identification project used by a given company, the analysis and comparison of corporate identity project with the showroom interior design was performed. Verifying the use of visual identification strategy, it should be noted that the investigated companies did not fully exploit its potential in building a consistent image of the enterprise. In the analyzed showrooms, the logo sign was placed behind the till only in the case of 60% of small and 69% of mediumsized enterprises. In 30% of the stores logo sign appeared on the walls, as an element of the store's interior design. However, attention should be paid to the fact that 10% of companies did not have a consistent visual identity project. In these companies in logo design presented in the showroom a different color palette was used comparing to the logo displayed for example on the website of the company. Results of the study indicated also that 15% of companies did not have any visual identification sign inside the showroom except the logo sign placed above the entrance. It is worth to highlight that in this group of companies small firms accounted for 30% while medium ones for as much as 70%. In just one from 50 furniture stores analyzed the additional LED lighting allowing for clearer visibility of the company logo was found.

The important element of showrooms interior design is also the range of colors used. The results of the performed research indicate that most often in the interior design projects of furniture stores the achromatic color palette is applied. Colors such as black, white and grey make the interior look elegant and toned with timeless fashionable character. This combination of colors often becomes a neutral background and allows to perfectly highlight the colors and textures of presented furniture collections. The detailed analysis of this subject, conducted using the statistical grouping method, showed that this solution was chosen by more than half of small businesses (Figure 2). For medium-sized companies in addition to

achromatic color palette, popular was also a combination of achromatic colors with warm ones, especially with red color.

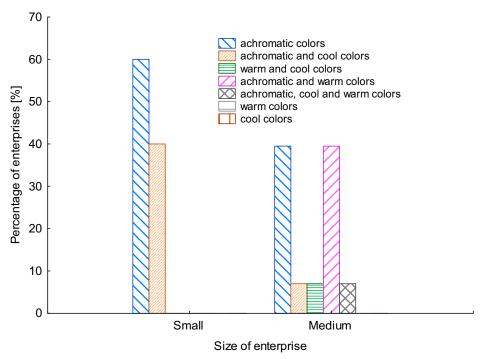


Fig. 2 The structure of analyzed furniture enterprises depending on the company size and colors used in the company's store interior design

Source: Own elaboration based on conducted empirical research

As mentioned in the introduction, the consistent visual corporate identity project consists of symbols and patterns of behavior used in the enterprise in order to create a clear and reliable image of the company on the market, and thereby distinguish it from the competition. Its most important element is logo, but it is important to emphasize the significance of design consistency across the entire range of marketing activities. Therefore, it was decided to include in the research also marketing materials developed in the analyzed companies.

In the case of 90% of the investigated companies, marketing materials available in the stores were consistent with the individual corporate identity projects. All graphical designs of the materials included logo signs. Detailed analysis showed that promotional materials of medium companies were consistent with the corporate identity project more often as compared to materials provided by small enterprises (Figure 3).

The use of design in marketing activities can also be seen in the professional graphic preparation of advertising materials. In the graphical promotion of the company products the key issues are the quality and manner of images preparation. It is worth noting that in the analyzed marketing materials furniture collections were presented in 90% of cases in the professional interior design projects. This way of presenting the company offer allows future users to imagine easier a piece of furniture in the surrounding of other interior elements such as carpets, curtains, decorative elements, or various kinds of furniture.

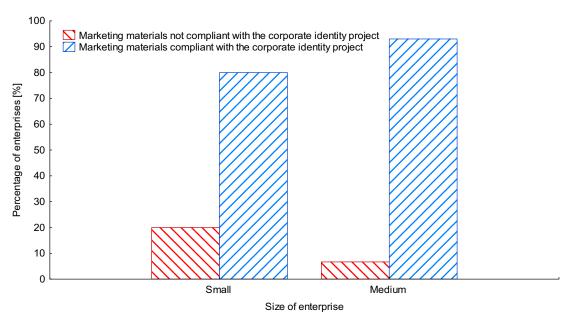


Fig. 3 The structure of analyzed furniture enterprises depending on the company size and compliance of marketing materials with the corporate identity project

Source: Own elaboration based on conducted empirical research

While analyzing the use of visual identification by a given company the dress code of the crew employed in furniture stores should also be taken into consideration. It is one of the elements closely associated with the image of the company. The performed studies showed that the showrooms where the staff was dressed in company uniforms were in a minority, representing only 20% of the investigated sample. It is worth noting that these companies consciously apply corporate clothing, which in those cases was used in accordance with the given company visual identity. The card with the staff name is also an essential part of corporate clothing design since in this way the shop-assistant helping in the furniture buying process is not anonymous, and the name of the staff builds trust. This element of corporate clothing design was seen in 30% of investigated furniture stores.

## **SUMMARY**

Summing up, the investigation of the application of corporate identity as a marketing tool in small and medium-sized enterprises revealed that companies still do not fully exploit its potential while creating the image structure of the enterprise. It needs to be emphasized that although all of the studied companies had their brand mark logo elaborated, only some of them were undertaking activities aiming at strengthening its image on the market. The compliance of the corporate identity project used in furniture stores interior design and web page design was observed in 75% of the studied companies. Over 70% of them were mediumsized companies. Higher number of companies (90%) apply the corporate identity project in preparation of graphical marketing materials. However when the dress code of the staff was taken into consideration, it turned out only 20% of companies use this manner of applying the visual identification project. It is also interesting to notice that 15% of analyzed companies do not have any kind of logo sign identification inside showrooms (apart from the one located in the front of the furniture store). Surprisingly the majority of those (70%) consisted of medium-sized companies. The analysis of logo and interior design indicated the mostly frequently used color pallete is achromatic one and logo signs rarely include graphical elements. The performed research indicated the application of corporate identity in marketing activities of furniture manufacturing enterprises is still underestimated, however the important changes are being observed and the awareness of the possibilities of using design in creating the positive company image is rising in the last decade.

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Streszczenie: Identyfikacja wizualna jako narzędzie marketingowe w małych i średnich przedsiębiorstwach meblarskich. Celem przeprowadzonych badań było zebranie i przeanalizowanie danych dotyczących stopnia wykorzystania identyfikacji wizualnej, jednego z podstawowych elementów strategii zarządzania wzornictwem, przez małe i średnie firmy. Przedstawiono wyniki badań przeprowadzonych wśród 50 przedsiębiorstw produkujących meble zwracając szczególną uwagę na sposób, w jaki stosowane są elementy tworzenia wizerunku firmy oraz ich zgodność z projektem identyfikacji wizualnej firmy/marki. Dane zebrane w wyniku przeprowadzonych wywiadów bezpośrednich, badań ankietowych oraz analiz stron internetowych i salonów meblowych zostały poddane kompleksowej analizie statystycznej. Przeprowadzone badania empiryczne pozwoliły na dokonanie charakterystyki spójności projektów identyfikacji wizualnej stosowanej w badanych przedsiębiorstwach.

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