

## Dimensionality of Corporate Logo

*Customers understand the worth of a product through the corporate logo and it facilitates branding*



Corporate logos have multi-dimensions to influence customers and company. Successful companies are leveraging the multiple dimensions of corporate logo for customer connection and company performance. The research says corporate logos can create positive effect on customer commitment for a brand and company revenues. Brand logo acts as follows:


- Integrator of the marketing efforts
- Reflector of what the company is meant for
- Synthesizer of identification, differentiation and positive association

**Logo** is a sign which represents the image of a company. It could be an emblem or a graphic picture. The company projects a certain image in the market by using the logo in various promotional activities in different media.

Brand logo identification alone may not create desired customer brand commitment or revenue to the company. But, Brand logo creates more customer commitment and company revenue if it exhibits *three* important dimensions:

- Symbolic benefits
- Functional benefits
- Sensory benefits

<b>Symbolic Benefits</b>	<p>Symbolic benefits connect customers and company with brand's core values and principles. For example, Nike's swoosh logo represents action, flow and energy. The tag line 'Just Do It' motivates customers for immediate action</p> <ul style="list-style-type: none"><li>• If logo is able to create efficacious self in customers, they build deeper relationships with brands</li></ul>	
<b>Functional Benefits</b>	<p>Customers develop confidence in a brand if it underscores functional benefits. For example, Swiss Army Knives' cross logo represents Swiss craftsmanship and problem solving capability. The logo communicates the multi-functionality of its brand</p> <ul style="list-style-type: none"><li>• Customers become brand loyal if it communicates functional quality and dependability.</li></ul>	

<b>Sensory Benefits</b>	<p>Customers develop positive relationships with the brand if logos are connected with fun, warmth, pleasure and aesthetic appeal. For example, Aflac's duck logo creates warm feelings towards the boring insurance industry. Aflac logo provides assurance to customers that they are protected under duck wings.</p> <ul style="list-style-type: none"> <li>Customers develop positive bondages with the brands if the logos are aesthetically appealing and drive fun.</li> </ul>	
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- **Visual logos vs. Text Logos:** Few companies use only text in their logo and others use visuals. The research says visuals used as logos for corporate brands are more effective than just text logos to develop emotional attachment with the brand. Because,
  - Symbols go beyond language barriers
  - Symbols can be interpreted very easily
- **Brand extension:** Brand logos facilitate brand extensions and provide strategic advantage. Brand extensions with the same logo reinforce customer relationships with the new and old products.
- **Corporate Opportunity:** Logos with visual symbols is an untapped opportunity for building relationships with customers. Companies have to put efforts to create associations through tagline and advertising. Logos offer an opportunity to symbolize a brand's essence to consumers which facilitate top-of-mind recall.

**Source:** Park, C.W., Eisingerich, B., and Pol, G. (2013), *The Power of a Good Logo*, MIT Sloan Review, Oct 22, 2013.

Topic	Course
Logo: Product differentiations and positioning: Unit 12.7	Marketing Management