

Professional brand building as a challenge for the Polish furniture industry

IZABELA PODOBAS

Faculty of Wood Technology SGGW

Abstract: *Professional brand building as a challenge for the Polish furniture industry.* Professional brand building should nowadays already be a standard for enterprises operating in the furniture industry. However, although the Polish furniture sector is ranked among the top furniture export leaders in the world, we still lack a common brand of Polish furniture, neither do we have any strong brands operating within the industry. The purpose of the article has therefore been to assess the current status of brand building strategies to this extent, as well as to specify the role and gist of a brand in communicating with marketing environment of a firm.

In these days, a factor determining gaining a competitive advantage lies in the processes of creating a notable value for a customer. Hence the brand, trust and suitable marketing communications channels have played an increasingly important role in making a buying decision.

Keywords: brand, image, public relations, the furniture business, building reputation and identity

INTRODUCTION

Furniture business is one of the most buoyantly developing industries in Poland. Over the years, Polish furniture have matured in terms of design, have been improved in terms of quality, while Polish manufacturers have become to be trusted by many Western recipients. All of this has been achieved due to a long tradition, privatization of this sector of economy after 1989, as well as due to a collective effort of many entities, both huge companies, and a numerous group of domestic family businesses. Foreign corporations' investments thanks to which know-how has been transferred and opening of foreign markets to Polish furniture have been of much significance, too [Burda, Formanowicz, 2006]. Currently, the furniture branch has become to be ranked among the top furniture export leaders. From a global perspective, only the Chinese, the Italians and the Germans export more furniture [in more detail: Wiktorski, 2014].

Despite the fact that Polish manufacturers have earned the trust of many Western consumers, still, for a foreign distributor, furniture exported from Poland are not labelled as being the brand of the manufacturer. Therefore, a weak point of the Polish furniture business is that it lacks a common brand of Polish furniture. Consequently, it seems important to touch upon this issue, and to claim that developing a "brand" on the furniture market is a challenge for Polish manufacturers.

THE ROLE AND THE GIST OF A BRAND ON THE FURNITURE MARKET

Nowadays, a factor determining gaining a competitive advantage lies in the processes of creating a notable value for a customer. A significant role is to be attributed to intangible values such as: image, reliability, trust and brand; brand building is a laborious, complex and multidimensional process.

The word "brand" is associated with adjectives "good", "credible", "recognizable" and brings up positive sentiments. *Brand is a name, term, symbol, design or a combination of these, created in order to identify goods or services of a seller or a group thereof and*

differentiating them from competitors [Kotler, 2012]. These days, creation of a brand identity has a considerable impact on social and cultural reality and has long expanded beyond its commercial origin. Thus, to possess a brand, means to have something valuable as an asset, as well as to be identifiable and distinct from others. *Brands enable our self-identification since they are a type of an associative-information abbreviation which is immediately comprehensible for the outside world* [Świątecki, 2006].

A brand is a name, design or a combination of these, all of which constitute a symbol of a market entity and distinguish this entity from among the competitors. At the same time, *a brand indicates a set of characteristics which, in a subjective perception of market participants, make up an emotional added value ensured by an entity symbolized by the brand. Due to this brands earn a loyal group of customers (...). A brand may consist of a verbal part (a name expressed in words) and a visual part (a characteristic mark which is a combination of colours and letter fonts* [Olędzki, Tworzydło, 2009]. In the light of this rule brand creation begins with a symbol, mark, logo (the graphic part, a symbolic element), and a name (the part expressed in words, a verbal element), which identifies each of the market players.

A “brand” in the furniture industry is being built, has an image, identity and reputation. *A brand is also a ritual, legend, metaphor, legacy, tradition and a sense of the present, but first and foremost, a specific culture* [Świątecki, 1999]. In this context, if a new business appears on the market, it is difficult to classify it as good, or as having a recognized brand. A specific nature of the furniture industry lies in the fact that furniture is exchanged by its users relatively less frequently than, for example, a car. Therefore experts describe the furniture market in Poland as a so-called shallow market, for there are many market players, whereas the consumers make their choices once in a number of years. It is estimated that they make their buying decisions as regards the same product line every ten or dozen or so years. Hence a “brand” should fit within this time frame. It is all the more important as very often, even if a business no longer exists, a “brand” remains.

The role of a “brand” lies then in its ability to attract customers, its sense of equity, and in creating valuable relationships with them. This forms an indispensable condition for a company to be able to earn people’s trust and get a constant hold of the furniture industry. One can assume that while the world is changing so much, new trends appear, people tend to live faster, a brand starts to play an increasingly important role in people’s buying decisions since it simply facilitates making a decision.

Since *a brand emerges due to publicity rather than advertising* [Ries, Ries, 1996], it is public relations sector that builds and manages it. It is the application of appropriate PR tools that enables to create an atmosphere of trust and makes a brand to become reliable.

A significant element of each public relations campaign is positioning, i.e., making a brand (name, product, etc.) occupy a specific position in the mind of the consumer. This position should focus on one, possibly several attributes of the brand, and represent a product or a business in such a way that buyers would themselves consider the brand to have specific features. Philip Kotler holds an opinion that positioning denotes first and foremost *all the actions concerning shaping the offer and image of a given organization leading to occupy an explicit, significant place in the memory of final consumers* [Kotler, 2012]. It can then be assumed that it is a process whose goal is to make it possible for a brand *to make it through the information buzz prevailing on the market and occupy a definite and important place in the target customer’s mind* [Chernatony, 2003].

POLISH FURNITURE MANUFACTURERS' APPROACH TO THE CONCEPT OF BRAND

Brand building and management is a highly significant issue in the furniture industry. The importance of a brand has been underlined for years on the Western markets [Moreno, 2010], whereas the research conducted on the US market has indicated unambiguously that it is the manufacturers which have their own characteristic brand that are most successful; the consumer, on his part, perceives furniture products through their labelling [Bumgardner, 1998]. Brand creation is also aimed at changing a common opinion about furniture. Therefore several leading brands in Poland have begun to conduct dynamic promotional campaigns in recent years, however, as it seems, they lack a planned, consistent and long-term strategy to the detail anyway.

In the light of this, one has to emphasize that professional brand building in the furniture industry involves, firstly, financial outlays the return on which is not necessarily immediate, since, as it has already been mentioned, customers' trust and loyalty is often won only after years of efforts. In this context, the furniture industry's expenditure on promotion is very low. For example in 2013, four hundred entities on the furniture market' expenses on brand promotion amounted to 85 million PLN. In comparison, one hundred entities in the household appliances industry's expenses on the same purpose amounted to as much as 150 million PLN during the same period and within the same territory. It is notable that both sectors' specificity is a period of six to seven years period after which products are usually exchanged for the new ones [GUS, 2013] (Central Statistical Office of Poland). Therefore one should make an assumption that brand building is an investment, and everyone should realize that they need to make an investment in order to be successful. Businesses should apply the same reasoning as during investing in a plant, or new technologies, when it is assumed that the return on investment is only possible after a period of time.

Secondly, furniture businesses should identify something that differentiates them, build their own brand's prestige just the way it is done by car and clothing companies, since it is specific values and emotions that are attributed to a brand. It is then worthwhile, while creating an effective campaign, to refer not only to potential customers' rational level, but also to their emotional level – to offer something special, communicate prestige, sense of exclusiveness, credibility and quality. There are also other things implied by a brand, such as punctuality, service, guarantee, and even a new and better life quality, etc. One has to remember that a brand is related to a certain tradition, so it can be built by story telling, since every piece of furniture tells a story about one's life, brings to mind some recollections and events. What's important here is appropriate creativity and a consistent vision – one should realize that it is not even a high-cost advertising campaign that may be decisive, but a good idea.

Thirdly, a brand has to be built in an informed way, and not on an ad hoc basis. This process must always involve a scheduled, long-term strategy, preceded by market research which is of much significance not only to strategic management of a brand, but also to an enterprise. If enterprises ignore this facet the actions taken may either be meagre or even turn out ineffective.

Fourthly, a great chance for building a brand in the furniture industry is making use of the internet. What's particularly important here is that this medium may be made use of also by businesses which have limited promotion capabilities and can advertise their products only on a low-cost basis. It is increasingly frequent for potential customers to search for creative solutions, inspirations or the closest furniture store online. In practice, since the beginning of the 21-st century a huge part of strategic marketing actions has been moving online, along with PR actions responsible for brand building. Enterprises which will make use of the

dynamic internet environment will be gaining advantage which, in the long-run, will translate into a growth in customer trust, strengthening the image of an enterprise and a brand, and, consequently, improvement of financial outcomes. The research has shown that the share of e-marketing in the amount of money spent on brand promotion has been on a constant increase [Pietrowska, 2012]. While it's obvious that it is a standard for a firm to have a website in each industry, the very fact of having it is not always sufficient. One should keep track of the development of new technologies which create brand-new communication channels, as well as make an update of information on a current basis, and offer customers an ability to express their own opinions; moreover, one should also take product positioning actions, or context-related actions online. Firms may make use of a wide range of techniques for online brand creation, such as: advertising, mailing, sponsoring, product placement, SEO and SEM tools, newsletters, internet communities (i.e., facebook, blip, or youtube), as well as solutions that are already available as regards technological possibilities, yet constantly ignored in Poland, such as 3D graphics or virtual photorealistic walk through a computer simulation of one's own flat whose design can be modified by a hand's gesture. A considerable role is played here by some schemes of web users' conduct who more and more often precede their buying decisions by visiting a forum or a chat room, or by skimming through websites in search of opinions by persons who have already made use of the offer or have already dealt with a given furniture brand. As a result, such users will tend to make their decisions in favour of the brands they know best, with a well-established and positive image, or will tend to choose the products which have been recommended to them by their virtual "friends" [in more detail: Pietrowska, 2012]. Taking into account potential future customers, which will include young marriages to a great extent, any printed advertisements will gradually be superseded by the internet advertising.

Fifthly, a brand means taking a different approach to the consumer stemming from precise positioning, improved communication, as well as effective prevention of imitation. Furniture businesses ought to be ready to satisfy the customer's needs and show him that they highly value his opinion, are not afraid of critique, and are ready to quickly respond to any crisis situations. The future of the furniture industry relies on professional staff, as well as dynamic cooperation with talented designers and engineers. One should make an assumption that while we already do have a quality – yet there are many firms that can't emphasize it – we should, however, work on characteristic design, since the consumer becomes increasingly demanding and it is the design that will determine the sales.

CONCLUSIONS

In the present days being successful depends to a great extent on marketing and image-promoting actions taken by a firm. The internet becomes increasingly significant, mainly due to fast and long-term effects, as well as relatively low costs of reaching a relevant target group. Each enterprise should pursue its own way on the market, which obviously begins with a good product, but also with appropriate labelling, service, tradition established by storytelling, and consistent actions, including effective PR, which ensures interactions with many groups and enables the creation of relationships in which both trust and transparency matter.

Entities operating in the furniture industry should realize that it is worthwhile to build a brand, that each firm which wants to play a role on the market should follow such strategy, not only in Poland, but also on global markets. There are already some Polish enterprises in the industry which have succeeded in building their brands, yet they represent a low percentage of the entire market. Many Polish enterprises have continuously not brought enough attention to this. They ignore the facet of brand building, or it may be the case that they simply do not know how to do it, or consider it pointless. However, nowadays this is

simply indispensable in order to survive on the market and, obviously, achieve increase in sales.

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Streszczenie: *Profesjonalne budowanie marki wyzwaniem dla polskiej branży meblarskiej.* Współcześnie, czynnikiem warunkującym zdobycie przewagi konkurencyjnej w branży meblarskiej są procesy kreowania wymiernej wartości dla klienta. Coraz istotniejszą rolę przy podejmowaniu decyzji zakupowej odgrywa: marka, zaufanie oraz odpowiednio dobrane kanały komunikacji marketingowej. Na znaczeniu zyskuje Internet, głównie ze względu na szybkie i bardzo trwałe efekty, a także względnie niski koszt dotarcia do odpowiedniej grupy docelowej. Każda firma meblarska powinna starać się znaleźć na rynku swoją drogę, która zaczyna się oczywiście od dobrego produktu, ale także od odpowiedniego oznakowania, serwisu, opowiedzianej tradycji oraz konsekwencji w działaniu – w tym skutecznego PR-u, który zapewnia interakcję z wieloma grupami i umożliwia budowanie związków, w których liczy się zaufanie i przejrzystość.

Polscy producenci mebli często pomijają aspekt budowania marki, a może po prostu nie wiedzą, jak tego dokonać, albo nie widzą w tym sensu. Jednakże w obecnych czasach, aby przetrwać na rynku i oczywiście zwiększyć sprzedaż - jest to po prostu konieczność. Dlatego też, warto zmienić podejście do konsumenta, poprawić komunikację z otoczeniem marketingowym firmy, a także skutecznie zabezpieczać swoje produkty przed naśladownictwem.

Corresponding author:

Izabela Podobas
Zakład Przedsiębiorczości w Przemśle Drzewnym
Wydział Technologii Drewna SGGW
ul. Nowoursynowska 159
02-776 Warszawa, Poland
e- mail: izabela_podobas@sggw.pl