

The University of Pecs

The English Language Ph.D Program in Business Administration

**The impact of Person-Organization Fit on the
corporate brand perception of employees and
of customers**

A dissertation submitted in partial satisfaction of the
requirements for the degree of Doctor of Philosophy in
Business Administration

By : Eitan Yaniv , MBA

+ ldk mell.

PTE Egyetemi Könyvtár



P000873892

August 2005

Table of Contents

Dedication.....	1
Acknowledgements.....	2
List of tables.....	3
List of figures.....	4
List of appendixes.....	5
Abstract.....	6
1 . Introduction.....	9
1.1 Background.....	9
1.2 The research questions.....	10
1.3 The research objectives.....	11
1.4 The research discipline.....	11
2 . Literature Review.....	12
2.1 Preface.....	12
2.2 Brand and corporate brand.....	13
2.2.1 Brand.....	13
2.2.2 Corporate brand.....	16
2.2.3 Service branding.....	18
2.2.4 Brand perception.....	19
2.2.5 Brand positioning and brand image.....	24
2.2.6 Brand identity and brand Promise.....	27
2.2.7 Brand values and benefits.....	29
2.2.8 Brand equity.....	31
2.3 Organizational culture and values.....	33
2.3.1 Organizational culture.....	33
2.3.2 Values and organizational values.....	36

2.3.3 Organizational culture and performance.....	39
2.4 The "Sense of Mission" and "Person-Organization Fit"	41
2.4.1 The "sense of mission"	42
2.4.2 Person-Organization Fit.....	42
2.5 Inside-Outside (I/O) branding.....	47
2.6 Internal marketing.....	54
2.7 The research rationale.....	56
3 . The theoretical framework of the research.....	59
3.1 Preface.....	59
3.2 The variables definitions and classification.....	59
3.3 The research model.....	60
3.4 The research hypotheses.....	61
4 . The research methodology.....	62
4.1 . Preface.....	62
4.2 Data resources.....	62
4.2.1 The research population.....	62
4.2.2 The sample population.....	62
4.3 The research approach and design.....	63
4.4 The research instruments.....	64
4.5 Collecting the data.....	66
4.6 The statistical setting.....	67
4.6.1 Data processing.....	67
4.6.2 Examining the research hypotheses.....	68
4.7 The research limitations.....	69
5 . The research results.....	70
5.1 Preface.....	70
5.2 Theoretical statistics.....	70
5.3 Correlational statistics.....	77

5.4 Other results.....	83
6 . Discussion.....	84
6.1 Preface.....	84
6.2 The research hypotheses.....	84
6.3 Other results.....	87
7 . Research summary.....	88
7.1 Summary.....	88
7.2 Conclusions.....	89
7.3 Suggestions for further studies.....	90
Bibliography.....	92
Appendixes.....	107

Dedication

To my beloved wife Sara,

This dissertation is yours at least as it is mine . As always , your understanding , patience and , above all , love have been my stimulus .

That is why this dissertation is dedicated to you .

Acknowledgments

I am grateful to some people who accompanied and supported me while choosing a topic for my dissertation and during the research itself .

I would like to thank Prof. Zwi Segal , the Head of the Business School of the Israeli Extension of the University of Derby , who gave me the first push to investigate the concept of "I/O branding" . He knew it was my intention to deal with strategic and marketing issues in the thesis , and therefore his idea , together with my personal interest in the notion of the "sense of mission" , was the real trigger for this dissertation .

I would like also to thank my statistical assistant , Mrs. Yael Peri-Solomon , whose cooperation and readiness to respond quickly and efficiently to all of my requests helped me substantially to proceed with the dissertation smoothly and according to schedule .

But mostly , I would like to thank my tutor , Prof. Ferenc Farkas , whose wide knowledge , good advice , charm and kindness were the added value which helped me to accomplish my mission successfully .

List of tables

Table	Title	Page
1	Distribution according to gender	
2	Distribution according to age	
3	Distribution according to tenure	
4	Distribution of customers according to personal characteristics	
5	The central tendency and variability of POF	
6	The central tendency and variability of EBP and CBP	
7	Pearson correlation coefficient between POF of the employees and their EBP level	
8	Pearson correlation coefficient between EBP and CBP	
9	Pearson correlation coefficient between POF of employees and CBP	
10	Partial Pearson correlation coefficient between POF and CBP	
11	Pearson correlation coefficient between POF and EBP according to age	
12	Pearson correlation coefficient between POF and EBP according to gender	
13	Pearson correlation coefficient between POF and EBP according to status	
14	Pearson correlation coefficient between POF and EBP according to tenure	
15	ANOVA test – the correlation between employee's age and POF and EBP	

List of figures

Figure	Title	Page
1	Distribution of franchisees and employees according to gender	
2	Distribution of franchisees and employees according to age	
3	Distribution according to tenure	
4	The employees' (EBP) and customers' (CBP) rating regarding the corporate brand values	
5	Rating measurement of brand value perception level – comparison between employees and customers	
6	Scores variation matrix of POF and EBP	
7	Scores variation matrix of EBP and CBP	
8	Scores variation matrix of POF and CBP	

List of appendixes

Appendix	Title	Page
1	Person-Organization Fit Questionnaire	
2	Employee Brand Perception (EBP) questionnaire	
3	Customer Brand Perception (CBP) questionnaire	
4	Kfar Hasha'ashuim brand values according to Mr. Avi Katz	
5	Person-Organization Fit (POF) – Central tendency and standard Deviation	
6	Employee Brand Perception (EBP) – Central tendency and standard Deviation	
7	Customer Brand Perception (CBP) – Central tendency and standard deviation	

Abstract

One of the major problems companies face in the marketplace is a gap existing between the corporate brand values as perceived by the customers and the corporate brand values which were declared as such by the management . One possible cause for that gap is the situation in which companies deliver to their customers corporate brand values that are different from their actual corporate values and culture . Such a difference is perceived by their employees as a lie that make them experience lack of identification with the corporate brand and unwillingness to support it adequately . As a consequence the customers mistrust the corporate brand , which results in a weakened brand . So , how can the organization close that gap ?

This research showed that Person-Organization Fit (POF) can play a significant role in closing that gap . The notion of Person-Organization Fit (POF) , i.e the perceived congruence between organizational values and the individual values of the employees, has been explored a lot and normally in relation to internal organizational aspects like organizational commitment, organizational identification , job satisfaction , intention to leave the organization , willingness to do "extra work" in the organization , etc . This research examined the impact of POF from quite a different aspect , an external one , which is the brand perception of customers , through the brand perception level of the employees .

Whereas corporate brand values and corporate values are considered , according to many scholars , to be the same or at least close one to another , a high POF means a high acceptance of the corporate brand values as well as a high acceptance of corporate values themselves , which all help to gain more confidence on the corporate brand by its customers through the efforts of more identified and committed employees . So , POF plays a double role , first as a means to get a high acceptance level the corporate brand values by the employees , and second as a stimulator of employees' identification and commitment to the corporate goals and values . A congruence between corporate brand values and corporate values encourages the employees to transfer the brand values to their customers , as they feel that the

organization's message , represented by its brand , truly reflects the organization's values and culture .

This research was conducted within two kinds of populations : employees and customers . The sample population was that of an Israeli franchised retail store in the toys and children games field , Kfar Hasha'ashuim Ltd , a leading company in its field . In all , 101 employees and 121 customers in 43 stores filled in two kinds of questionnaires ; the first one measured the perceived POF of the chain's employees and the second one measured the brand perception level of the same employees (EBP) and that of their customers (CBP) , i.e the extent to which their perceptions of the brand values match the company's brand values as stated by its management .

The research hypotheses were the following :

Hypothesis 1

There is a positive correlation between POF of the employees and their EBP level .
The higher the POF , the higher the EBP level .

Hypothesis 2

There is a positive correlation between EBP level and CBP level . The higher the EBP level , the higher the CBP level .

Hypothesis 3

There is a positive correlation between POF of the employees and CBP level . The higher the POF , the higher the CBP level .

Hypothesis 4

Age , gender , status and tenure , all influence the correlation between POF of the employees and their EBP level .

According to the research's results hypotheses 1 and 2 were supported . Hypothesis 3 was not supported but the results were in the hypothesized direction . Hypothesis 4 was not supported . Another result is that EBP can serve as a mediator variable between POF and CBP .

The research also indicates that elder employees have lower levels of POF and of EBP than those of younger employees .

The conclusions deriving from this research are that employees' POF positively affects the extent to which the employees perceive their corporate brand values as congruent with those which were declared by the management, and that this brand perception level of employees positively affects the perception level of the customers. Another conclusion is that POF needs EBP as a mediator variable in order to have an influence on CBP.

A high perception level of customers (CBP) means a higher trust in the brand and in the corporate which stands behind it, and the result is a more powerful brand.

Whereas this research explored the relationship between values congruence of employees and their organization on the one hand, and brand values perceptions of employees and customers on the other hand, it actually dealt with two different disciplines - human resource management and marketing management - and the relationships between them.

It seems that there is a large scope of research possibilities in that respect, including different research models, such as relating to POF as a moderate variable that may influence the relationships between employees' brand perception and customers' brand perception, and others.

This research, like others, indicated that internal branding has a significant role in the process of strengthening a corporate brand in the marketplace.

1 . Introduction

1.1 Background

Branding means differentiation and even uniqueness . Strong corporate brand , or as it is called "brand equity" , is often the most valuable asset a company possesses .

Usually , it is common knowledge that company can enhance its brand name through external communication strategy which must focus on the company's target market .

Recently another means of strengthening corporate brand emerged , a means which focuses on an internal aspect presented by the term "internal branding" . In all fields , especially in the service sector , one can find more and more companies that have increased attention to the role of the company's employees in the process of strengthening the corporate brand in the marketplace . Whereas the employees play a substantial role in service companies , the most important question a company faces is how to enhance the identification level of its employees with the company's brand values . Internal branding , i.e aligning the employees with the brand values , has become a recognized effective way of creating a close relationship between the external aspect of branding and its internal aspect . But , what are the most efficient ways of creating a productive internal branding process that will make the employees more effective corporate brand ambassadors , resulting in a more powerful brand ?

Many researchers examined the internal branding process , focusing on various techniques of internal communication , teams discussions , etc and their impact on the employees' identification with and commitment to the corporate brand .

Brainstorming , bulletins on the walls , meetings of management members and employees and other means of internal communication are usually the common tools companies use in aligning their employees with the corporate brand values .

Many companies wish that their corporate brand values will represent the corporate values and culture themselves , as it is in Disney , Southwest Airlines etc . Therefore , internal identification with the corporate values and culture seems to be another means which may strengthen the alignment of the employees with the corporate values and the corporate brand values .

Identification with the corporate values and culture is more likely to exist among employees who personally share the corporate values . Therefore it seems that having

individual values which are similar to the organization's values (Person-Organization Fit) will make the employee feel more comfortable and more identified with the company's values and culture .

Identifying with the corporate values should enhance the alignment of the employees with the corporate values . Consequently , when a company tries to transfer its brand values that are similar to the corporate values the employees will be more active , more initiative and making increasing endeavors to enlist more and more customers to be identified with the corporate brand values .

So this is the first attempt , according to the researcher's best knowledge , to explore the notion of Person-Organization Fit (POF) not in relation to internal aspects like commitment , identification , job satisfaction , intent to leave the organization etc , but in relation to an external marketing aspect such as brand perception . This study explored the relations between POF and the extent to which the employees , and as a consequence the customers , perceive the corporate brand values .

The researcher chose an Israeli retail chain as his research field . The chain , Kfar Hasha'ashuim ("The village of amusement") , contains sixty-four franchised stores that are spread throughout the country and holds about 25% of the toys and children games market in Israel . The chain is privately held by an investors' group led by Mr. Avi Katz , the managing director , and Gaon Holdings Ltd , a fast growing holding company which involves in some retail chains in consumption goods market .

1.2 The research questions

The research questions are the following :

- (1) What are the main factors that influence the employees' and customers' perception of the corporate brand ?
- (2) How do the employees influence the extent to which customers perceive the corporate brand values as congruent with the management declaration about the same brand values ?
- (3) To what extent does the POF of the employees influence their corporate brand perception and customers' ?

1.3 The research objectives

The main objectives of this study are the following :

- (1) To investigate the impact of the congruence level between the employees' individual values and the corporate values (POF) on the brand perception of employees and customers .
- (2) To investigate the relationship between the perception level of the employees regarding the corporate brand and the customers' perception of the same brand .

1.4 The research discipline

This study investigates two different aspects : marketing management and human resource management .

2. Literature Review

2.1 Preface

The following literature review presents theories , concepts and models focusing on two central perspectives : first the "marketing perspective" which refers to the term "brand" and include definitions of brand , brand image , brand positioning , brand identity , brand promise , brand values and brand perception) , and second the "organizational perspective" which includes terms such as organizational culture , organizational values , the "sense of mission" and person-organization fit , i.e the congruence between individual and organization values . Finally the concepts of inside and outside branding are presented . It is a process which is aimed to enhance the employees' identification with and commitment to the corporate brand and thus influence the way customers perceive the corporate brand .

All these terms are the cornerstones of the main issue dealt with in this dissertation deals and that is the impact of the congruence between employees and organization values (person-organization fit , or the sense of mission) on the corporate brand perception of the organization employees and also on its customers' perception of that brand .

According to the concept of the Inside-Outside (I/O) Branding notion , one of the important aims of the management is to prevent a gap between what is happening "behind the curtains" , i.e the organizational culture and values , and what is transferred to the customers by the corporate brand values and promise . The smaller this gap , the smaller the gap should be also between the consumer's perception of the brand and the corporate brand promise ; as a consequence the brand equity , or the brand strength , would increase , so the organization's competitive advantage would improve too .

The review of the "I/O Branding" as a core notion of this dissertation closes this chapter , including the relationships between the external (the "marketing perspective") and the internal (the "organizational perspective") aspects .

2.2 Brand and Corporate Brand

The notions of brand and corporate brand are presented in the following section , including various definitions and concepts of these terms and other relevant concepts that are related to them .

2.2.1 Brand

In the past , according to Herstein (2000) , producers were sure that their products would succeed due to physical characteristics . Today consumers find it hard to distinct among products' physical characteristics due to defacing of the differences among a large variety of products. The main object of marketing has been changed to be focused on fitness between the product and the target market , i.e creation of brands . As Murling&Strannegurd (2004) put it " with the abundance of products ... the managerial challenge ... has become that of differentiating similar products ; of creating a sense of uniqueness" .

What is Brand ? Herstein (2000) referred to three dimensions of brand . The first is the standard and regular definition – symbol , word , concept , object or a combination of them . Second is the marketing aspect which defines brand as groups of items which seem to be identical but for a certain reason may be proposed for sale in different levels of prices , qualities , names and labels . The third , and widest aspect of all , relates to the definition of the term "successful brand" , which is product , service , idea , personality or place in which the consumer finds individual added values that fit his needs best .

Kotler&Hornik (2000) quoted American Marketing Association regarding the definition of brand . That definition combines the first two definitions of Herstein (2000) : brand is "name , term , symbol , design or a combination of them which is designated to identify the goods or services of one supplier or of a group of suppliers and differentiate them from those of the competitors" . Kotler&Hornik (2000) added that brand is the promise of the supplier to supply constantly a unique package of attributes , benefits and services to the customers . They stated that brand consists of six levels of meaning : attributes , benefits , values , culture , personality and user .

A former definition and quite similar to that of AMA's definition mentioned above was found in other scholars' publications (Betts 1994 , Rooney 1995 , Jones, Hillier, Shears&Clarck-Hill (2002) who quoted Prof. Peter Doyle's of Warwick University definition that brand is "a name , symbol , design or some combination which identifies the product of a particular organization as having a substantial differentiated advantage" .

Herman (2001) related to brand differently . He regarded it from the customer's point of view , similar to the third mentioned above definition of Herstein (2000) . Herman (2001) defined brand as the expectation the customer has towards a very specific experience that is promised by the branded product . The term "expectation" was also included in Davis's (2002) definition which related to brand as expectations and associations evoking from experience with a company or product and in Journalistic's (2002) which stated that brand is a promise or a set of expectations . According to this article brand is not just a symbol , a shape , a sound or an actual product ; all these are marketing tools for pushing the brand to the consumer .

A similar attitude to promise in order to define brand , can be found in Dolak (2001) and Davis (2000) . Dolak (2001) saw brand as "identifiable entity" which produces promises of value ; he defined brand as a promise of value the product makes . A brand creates a customer's perception that there is no other product that is similar to that brand and that the brand promises to deliver a value for a long time . Similarly Aaker (1991) defined brand as a set of perceptions which create a differentiation between the brand and its competitors . Thus the brand strength depends on the extent to which these perceptions are shared by the customers . Davis (2000) determined also that brand is actually a set of promises and also expectations . For example , 3M brand represents innovation , FedEx represents reliability in delivery , Disney represents happiness and fun and Virgin represents irreverence . In another article Davis (2001) defined brand as a set of promises and perceptions the organization wants the customer to feel in relation to its products . Similarly , Petromilli, Morrison&Million (2003) noted that brand is "how customers think and feel about what the business , product or service does" .

A more detailed view upon brand has been suggested by Balmer&Gray (2003) . They presented five ways of looking at brand : as ownership , as image , as symbols with key values , as constructing personal identity and as a representative of optional pleasurable experience .

Tan (2003) related to brands in non-profit organizations . Whereas they are reluctant to see themselves as brands , non-profit organizations are becoming very powerful brands , in arts , education , culture , community services and so on . Actually a non-profit's brand is its mission coming alive . Tan (2003) concluded that non-profit organizations should look at the brand as a symbolic and strategic guide for their expansion .

Farr (1997) developed a model of determining brand strength in the marketplace . He presented a quite different approach of relating to customer value by stating that it demonstrates how brand's market share is supported by the predisposition of the customers towards the brand . Thus customer value can ultimately explain a market share of a brand . In order to measure brand's strength he developed the BrandDynamics Pyramid which is based on the concept of conversion profile . High share of a brand in the market could be explained by a good conversion among five levels , from the lowest to the highest : presence , relevance , performance , advantage , bonding . The stronger brand is one which is higher up on the conversion profile pyramid , thus the strength of each level is stronger than the previous one; i.e , relevance is stronger than presence , performance is stronger than relevance and so on .

One of the broadest discussions about brand definitions is found in de Chernatony&Dall'Olmo Riley's (1998) twelve themes list . On the basis of over one hundred articles and academic journals they gathered the various perspectives of brand into twelve themes that seem to be a suitable categorization of all the definitions they discovered , i.e brand as : legal instrument , logo , company , shorthand , risk reducer , identity system , image in consumers' minds , value system , personality , relationship , adding value and evolving entity . They also determined that out of all stakeholders having an interest in the corporate brand , the two key stakeholders are staff and consumers . As they put it , "the brand exists mainly by virtue of a continuous process whereby the values and expectations imbued in the brand object (product or service) are set and enacted by the firm's staff and interpreted and redefined by the consumers " . The model they presented combined brand with "firm's input" and consumers' perceptions .

2.2.2 Corporate brand

Knox (2004) determined that customers become more involved in the organization's systems when the organization is being marketed , or in other words , when the organization is being managed as a brand .

Knox&Bickerton (2003) suggested the *following definition of corporate brand* : "a corporate brand is the visual , verbal and behavioral expression of an organization's unique business model" . This definition was based on Balmer's (2001b cited in Knox&Bickerton 2003)definition that corporate brand is "a unique entity which must take account of the specific structure and culture of the organization" .

Harris&de-Chernatony (2001) distinguished between line branding , i.e branding relating to products lines , and corporate branding . They stated that corporate branding requires a greater focus within the organization . Whereas de-Chernatony (1999) determined that in order to manage corporate brand there is a need for a different approach than the classic line branding . While line branding engages the customers , distributors and only a few of the corporate staff , corporate branding is related to the stakeholders as a whole and a large part of the corporate employees are involved with the corporate brand . The same view has been presented by McDonald,de Chernatony &Harris (2001) who examined the notion of service brand ; they claimed that the major difference between an individual service brand and a corporate service brand is that in the first one customers' perception of a brand derives primarily from its advertising , packaging and so on while the later is highly influenced by the relationships developed between the customers and the organization's staff .

Conversely Keller (1999) saw the *contrast between corporate brand and product brand* differently. He determined that corporate brand is different from product brand in that it relates to a broader range of associations and gives a powerful tool to the organization to express itself without relating to a specific product . Keller (1999) presented four levels of brand hierarchy from top to bottom : corporate brand , family brand , individual brand and modifier (designated item or model) . He added that when establishing a corporate image , a corporate brand may create associations which are quite different from those of the individual brand which is connected to a specific product . Corporate brand can create four types of corporate image associations :

(1) Common product attributes , benefits or attitudes (quality , innovation) .

- (2) People and relationships (customer orientation) .
- (3) Values and programs (environment and social responsibility) .
- (4) Corporate credibility (expertise , trustworthiness , likability) .

Moreover , Olins (2000) claimed that nowadays corporate brand is taking over the entire organization , meaning that there is a need for coherence in projecting the corporate identity . This need originates from the tendency towards a wider observation at the stakeholders of the organization : employees , suppliers , customers , shareholders etc. The same notion was expressed by Davis (2001) who claimed that while product branding means that the product (or service) is synonymous with the brand , corporate branding is a composition of all the perceptions and experiences the customers have with the organization . Upshaw&Taylor (2001) called it "Masterbrand" , i.e the overall positioning of the organization among its competitors and employees .

Another concept of corporate brand was expressed by Kunde (1999) regarding what he called "Brand Religion" . He defined five levels : Product which has no added-value , Concept Brand which has emotional value rather than physical attributes , Corporate Concept which are brands that seem to be an integral part of the organization , Brand Culture which are so strong brands in the customers' eyes that they become equivalent to the function they represent , and finally Brand Religion which is the ultimate position of brands , that is to say that they are a must or a belief to the customer . The brand religion is a tool to control the process of binding the brand and the organization in a single consistent unit . As Balmer&Gray (2003) put it, corporate brands communicate the brand's value (often seen as a brand promise) , create a differentiation from other products and "enhance the esteem and loyalty in which the organization is held by its stakeholders groups" . They concluded that corporate brand "is the face of the organization" .

Van Mesdag (1997) argued that it is reasonable that a variety of products will be brought under a single brand , preferably the corporate brand , like Yamaha , Virgin , Marks&Spencer etc . Japanese brand owners do it all over the world . He added that customers react to this trend positively . Moreover , they are indifferent to whether the brand is owned by a producer , a retailer , a franchiser etc . In that respect Davis (2001) argued that while IBM , Sony or Coca Cola are all corporate brands , Proctor&Gamble , despite being strong , a leader and a "father" of very successful brands , is not a corporate brand .

2.2.3 Services branding

According to Gronroos (2001), the above mentioned AMA's definition of "brand" misses two important characteristics of service branding, process and customer.

First, services are processes and service consumption can be looked at as a consumption process; second, this definition does not relate to the customer as an important partner in the creation of the service consumption and as an integral part of the whole process. Gronroos (2001) added as far as a service is concerned, brand and brand image are quite the same because by including the customer in the branding process one can look at a brand as an image. Ultimately, he determined, a service brand is built by the customer and brand relationships between the brand and customer are developed.

McDonald, de Chernatony & Harris (2001) determined that the main difference between a product brand and a service brand is that successful service brands are created as a result of putting a great emphasis on internal marketing. Thus the organization's staff will be better trained to deliver the brand promise effectively. They added that this way of developing a service brand requires more interference and involvement of the organization's management relatively to product brands. The development of a service brand, they noted, depends on the training level of the organization's employees, their commitment to the brand and their understanding of the brand's values. According to McDonald, de Chernatony & Harris (2001) the organization's employees can enhance the customers' perception of a service brand through reliability, responsiveness, assurance, empathy and appearance.

Jones, Hillier, Shears & Clarck-Hill (2002) presented a case study by checking the customer perceptions of three UK fast food chains, as a basis for examining the concept of service branding. In their study they argued that there are major differences between product brands and service brands. They quoted de Chernatony & Segal-Horn (2001) who claimed that services have special characteristics that distinguish them from products, such as intangibility, inseparability of production and consumption (they are actually executed at the same time), heterogeneity of quality and perishability. They also mentioned Simoes & Dibb (2001 cited in Jones, Hillier, Shears & Clarck-Hill 2002) who argued that service branding actually represents the company itself, i.e. the company is the primary brand. de-Chernatony & Horn-Segal (2003) added that services brands have more contact

points with the various stakeholders and need a coherent communication strategy both internally and externally .

According to de Chernatony&Segal-Horn (2000,2003) there are only a few models and instruments that can assist service companies developing their brand . In order to create a useful instrument they tried to discover service branding consultants' perceptions of specific criteria which seemed to develop and enhance service brands. They suggested three main themes that were associated with successful service brands: "focus position" , "consistency" and "values" . A focus position is a clear statement of the brand's benefits delivered to both customers and employees . Consistency means the ability to achieve consistency in all stakeholders' perceptions of the brand . Finally they said that successful service brands were developed by organizations that have a profound core values and their employees "live the brand" . Balmer&Gray (2003) went even further by stating that service branding has similar characteristics to corporate branding because both involves multiple interfaces and the in both employees have a crucial role .

A more specific view on corporate branding was expressed by Gilbert (1999) who related specifically to retail brands . He claimed that whereas corporate branding means developing the whole organization as a brand , in service , which includes retail , corporate branding is even more relevant . He specified that in the retail industry customers are more attentive to the whole organization behind the products , to its people's behavior , rather than to the products they want to buy . Kent (2003) related to retail branding as consisting of two dimensions : tangible and intangible . The tangible aspects include factors like quality , design , environment and staff while the intangible aspect contains psychological factors such as enjoyment , pleasure , prestige , etc .

2.2.4 Brand perception

Geva (1994) defined perception as a process through which excitations from the environment are absorbed by people's senses and turn into mental representatives in people's minds . She added that it is common to distinguish between three parts in this process: Exposure , Attention and Interpretation . The final outcome of the perception process is the Cognition , which is the representation of the excitation in people's

minds .Geva (1994) emphasized that perception is the strategic junction in which the marketing activities and the decision process of the consumer meet .

Aaker (2002) determined that a brand is a set of perceptions ; these perceptions form the differentiation among the brands . Similarly , Herstein (2000) determined that the connection between product and brand is derived from the consumers' ability to perceive the brands as being different from one another because of their different names , different packages , different sizes etc . The fact that brands are different from one another causes the consumers to analyze the differences among them , which makes the process of buying easier from the consumers' point of view .

Herstein (2000) also determined that brand perception is divided into five degrees or levels of strengths:

- Brand Awareness which is the ability of the consumer to identify brand as part of a certain product category .
- Brand Acceptability which expresses a situation of non-resistance of consumers to purchase a certain brand . The consumers do not prefer that brand but also do not resist purchasing it .
- Brand Preference which is based on the functional characteristics of the brand. On this level the consumer prefers the brand but this perception level is still not strong enough to give the brand the most powerful strength in the market .
- Brand Loyalty which expresses a situation in which the consumers continue to purchase a certain brand despite the fact that the competitors are improving their brands' values . In this respect a very common definition of brand loyalty is that it is the brand reputation strength in the market , in relation to the period it exists in the market
- Brand Equity is the highest level of brand perception . This perception level can be defined in behavioral terms , i.e the ability of the brand to influence consumer's behaviors while looking at the brand ; it can also be defined in economical terms , i.e the net present value of the anticipated brand profits or the brand market value in financial figures .

While according to Wilhelmsen (2002) the consumer's perception of brands , like Disney or Nike , is a constantly evolving sum of all the information he has of them and what he thinks of them , other scholars (Jamal&Goode 2001, Hussey&Duncombe 1999) looked into the "self concept" notion which they defined as the total individual's thoughts and feelings which are relevant to him as an object . Jamal&Goode (2001)

examined the impact of self-image congruence on brand preference and satisfaction , stating that the perceptions of self are connected to the personality so that individuals tend to buy brands whose personalities are close to individual's own self-images . That is to say that individuals express themselves by preferring brands whose personalities are perceived to fit with their own personalities . Their main conclusion is that there is a strong relationship between self-image congruency and brand preference . Their findings also confirm that customers might prefer brands that have images compatible with their perceptions of self . Hussey&Duncombe (1999) concluded that the congruence between brand image and self-concept increases in parallel to an increase in consumers' preferences of brands.

Another way of looking at brand perception was found in the research of Fournier (1997 , cited in Herstein 2000) who determined fifteen types of relationships levels between consumer and brand , all of them remind relationships one can find among human beings :

- "committed partnership" – voluntary long term relationships ; example : strong commitment to a car .
- "convenience marriage" – a long term relationship which has occasionally begun; example : using a sauce acquainted by chance .
- "arranged marriage" – a long term commitment imposed by third party ; example : using a cleaning material recommended by the producer .
- "occasional friendship" - a friendship characterized by low intimacy and few expectations ; example : changing of cereals in order not to be committed to a specific one .
- "close friendship" – voluntary reunion based on intimate feeling and benefit ; example : a consumer who believes that a certain pair of shoes is a "friend" for daily training .
- "classified friendship" – friendship which is related to a specific occasion ; example: different perfumes for different occasions .
- "proximity" – involuntary reunion which is connected to the family ; example : a chef who feels committed to use a certain recipe which had been used by his mother .
- "substitute relationships" – reunion based on a will to change a partner ; example : a woman who replaces a mayonnaise which had been used by her former husband .
- "childhood friendship" – relationships based on a childhood memory ; example : a

- memory of a certain food .
- "experiment period" – before deciding on the preferred product .
 - "dependence" – obsessive attraction which is ended in disappointment because the partner is not available .
 - "daring" – a short term relationships with high emotional levels ; example : a consumer who is loyal to a certain coffee brand and feels guilty after trying a different one .
 - "opposition relationships" – negative feelings towards a brand which lead to purchasing of a competitive one .
 - "slavery" – unwillingness relationships which are dominant by the partner ; example : a consumer who is not satisfied with the local cable television supplier but has no alternative .
 - "secret affair" – private emotional relationships which are considered dangerous ; example : hiding a favorite desert in the refrigerator and eating it at night when no one can see .

Some researches have examined customer's perceptions of brands in several fields . For instance Bellizzi, Krueckeberg, Hamilton & Martin (1981) examined the differences between national (producers' brands) , private (retails' private labels) and generic ("no name") brands . They found that there were major differences in the ways customers perceive these three categories . National brands were perceived as superior in terms of reliability , prestige and quality , while generic brands were perceived generally as inferior and having low prices . Private brands were positioned between national and generic brands and were perceived as having good value for money . Jones, Shears, Hillier & Clarck-Hill (2002) examined the way customers perceive a leading pub brand in Britain , J.D Wetherspoons . They found out that this pub chain's success in the market has been characterized by a statement that "you can always tell if a pub is owned by Wetherspoons" . According to their research respondents simply determine that this pub chain is doing the right things for the customers .

Another research of Jones, Hillier, Shears & Clarck-Hill (2002) , which has been already mentioned above , dealt with the perceptions of three main fast food retailers in UK (McDonalds , Kentucky Fried Chicken and Burger King) . Based on de Chernatony & Segal-Horn's (2000, cited in Jones, Hillier, Shears & Clarck-Hill 2002) three themes mentioned in the service branding chapter above , they audited

qualitative research by discussing customers' perceptions , feelings and emotions regarding those three fast food retailers . In their research Jones, Hillier, Shears& Clarck-Hill (2002) presented their conclusions about the participants' perceptions regarding the three themes , focus position , consistency and values and the comparison between the three retailers and thus they created an instrument for examining service brands perceptions . The results suggested that the customers had a very clear recognition of the overall brand image of all three chains and that all three companies were perceived as providing value for money and were also identified as having a strong commitment to community values .

A different aspect of customer's perception appeared in Reynolds&Olson's (2001) Means-End Approach , a method which suggests a Means-End chain of attributes , consequences and values . According to that model brand's attributes serve as a means by which the customer expects to get consequences derived from purchasing or using the brand and at the end to fulfill his desired values . They distinguished between Equities which are the positive factors that attract the customer to the brand and Disequities which are the negative factors that prevent the customer from purchasing the brand . These factors are the perceived consequences which the customer expects to get by his decision to purchase or not to purchase the brand . The customer sees the brand and its attributes as a means to an end ; the brand's attributes have meaning only in terms of the consequences the attributes are perceived to cause by the customers . Zanolli&Naspetti (2002) examined the perceptions of organic food in Italy , using the means-end chain model . They interviewed 60 respondents and the results showed that even though organic products were perceived as expensive and difficult to find, most respondents treated them positively by associating them with health and good taste ; pleasure and wellbeing were the most important values preferred by the respondents . Zanolli&Naspetti (2002) used the means-end model for their research in order to reach deeper insight into the barriers that prevent a larger demand of organic food in the Italian market . They found this model most suitable for their research because it helps to discover what motivates consumers to prefer one product to another ; they stressed that this model helps to reach a deeper insight into the consumer's perception . Another insight into the consumer's perception of food has been expressed by Imram (1999) who noted that perception of food products is influenced by various factors , like taste , color , attitudes , price , prestige , nutritional

content , health belief and so on ; he also stated that sensory attributes have major effect on the perception and acceptance of food product .

Finally , Maklan&Knox (1997) looked at the brand perception through the eyes of the customer value which is defined as the surplus between the perceived benefits and the perceived total cost in the customer's eyes .

2.2.5 Brand positioning and brand image

Kotler&Hornik (2000) and Keller (1999) defined positioning as the design of the corporate proposal so that it will hold a clear and significant competitive standing , or optimal location , in the mind of the consumers .

Another definition of positioning is that positioning is the relative position or place in the market as perceived by the customers (Dibb&et-al 1997, Holbrook 1999 Pickton&Broderick 2001) .

Keller (1999) suggested the term "core brand associations" which are in the consumer's mind and reflect the brand positioning ; these brand associations are created by the company's marketing activity .

Beckwith (1997) looked at positioning also from the customer's point of view , meaning that positioning represents the way the customers perceive the product . Moreover , Beckwith (1997) stated that positioning declaration expresses the organization's aspiration considering the way the customers will perceive its products. It is the message core which the organization would like to transfer in order to influence its positioning . The greater the gap between the positioning and the positioning declaration , the greater are the organization efforts needed to close that gap . Kotler&Hornik (2000) defined the term "image" the same way as Beckwith (1997) defined positioning , i.e image is the way the consumers perceive the brand ; brand identity , on the other hand , is the way in which the corporation likes to have its brand positioned . Again , there exists the gap problem between the brand image and the brand identity , a gap which the organization wishes to close as much as it can .

The question of such a gap was raised also by Rapier (2002) who stated that quite often a brand as described by the organization executives is not exactly the same brand which is perceived in the minds of the customers . Executives have to be aware of this gap .

Haynes, Lackman & Gustey (1999) suggested the notion of Comprehensive Brand Presentation (CBP) which was defined as the management of both the manufacturing and marketing processes in the company for being able to fit the customer's perception of the brand image (actual brand image) and the brand image which the company wishes it to be (target brand image).

A specific approach focusing on retail brand positioning was developed by Gilbert (1999); he determined that brand positioning depends on two notions: brand differentiation and brand segmentation. A brand which is not differentiated from other products has a weak position in the marketplace; moreover he added that brand positioning and brand segmentation go together because segmentation means finding a specific target market while positioning needs to consider how the target customers perceive the retail brand. The same attitude regarding the close relationship between service branding, which includes the retail branding, and positioning was also expressed by Blankson & Kalafatis (1999) who focused on the differences between positioning of physical goods and services. They determined that service brands have the following characteristics which make them different from physical goods brands: intangibility, inseparability, variability, perishability and ownership. All these characteristics influence the ways service brands have to be positioned.

Brand image has also received many different definitions. While Kotler & Hornik (2000) gave the image and the positioning almost the same meaning, as mentioned above, Kotler, Armstrong, Saunders & Wong (1999) saw image as a set of consumers' beliefs towards a brand. These two definitions referred to image from the consumers' point of view, the same way as Dibb, Simkin, Pride & Ferrel (1997) who stated that positioning is a process that creates an image for a product in the minds of the customers. Quite the same attitude to image was found in del Rio (2001) who determined that brand image is a perception of a brand, reflected by associations which the customer feels about the brand. The main conclusion of their research, which examined the Spanish sport shoes market, was that there is a necessity to analyze each of the associations separately in order to find the most relevant ones from the customer's point of view.

According to Betts (1994) successful brands reflect image which produces positive perception of the consumer towards the brand over a long time.

The following researches of brand image have related to it as having two dimensional terms . For instance , Baht&Reddy (1998) proposed that brand image should be based on a brand concept , which can be either functional or symbolic . Functional brands satisfy practical needs while symbolic brands satisfy needs such as prestige or self-expression . They concluded that symbolic and functional aspects of brand image can be positioned together and not separately . The same attitude to brand image , meaning a distinction between the functional and the symbolic aspects , appeared in Uustilo (2001) who checked the issue of retailers brand image ; he claimed that the functions of grocery stores relate to the physical needs of the customers (size , quality , range of products etc) while features like lifestyle , ecological consumption etc , the symbolic aspect , are added to it . Accordingly , Palacio,Meneses&Perez (2002) examined the brand image of universities ; they distinguished between cognitive and affective factors which image is composed of , based on the definition that image is "the mental representation of a real object that acts in that object's place". On the basis of checking 6,775 Spanish students in Spanish universities they came to the conclusion that the cognitive component of image is an antecedent of the affective one and both components influence the total image of the university .

Hussey&Duncombe (1999) also distinguished between two aspects of brand . The personality of a brand which represents the implicit and internal features that are perceived by the subconscious brain , and the brand identity which represents the explicit and external features that are perceived by the rational and conscious brain .A brand image should be a combination of these two aspects .

According to Reynolds&Olson (2001) , the Means-End approach described above can differentiate a brand , not because of its attributes but by representing the way in which these attributes deliver high level of consequences and personal values , namely creating what they call "image positioning" .

Keller&Aaker (1997) presented a different attitude to corporate brand and its image in the marketplace . Corporate brand names like Sony , Hewlett-Packard , Kodak , 3M or IBM produce images as innovation , relationships with the environment , and involvement with the community , aspects which were examined in their research concerning the effectiveness of marketing activities to support corporate brand extensions . The main conclusions of their research were that marketing activity related to innovation is the most valuable one and involvement with the community has the most limited effects .

Birtwistle&Shearer (2000) examined the image of five UK fashion retailers . They presented a definition of retail store image which stated that retail store image is "the total conceptualized or expected reinforcement that a person associates with shopping at a particular store" ; they also distinguished between grocery and department store images by determining that store cleanliness , easy accessibility and speed of checkout were , after the dependability of the product , the next most important factors in grocery shopping while in department store the next important factors , after the same dependability of the product , was the value for money and product quality . Their research was based on Fishbein's model (Fishbein 1967) of attitude-towards-object which determined that an attitude about a particular object is a multiplication of two factors – the weight or importance of a certain attribute of the object and the evaluation belief towards the same attribute of the same object . They found that store outlet was the least important factor for the customers while price , reflected by value for money , was the most important one . Fishbein's model served also as a basis for the research made by Bass&Talarzyk(1972) who found that this model can predict the attitude towards a particular brand in various consumer products .

2.2.6 Brand identity and brand promise

Aaker (2002) , Gronroos (2001) and others defined brand identity as the brand image the company wants to create ; Aaker (2002) determined that brand identity "provides direction , purpose and , meaning for the brand" . He emphasized that brand identity is a unique package of associations which the company wants to create , and these associations represent a promise for the customers from the company . Aaker (2002) added that brand identity generates a value proposition to the customer which includes functional , emotional and self-expressive benefits .

While brand image focuses on consumers' perception of the brand , brand identity focuses more on the involvement of the organization's staff in building a unique brand (de-Chernatony 1999) ; this involvement is necessary to fulfill consumers' emotional values deriving from the corporate brand . Therefore brand identity is strongly linked to corporate culture .

Schmitt&Simonson (1997 cited in Witkowski, Ma&Zheng 2003), and Balmar (2001) looked also at brand identity as a factor connected to the corporate as a whole ; nevertheless they saw brand identity as composed of four elements : properties ,

products , presentations and publications . Witkowski, Ma&Zheng (2003) mentioned this concept of brand identity and examined it in their research made on Kentucky Fried Chicken Chain both in China and the USA , checking the cross-culture influences on brand identities impressions . They found that the Chinese preferred KFC restaurants more than the Americans and also had more positive impressions of KFC than the Americans .

As mentioned above , Jones, Shears, Hillier&Clarck-Hill (2002) , who studied J.D Wetherspoons , a leader pub brand in Britain , came to the conclusion that the company succeeded in developing a distinctive brand identity as pub which sells a wide range and relatively cheap beers. To sum up , the chain's identity is substantially connected to the image it succeeded to create for its customers .

According to Herman (2001) brand strategy is the decision about the nature of the expectation for the benefit which the organization intends to raise among its customers . Expectations are generally aroused by promises ; that's why the brand strategy is actually the brand promise – the way in which the organization presents its product so it will be perceived as a means for achieving the benefit . Schultz (2001) called the brand promise "the heart of the brand" , i.e what the brand means and does and how it acts . The brand promise is the heart and the soul of the organization and represents the organization and all its stakeholders . The same attitude to brand promise was found in Campbell (2002) who stated that the brand itself is a promise that a company makes to its customers of what its product is going to deliver to them . She added that a brand promise is a commitment taken by the organization , because a promise is something one has to follow through and it is important that the organization understands that by making this brand promise it has to live up to it .

Other approaches to brand promise related to it as promises of values (Dolak 2001) or promises to fulfill the consumer's expectations (Journalistic 2002 , Davis 2000) . Davis (2000) determined that in order to establish a leading brand one has to decide about the PATH the brand travels into the customer's mind . PATH is an acronym of promise , acceptance , trust and hope . These intangible characteristics become tangible in the brand world and the customer ultimately buys a promise or a hope ; it means that when you buy a Mercedes you buy "German engineering" and not just

reliable car and when you use FedEx you are confident that your package will arrive on time of its destination . A different attitude was found in Betts (1994) who determined that the purpose of brand is usually to communicate tangible attributes ; for example , the proposition of Mars by transferring the promise that the product helps to "work , rest and play" contributed to create a very strong brand in the market. Alerck&Settle (1999) stressed the importance of building brand preference by determining six modes : Need association , Mood association , Subconscious motivation , Behavior modification , Cognitive processing and Model emulsion, all derived from the leading theories about human learning that have evolved in the fields of psychology . Other approaches of building a brand were found in Cravens,Piercy&Prentice (2000) who determined that building a strong brand is one of six essential dimensions comprise which they called "market-driven product marketing strategies" and in Brand (1997) who placed the establishing of a clear understanding of the brand promise as the first step in a process of building creative brand strategies . The other steps are : confirming that the brand promise relates to the target market , establishing communications means , evaluation of the data base needed , establishing an on-going dialogue with the customers and measuring the results of the whole process .

But , as Webster (2003) put it , fulfillment of a brand promise takes time . Customer's experience with a brand is influenced by how the brand promise is delivered to him . Davis (2001) added that the way the brand promise is delivered to the customer is what influences the experience the customer had with that brand ; he called it Brand-Customer Relationship . Miller (2002) called the consistent delivery of the brand promise "Brand Choreography" , when the delivery of the brand promise is spreading across the organization's channels and departments , not only the marketing department . It's like developing a value chain to support the brand promise ; it's the managing of the internal network of inter-relationships inside the organization .

2.2.7 Brand values and benefits

As mentioned above , Herman (2001) defined brand as the expectation which the customer feels towards a very specific experience that is promised by the branded product . According to Herman (2001) the customer expects to get benefits from purchasing or using the brand ; benefit can be satisfied on three levels : physical

benefit connected to the brand itself (taste , color , size etc) , additional tangible benefit connected to at least one part of the marketing mix (service , buying experience , etc) and intangible benefit (psychological , sociological , etc) . The basic task of the brand is to direct the customers' expectations towards the benefit they expect to get . As he put it , consumers are enthusiastic for brands because brands can do something which products can't do . Brand can create psychological or sociological benefits which are a consequence of fantasy , such as a Mercedes car which satisfies benefit that is far beyond the driving experience itself . Herman (2001) called all these kinds of benefits "values" or "added-values". Quite the same , Gronroos (2001) determined that brand value refers to the question of how valuable a certain product or service is to the customer in comparison with other alternatives . Whereas Holbrook (1999) defined value as a preference experience which is both interactive , i.e interaction between the consumer and the product , and relativistic , i.e considering preferences among products and varying among consumers . He distinguished between eight different consumption experiences : efficiency , excellence , status , esteem , play , aesthetics , ethics and spirituality ; he calls it "Typology of Consumer Value" .

Reynolds&Olson (2001) also related to customer's value connecting together brand's attributes, consequences the customer expects to get by using the brand and personal values which he expects to fulfill ; those values are the "end" of the means-end chain , starting from the attributes (the "means") . Mentzer,Rutner&Matsuno (1997) also used the means-end value hierarchy model in order to clarify the needs of the customer in the logistic field . They say that the means-end model helps organizations to understand better their consumers' values and their study on business-to-business logistics companies has implied this model accordingly . Another attitude to brand values can be found in de-Chernatony (1999) who mentioned that brands ought to satisfy both functional and emotional values of the consumer . Whereas functional values are difficult to sustain , due to technological developments and price competition , emotional values have won more attention recently .

In that respect Maklan (1997) too determined that brands create customer value by enhancing functionality and emotional values , such as : improving quality , adding services and creating status and prestige . Whereas Herstein (2001) clarified that branding's most fundamental term is added-value which gives the brand advantage above others . The term "added-value" is primarily related to the way customers

perceive the brand . There are brands which have not only physical values for the customer but emotional or symbolic values too , similar to Maklan's (1997) attitude . Herstein (2001) mentioned the following added-values : those which derive from past experience in usage , those which derive from recommendations , those which derive from faith in the brand's efficiency and those values which derive from the brand's appearance .

Evans (2002) related to value as having two dimensions : perceived benefit and perceived cost . He pointed out that measuring customer's satisfaction without relating to value assures failure . As a consequence , the concept of Customer Value Management (CVM) arose , using price and value factors so that customer value should be measured according to both value and the cost necessary to achieve that value . Evans (2002) added that the customer value approach tries to identify how customers evaluate competing offerings ; it is essential to identify the "competitive value proposition" for a specific target market , in order to examine the non-price components of value relative to price . According to Daniels (2000) the CVM has become the setting of the organizational strategy necessary to maximize the value delivered to the customers in order to get strategic advantage . Another definition of customer value which refers to this term as containing two dimensions aspects is that of Eggert&Ulaga (2002) who determined that customer-perceived value is a trade-off between benefits and sacrifices of a supplier's offering . The same definition was found in a former publication of Raval&Gronoors (1996) who claimed that customer-perceived value is the ratio between perceived benefits and perceived sacrifice .

2.2.8 Brand equity

Mackay (2001) quoted Winters (1991) who argued that "if you ask ten people to define brand equity you are likely to get ten (maybe 11) different answers as to what it means" . Earlier Farquhar (1989 cited in Myers 2003) defined brand equity as "the added value endowed by the brand to the product", a definition which was expressed in the same manner by other scholars too (Aaker 1991, Simon&Sullivan 1993, Keller 1999) . Later Keller (1998) noted that the term "brand equity" gained various definitions and attitudes since it arose firstly in the 1980s , but the outcomes have been confusion and frustration with this term . But , most of the views that have been expressed about brand equity agreed that it represents the "added value" the product

has gained due to past investments in the marketing efforts . As Aaker (2002) put it, brand equity is "a set of assets (and liabilities) linked to a brand's name and symbol that adds to (or subtracts from) the value provided by a product or service to a firm and/or the firm's customers" .

Shocker&Srivastava (1991, cited in Lassar,Mittal&Sharma 1995) distinguished between two components of brand equity : brand strength and brand value . While brand strength refers to the brand associations as perceived by the customers , brand value is expressed by financial terms reflecting the the profits which can be derived from the brand . Lassar,Mittal&Sharma (1995) added that brand equity has been described from two points of view : financial perspective and customer perspective . The financial aspect of brand equity relates to the financial value brand equity creates to the company , while the customer's aspect relates to the consumer's response to the brand (Shocker&Srivastava 1991 cited in Lassar,Mittal&Sharma 1995) .

According to Myers (2003) measuring brand equity also can be seen as divided into two groups: consumer perception aspect and consumer behavior aspect . Both groups can be found in Aaker's (1991) measurement tool which presented five reputation aspects from which brand equity is derived : brand awareness, brand associations , brand perceived quality and brand image (all consumer perception aspect) and brand loyalty (consumer behavior aspect) . As for the consumer behavior aspect it is also worthwhile to mention Kamakura&Russel (1993 cited in Myers 2003) who determined that brand equity consists of three components : perceived value , brand dominance and intangible value . Perceived value was defined as the brand value that cannot be expressed in financial terms ; the brand dominance expresses the value of the brand ability to compete on price ; the intangible value was defined as "the utility perceived for the brand minus objective utility measurements" .

Like Lassar,Mittal&Sharma (1995), Gronroos (2001) also mentioned the term "customer-based brand equity" which , as he put it , creates a brand value to the customers . In addition , Keller (1998) presented a broader definition for this term by determining that customer-based brand equity is the effects that the customer knowledge about the brand has on his response to the marketing endeavors .

Krishnan&Hartline (2001) and Mackay (2001) focused on the relation between the concept of brand equity and the service sector . Krishnan&Hartline (2001) claimed

that the role of brand equity in the service businesses has not been investigated enough and the research dealing with this issue is relatively rare . In their research they have found that , in contrary to what it was hypothesized , brand equity is not more important in services than in tangible products . Mackay (2001) was more specific by studying the factors which influence most the brand equity in the financial service sector (credit cards) . He found that awareness , one of Aaker (2002)'s measures of brand equity , was the best measure of brand equity in terms of the correlation with market share .

2.3 Organizational culture and values

In this chapter organizational culture and values , and their link with organizational performance are examined .

2.3.1 Organizational culture

General attitudes to culture , in relation to societies and nations , were presented by scholars like Kroeber&Kluckhohn (1952, cited in Senior 2002) and Hofstede (1980, cited in Lim 1995) . According to Senior (2002) these two definitions of culture referred to several characteristics of culture in which societies (Kroeber&Kluckhohn 1952) or nations (Hofstede 1980) from one another . Kroeber&Klockhohn (1952) argued that "culture consists in patterned ways of thinking , feeling and reacting , acquired and transmitted mainly by symbols , constituting the distinctive achievements of human groups , including their embodiment in artifacts ; the essential core of culture consists of traditional (i.e, historically derived and selected) ideas and especially their attached values" . Hofstede (1980) used data collected from IBM employees in different countries ; in that study four dimensions were used to distinguish between nationalities and could be applied to research organizational culture – power distance , uncertainty avoidance, individualism/collectivism and masculinity/femininity .

According to Sadri&Lees (2001) , studies about organizational culture began only twenty years ago on the basis of the phenomenon that people from different backgrounds and culture are brought together into one work environment . According to Wilson (2001) the whole concept of culture has been derived from the disciplines of sociology , anthropology and psychology in which culture was defined as a pattern

of behavior that provides a template by which ideas are transferred from one generation to another or from one group to another . But as culture became part of the management thinking , researchers began to regard culture as a variable rather than a "root metaphor" . i.e something "organization had" versus something "organization was" .

Basic definitions of organizational culture can be found in some scholars' theories even in the 1970's . Those definitions regarded culture from a "doing" and "behaving" points of view (Miner (1971, cited in Mullins 1999) , Mintzberg (1973, cited in Mullins 1999) .

According to Miner (1971) an organization culture could be defined as the collection of traditions , values , beliefs and attitudes that constitute pervasive context for everything we do and think in an organization , while Mintzberg (1973) suggests a shorter definition of culture : "how things are done around here" .

Over the years there were really no significant changes in scholars' attitudes to organizational culture . Schneider (1994) , like Mintzberg (1973) , chose also to define organizational culture as the way people do things for the success of the organization . He argued that the core culture is the nucleus of the culture , by presenting an analogy between core culture and botany . While there are 300,000 species of plants in the world , when we go deeply into the plant life we discover the subkingdoms , i.e the form and structure of plants ; core culture is the subkingdom . He also determined that culture defines the way people act and behave within the organization and over the time also provides communication patterns inside the organization ; the stronger the commitment to the culture the more the organization will succeed . In order to determine the core culture that exists in the organization Schneider (1994) also proposed a core culture questionnaire . This questionnaire helps to determine whether the core culture of the organization is a "control culture" , a "collaboration culture" , a "competence culture" or a "cultivation culture" , by using a suitable model which he had developed .

A "behaving" attitude to organizational culture was presented also by Torrington&Hall (1998) who defined organizational culture as the organization's spirit and beliefs reflected by values which determine the way people in the organization should behave . Torrington&Hall (1998) also distinguished between an organizational culture and a corporate culture by describing corporate culture as "more self-conscious expression of specific types of objective in relation to behavior

and values". The same attitude to organizational culture was found in Mullins (2002) who defined this term as the overall values , traditions , policies , beliefs and attitudes which function as the context in which way people in the organization do things and think .

Johnson&Scholes (1999) proposed a slightly different view of organizational culture through the term of "Cultural Web" . Cultural web is a representation of the taken-for-granted assumptions , or paradigm , of an organization and the physical manifestation of organizational culture. The hard core of the cultural web is the paradigm , which is surrounded by the stories, the symbols , the power structures , the organizational structure , the control systems and the rituals and routines. A much previous definition of paradigm was found in Kuhn (1970, cited in Schneider 1994) who defined it as a "constellation of concepts , values , perceptions and practices shared by a community which forms a particular vision of reality that is the basis of the way a community organizes itself" . He added that leaders in organizations establish their organizational culture in such a way that it will fit their own paradigms . In relation to organizational paradigms Schneider (1994) added that leaders in organizations prefer one paradigm over others , and the chosen one is the one that provides evidence of success .

Pretty much the same attitude to organizational culture as a system of taken-for-granted assumptions appeared in Schein (1990, cited in Lamond 2003) ; Schein (1990) argued that culture consists of basic assumptions that people share together in relation to human nature and social relationships ; these assumptions are taken-for-granted . He added that there are three levels of organizational culture : behavior and artefacts (dress codes , annual reports , physical space , etc) , values , which are less visible than behavior and artefacts (norms, ideologies , etc) and assumptions , which are the unconscious level of culture (feelings , thought processes , etc) . Later Lim (1995) suggested two ways to relate to the conceptualizations of organizational culture – the process-oriented approach and the classification approach. As for the process-oriented approach , he mentioned Roskin (1986, cited in Lim 1995) who determined that the process-oriented approach refers to organizational culture as a continuous recreation of shared meaning.

Another point of view at organizational culture has been presented by Barrett (2002) who proposed seven levels of organizational culture , or what he called "Corporate Consciousness" , derived from Maslow (1954)'s hierarchy pyramid of needs : Survival consciousness (control and profits) , Relationship consciousness (loyalty but lack of

flexibility) , Self-esteem consciousness (be the best/the biggest) , Transformation (awareness of values , mission and vision) , Organization consciousness (integrity , innovation , inflexibility , generosity etc) , Community consciousness (voluntary environmental and community relations) and Global/Society consciousness (resolving social affairs , human rights , ethics etc) .

Quinn (1988, cited in Lamond 2003) also developed a measure for organizational culture ; he presented four kinds of organizational culture : the human relations (HR) – flexibility and internal focus , the open systems (OS) – flexibility and external focus , the internal process (IP) – control orientation and internal focus and the national goal (NG) – control orientation and external focus . Lamond's (2003) research about Australian organizations showed that Quinn's (1980) measure of organizational culture was useful .

Another implementation of culture characteristics has been shown by Harris&Ogbonna (1998) who illustrated that Martin's (1992) three perspectives of culture can be implemented in the UK retail sector . The three culture perspectives of Martin (1992, cited in Harris&Ogbonna 1998) are integration , differentiation and fragmentation . Their research that covered three retailing organizations showed that each of Martin's (1992) three culture perspectives related to different hierarchical positions ; the head office personnel was characterized by the integration perspective (consensus and consistency) , store managers were characterized by the differentiation perspective (dichotomy and inconsistency) and shop floor workers were characterized by the fragmentation perspective (ambiguity , fluidity and complexity) .

In relation to culture and values Wiener (1988) stated that most researchers of organizational culture agree that shared values , i.e the organizational value system , are a key element in defining culture . Wiener (1988) presented types of value systems classification model based on "focus of values" (functional or elitist) on the one hand and on "source and anchoring of values" (organizational tradition or charismatic leadership) on the other hand .

2.3.2 Values and organizational values

Researchers like Rokeach (1973, cited in Cable&Judge 1996)) , Locke (1976, cited in Judge&Cable 1997) , Hofstede.,Neuijen,Ohayu&Sanders (1990) and others defined values in different ways.

Values were defined by Rokeach (1973) , as "enduring beliefs that a specific mode of conduct or end-state is preferable to its opposite , thereby guiding individuals' attitudes , judgments and behaviors" ; another definition of values by Rokeach (1973) is that "values are intrinsic , enduring perspectives of what is fundamentally right or wrong" . Rokeach (1973) developed the RVS (Rokeach Value Survey) instrument , which contains eighteen terminal values and eighteen instrumental values , where terminal values are defined as "beliefs regarding desirable end-states of existence whereas instrumental values are beliefs regarding desirable modes of conduct" . This instrument was developed according to the Rokeach's (1973) assumption that people possess a very small number of values , but every person possesses those values on a different level .

Many researchers chose to implement the RVS instrument in their studies , such as Shafer,Morris,&Ketchand (2001) who investigated the impact of personal values on auditors' ethical decision making , concluding that perceptions of moral intensity influenced their ethical judgments and behavioral intentions . Moreover Krishnan (2001) found that transformational leaders might attribute greater importance to values concerning other people than themselves .

Another definition of value has been suggested by Locke (1976) as follows : "a value is that which one acts to gain and/or keep " ; it means that values are what a person wishes to get and obtain . According to Judge&Cable (1997) values are "subjective judgments" ; they also distinguished between values and personality . Accordingly , personality is more stable and even innate and genetic , while values can be obtained therefore they are more dynamic than personality .

Hofstede,Neuijen,Ohayu,&Sanders (1990, in Wallace,Hunt&Richard 1999) determined that values consist of "non-specific feelings of good and evil , beauty and ugliness , normally and abnormally , rationality and irrationality" .

While Massey (1979, cited in Russel 2001) identified a large number of specific influences on personal values , such as : family , friends , religion , education , the media , geographic roots , technology , current events etc , Hofstede (1989, cited in Wallace,Hunt&Richards 1999) distinguished among three levels of values : occupational , organizational and national values and determined that personal values have to be congruent with others' values either in organizational or national level .

Work values are also seen as an expression of individual values (Ros,Schwartz&Surkiss 1999, Sagie&Koslowsky 1998) . They noted that every person possesses a certain set of values which are relevant to various life areas , including work values .

Regarding organizational values , Collins&Porras (1994) presented a sample of what they called "visionary" organizations , i.e organizations that have an enduring sense of purpose and also a shared set of deeply-held core values . Collins&Porras (1996) defined core values as "a small set of guiding principles...not to be confused with specific cultural practices".

Cowan&Todorovic (2000) argued that there are three kinds of organizational values : Surface Values, Hidden Values and Deep Values ; surface values are in the "outside" , i.e open stated , moral positions and behavioral rules . Surface values set standards of behavior to people and organizations and are clearly seen and spoken of . Hidden Values mean ideas , beliefs , norms , all which are not always written . Deep Values , called also Spiral Dynamics , refer mainly to thinking and values systems ; spiral dynamics set the character of the organization like surviving , harmony , individualism , stability and order , autonomy and strive to win , sense of community , learning , holistic etc .

Collins&Porras (1994) and Campbell&Yeung (1991, cited in de-Wit&Meyer 1999) related to values as an integral part of the organization vision . Campbell&Yeung (1991) included values in the organization mission while Collins&Porras (1994) saw values as part of the "core ideology" of the organization . Shared values , as part of the organization mission , are an important factor in achieving Continuous Improvement (Jabnoun 2001) . Continuous Improvement (CI)'s objective is to achieve customer satisfaction on the basis of driving values as well as enabling values , as it was declared in a brainstorming session Jabnoun (2001) held with a group of managers enrolled in the EMBA program at the University of Sharjah (UAE) . The CI driving values needed to achieve this objective were identified as respect , responsibility and empathy while the identified enabling values were humbleness , trust , openness and cooperation . The same conclusion was reached earlier by Posner,Kouzes&Schmidt (1985) who determined , on the basis of an empirical test of corporate managers , that shared values do affect organizational performance .

Palmer,Foley&Parsons (2004) related to Collins&Porras's (1996) mentioned above definition of values as "principles" and thus suggested using this term instead of

"values" in order to be more practical and effective for achieving the organization's objectives ; for example "team working" instead of "respect" .

2.3.3 Organizational culture and performance

Some scholars (Saffold 1988 , Lim1995 , Kotter&Heskett 1992) presented the major difficulties of finding a link between organizational culture and performance .

Despite the claims that there is a link between organizational performance and corporate culture (Lim 1995) not many studies have examined the relationship between these two notions ; the culture-performance connection is still unclear . Lim (1995) presented some qualitative and quantitative approaches that try to examine this link ; his main conclusion is that difficulties in a clear definition of the term "organizational culture" put major obstacles on the way to measuring a culture and its impact on corporate performance .

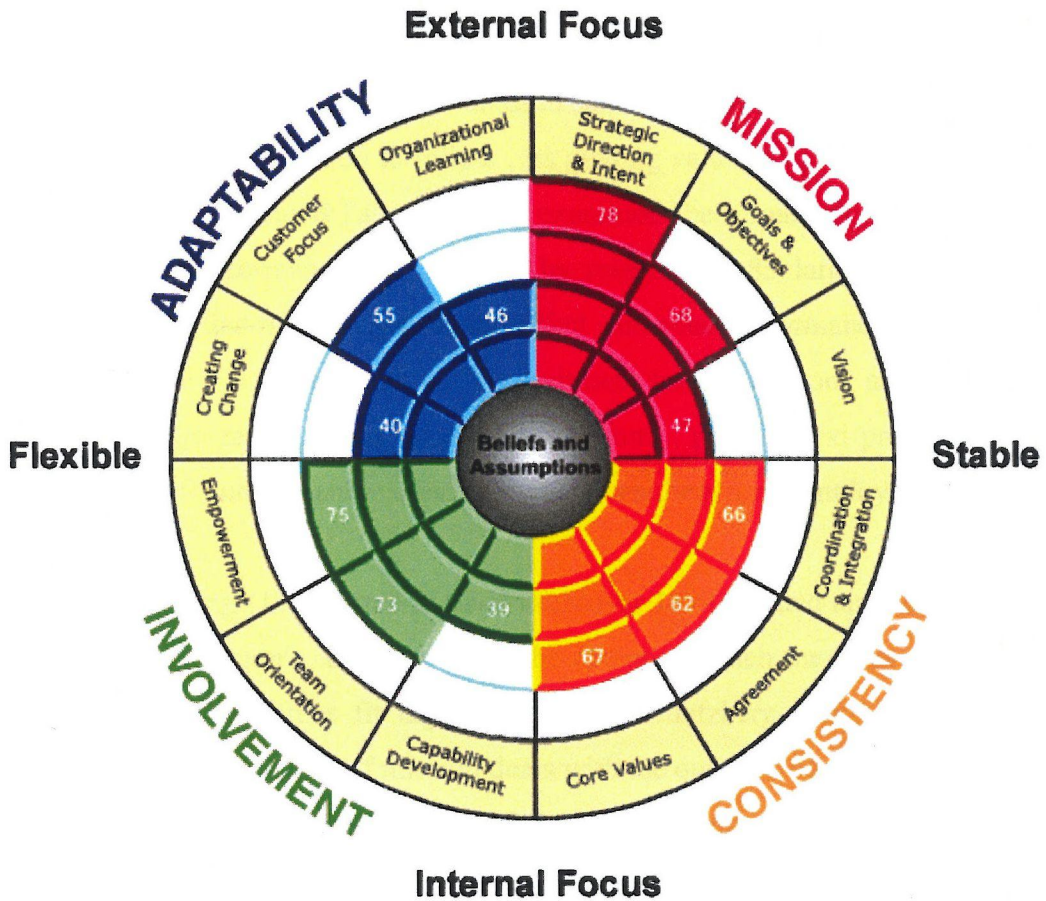
Kotter&Heskett (1992) claimed that there were "strong" cultures which could lead to success or failure depending on the corporate ability to adapt to changes in its environment . They added that some scholars claimed that while common values and organizational practices could enhance success , these "strong" cultures might also be characterized by bureaucracy and arrogance that could damage the corporate ability to make the above mentioned adaptation . Those scholars added that cultures which fit to the corporate strategy would not enhance excellent performance for a long period of time unless they encouraged adaptation of strategies and practices that reacted continuously to environmental changes . Kotter&Haskett (1992) concluded that it was difficult for the organization to implement its strategy successfully when its beliefs and practices were not congruent with its strategy .

Prior to these two scholars , Saffold (1988) pointed to other kinds of difficulties in measuring the link between culture and performance . He referred to the term "strong" culture when he explained the impact of organization's culture on performance stressing that "strong" culture meant that it had special traits , values and beliefs . Saffold (1988) pointed to five weaknesses of the traditional approach of "strong" culture but on the other hand proposed some correctives in order to improve the ways one should examine the relationship between culture and performance . The five weaknesses of the approach that looked at well-formed and combined cultural traits (values , symbols , beliefs , rituals , norms , etc) as a major factor which affect organization's performance are : the assumption of unitary culture (not relating to

subcultures in the organization) , the ambiguity of strength as a measure of culture (the difficulties in defining the term cultural "strength") , dependence upon composite culture profiles (the complexity of organizations' cultures) , insufficient attention to culture-performance links (not necessarily monotonic and the possibility that a certain cultural trait does not affect all relevant performance factors in the same direction) and the use of inadequate methodologies (studies often neglect appropriate validation procedures) . Nevertheless Saffold (1988) proposed some correctives that may enhance the validation of culture-performance research such as the use of appropriate measures of culture's impact (measures of cultural dispersion and measures of cultural potency) or the use of contextual rather than modal analysis .

Kangis&Williams (2000) determined that the organization's performance is dependent not only on the organization's targets but also on the processes and means to achieve these targets . Therefore the internal climate of an organization must be regarded as a major factor that influences performance . In their research on a sample of electronic component manufacturers , whose financial outcomes were above or below the average, they analyzed some climate dimensions measurements that were collected from the companies' staff and found that a consistent relationship existed between climate and performance .

In contrast to Lim's (1995) and Saffold's (1988) conclusions about the difficulties of measuring organizational culture impact on performance , Denison (2000) and Abdul Rashid,Sambasivan&Johari(1993) claimed that organizational culture did have an impact on performance . Denison (2000) presented a model : "The Denison Organization Culture Model" which was developed on the basis of a research of over 1,000 organizations and over 40,000 respondents . The research examined the influence of organizational culture on performance and identified four culture traits which affected performance : Involvement , Consistency , Adaptability and Mission . The model is composed of four quadrants , each one of them includes three indexes of managerial practices , linked to each one of the traits . The traits and indexes are presented in term of two underlined dimensions : flexibility vs. stability on the horizontal axis and external vs. internal focus on the vertical axis (see Exhibit 1) .

Exhibit 1

The model found link between the four cultural traits and performance measures such as : profitability , quality , innovation , market share , sales growth , employee satisfaction .

Abdul Rashid,Sambasivan&Johari (2003) showed that both organizational culture and organizational commitment influence financial performance , through a structured questionnaire submitted to 202 managers of Malaysian companies . Their main conclusion is that certain types of organizational culture match a certain types of organizational commitment and this matching influence positively on the motivation level of the employees and finally on performance .

2.4 The "Sense of Mission" and "Person-Organization Fit"

The following review relates to the notions of the "sense of mission" and the "person-organization fit" ; the later will be used as a measurement tool for the former .

2.4.1 The "sense of mission"

Whereas Campbell&Yeung (1991, cited in de-Wit&Meyer 1999) defined mission statement as a combination of purpose , strategy , values and behavior standards , Mullins (2002) determined that the mission statement sets out the purpose and general direction of the organization to follow , its guiding values and principles , and overall objectives . Bart,Bontis&Taggar (2001) examined the impact of mission statements on corporate performance and found , by researching 83 large Canadian and US organizations , that mission statements affect financial performance . They examined some mediating elements such as "commitment to the mission" and the "degree to which an organization aligns its internal structure , policies and procedures with its mission" and found a positive connection between them and "employee behavior" .

Campbell&Yeung (1991, cited in de-Wit&Meyer 1999) related also to another term - the "sense of mission" , defining it as the extent to which the individual values and the organizational values fit together . Later , Mintzberg.,Quinn,&Ghoshal (1999) determined that the sense of mission deals with the question of whether the individual identifies with the mission statement of the organization . The sense of mission , they added , is the integration of the individual and the organizational goals that can produce synergy .

But the value of the mission statement for the organization is dependent , as Mullins (2002) stated , upon the extent to which it is understood and accepted throughout the organization . As Nixon&Pitts (1991, cited in Mullins 1999) put it, "the picture will remain gloomy whilst managers and consultants believe that creation of a mission statement is synonymous with creation a sense of mission . The organization creates the later only if its mission statement is understood , believed and acted upon by a majority of organization members " .

2.4.2 Person-Organization Fit

A useful means for assessing and measuring the sense of mission is the Person-Organization Fit (POF) . Many researchers dealt and are still dealing today with the POF notion . Posner,Kouzes&Schmidt (1985) , Chatman (1989) , O'reilly., Chatman& Caldwell (1991) , O'Reilly&Chatman (1986) , Bretz&Judge (1994) , Schneider.,Goldstein&Smith(1995) , Cable&Judge (1996) , Kristof (1996) , Chan

(1996) , Judge&Cable(1997), Cable&DeRue (2002) , Siegall&McDonald (2004) all related to the POF as values congruence between individual values and organizational values . According to Bretz&Judge (1994) POF had been examined in four perspectives ; the first is the degree to which individual knowledge , skills and abilities (KSAs) matched job requirements ; the second definition of POF is the degree of congruence between individual needs and organizational structures ; according to the third perspective POF has been defined as the match between individuals' values and organizational culture and values ; the fourth definition is the individual personality and perceived organizational image .

Almost all of the mentioned above scholars concluded that POF affects employees' behavior , such as organizational commitment , job satisfaction , intention to leave , etc (Chatman 1989 , O'reilly., Chatman&Caldwell 1991 , Cable&Judge 1996 , Chan 1996 , Kristof 1996 , Cable&DeRue 2002 , Silverthorne 2004) . As Chatman (1989) put it , the fit between people's values and organization values can predict individual satisfaction , commitment , turnover and performance . She added that employees that share organization's values are more likely to contribute to the organization in more constructive ways . Much alike Silverthorne (2004) argued that , based on a research made in Companies in Taiwan , that the higher the POF the higher are the levels of organizational commitment and job satisfaction . Similarly O'Reilly., Chatman&Caldwell (1991) proposed in their research that when the fit between the personal values and organizational values is high , employees are less likely to turnover , and are more satisfied , committed and productive .

Chatman (1989) also stated that from the individual point of view values are a type of social cognition that enables the individual's adaptation to his/her environment , while according to the organizational aspect values systems "provide an elaborate and generalized justification both for appropriate behaviors of members and for the activities and functions of the system" . She added that organizational values are group products determined by the majority . The more the values are shared by the individuals in the organization the stronger is the organizational culture . Chatman (1989) concluded that personal and organizational values influence each other and determined that the notion of POF enables us to evaluate the extent to which individual's values will change as a result of him/her being a member of an organization and also the extent to which the individual will adapt the organizational norms and values .

Much alike as Chatman (1989) , Cable&DeRue (2002) determined in their research that employees who share the organization's values will be more likely to help the larger causes of the organization . They showed that there is a strong relationship between POF perceptions and organizational identification , perceived organizational support , citizenship behaviors and decisions to stay in the organization . They concluded that when employees do not share the organization's values they are less likely to identify with the organization and therefore less willing to help the organization with extra-role contributions . As Chatman (1989) put it , a congruence between individual's and organizational values enhances extra-role behavior of the individuals in the organization .

Like Chatman (1989) and Chan (1996) , Kristof (1996) related also to the organizational and the personal sides of values and norms ; she proposed that the organizational characteristics include culture , climate , values , goals and norms while the personal side includes values , goals , personality and attitudes . Where there is a similarity between the two sides' characteristics , supplementary fit exists . Kristof (1996) added that there is a difference between direct and indirect measures of POF ; in the direct measurements individuals are requested to rate how their values are compatible with those of the organization . Those individuals who consider that their values strongly fit with the organization's values reported also stronger organizational commitment than those who reported weak fit . Direct measures are more effective when one focuses on subjective or perceived fit , which is based on the individual's judgment of how he/she rates the congruent strength between his/her and the organizational values . Therefore a strong fit exists as long as it is perceived to exist , regardless of the question whether there is a similarity between the organizational and the individual's values . On the other hand , objective or indirect fit (called also "actual fit") relates to the compatibility of individuals with verifiable organizational characteristics where it is necessary to measure the two levels in parallel . Kristof (1996) proposed that perceived fit should have more impact on individual attitudes like satisfaction and commitment , while actual (objective/indirect) fit influences mainly "process" outcomes like communication and teamwork , even if perceived fit does not exist .

Cable&DeRue (2002) and Judge&Cable (1997) proposed direct measures for evaluating POF , based on the common definition of POF as values congruence .

Cable&DeRui (2002) measured perceived POF through three items : 'The things that I value in life are similar to the things that my organization values' , "My personal values match my organization's values and culture" and "My organization's values and culture provide a good fit with the things that I value in life" . This instrument is a subjective one , based on the question of how the respondent perceives his own values as congruent or not congruent with the organizational values. Another direct (subjective) measure has been proposed by Judge&Cable (1997) ; respondents had to relate to three questions as follows : "To what degree do your values , goals and personality "match" or fit this organization and the current employees in this organization ?" , "To what degree do your values and personality prevent you from "fitting-in" this organization because they are different from most of the other employees' values and personality in this organization?" , "Do you think the values and "personality" of this organization reflect your own values and personality?" . Another instrument for measuring POF , but an indirect (objective) one , had been developed by O'Reilly.,Chatman&Caldwell (1991) ; they called it The Organizational Culture Profile (OCP) . By containing a set of value statements , this instruments measure both the extent to which certain values characterize an organization and individuals' preferences for the same organizational values . The OCP is calculated on the basis of the correlation between the profile of organizational values with the profile of the individuals' preferences .

Schneider (1995) presented the Attraction-Selection-Attrition (ASA) model . This model focuses on the employees' behavior in the organization , mainly that of the founders and top management who articulate the goals of the organization .

Attraction means that people prefer to work in organizations which they find more congruent to their personal characteristics ; these organizations are more attractive to them . Selection relates to procedures used by the organization to hire new people, while Attrition deals with the idea that employees will leave an organization which does not fit their personal characteristics .

Like Schneider (1995) , Cable&Judge (1996) also confirmed that job seekers prefer organizations whose attributes and characteristics are aligned with their own .

In two articles Barrett (2002) noted there is a strong link between values alignment and organizational effectiveness , and between values alignment and financial success. He mentioned Kotter&Haskett (1992) who showed that companies with strong adaptive cultures based on shared values outperformed other companies by a

significant margins and showed higher rates of expansion , higher job creation rates and higher increase in stock prices . Barrett (2002) presented a model around what he called "Cultural Capital" which was defined as the "value attached to the collective mental programming (values , beliefs and behaviors) of the organization that supports its relationships with its employees , customers and society " . In order to measure cultural capital he developed an instrument - Corporate Transformation Tools – which maps the individual and organizational values in order to measure the degree of alignment of personal values , current culture values and desired culture values . Each employee is asked the following three questions : one - which of the following values and behaviors best represents who you are , not what you desire to become (personal values) , two – which of the following values and behaviors best represent how your organization operates (current culture values) , three – which of the following values and behaviors best represents for you an ideal , high performance organization (desired culture values) .

This model was based on Barrett's (2001) article where he argued that the beliefs that influence the behavior of successful individuals are the same beliefs and behaviors that drive successful organizations . He claimed , like Kristof (1996) , that there is no real difference between the way individuals and organizations , which are actually groups of individuals , act and behave ; while individuals are reflected by their personalities , organizations express themselves by their culture and what distinguish between personalities or between cultures are beliefs , behaviors and values that personalities or culture adapt . Moreover, in another article Barrett (2002) argued that decisions made by individuals and organizations are reflections of their personal or organizational values , so when the values of the individuals are the same as the values of the organizations then there is a values alignment . In this respect , he added that organizations that seek to align their values with the values of their employees are more successful and more focused on the needs of their employees and their customers , and are more fun to work in .

In sum , Smith (2002) discussed the question of "why values are important in organization?" . He emphasized the importance of values alignment in the organization by presenting lists of indications for values alignment and misalignment , i.e the alignment degree between the employees' values and the organizational values. In the value alignment indications list he included : sustained profitability , increased trust , quality decisions , open internal communication , development of strategic

alliances , adaptability to change and a focus on quality , safety and profit ; in the value misalignment indications list he included high level of stress , irritation and upset because of minor challenges , impulsive decisions , internal conflict , more fighting fires than managing , lack of trust and enthusiasm , high turnover and difficulty of sustaining growth and profitability .

2.5 Inside-Outside (I/O) branding

Terms like "Inside/Outside Branding" , "Internal Branding" , "Branding In" , "Inside Branding" ; "Living the Brand" and others all relate to a common notion of aligning the employees' values and the corporate culture and values with the corporate brand promise and values .

The I/O Branding approach is a new approach towards developing a corporate brand or other brands supported by an organization (Herman 2001) . While in the past there was a clear distinction between what was happening "behind the curtain" and what was happening "on stage" in the marketing promotion , in recent years it has been clarified that many brands suffer from a gap between the promise which the organization transfers to its existing and potential customers through its promotion activity and the internal "happening" in the organization . Such a gap is perceived as a lie by the employees in the organization and encourages cynicism which damages their identification with the organizational goals , their feeling of being a part of it and their loyalty ; ultimately it undermines the customers' belief in the brand and its promise and as a consequence the customers' loyalty is diminishing . Such a notion was expressed by other researchers , like Key (2002) who determined that if what the organization projects is not what it really is the customers will know it , act accordingly and the organization will be damaged . She added that creating a brand means living the promise the organization makes to its customers consistently .

The same was expressed by scholars like Schein (1999) and Hagberg&Haifetz (2002); Schein (1999) distinguished between "espoused" values (statements) and "true values" (the actual behavior) . He determined that when misalignment between these two values exists , then the organization is harmed . Hagberg&Heifetz (2002) claimed that organizational culture is not a list of values framed on the wall , but ideals . There might be a difference between the values the management wish to create in the

organization and the values and norms expressed in the actual daily behavior ; the management's role is "to close the gap between the real and the ideal" .

According to Herman (2001) strong brands are those brands where the organization "live them" . When the employees identify with the corporate brand , the brand promise is fully and consistently realized , a result which contributes to the belief the consumer feels towards the brand ; Herman (2001) determined that organizations like Harley- Davidson , Body Shop and Disney are good examples for such consumer belief . In these organizations the brand perception of the consumers fits the brand promise , due to that brand identification of the organization's employees .

Hermann(2001) also presented a Brand Check-up method by which the corporate can check its brand strength in the market . He stated that according to this method the corporate can check :

- whether its brand strategy is realized , i.e whether the customers' perception of the brand fits the message/promise of the organization .
- what is the brand's competitive position in the market and whether it is strengthened or weakened .

Many other scholars saw the benefit of the alignment between organization culture , values , vision and other inside strategic factors on the one hand and the organization brand on the other hand (, de-Chernatony 1999 , Hatch&Schultz 1997,2001,2003 , Bickerton 2000 , Gotsi&Wilson 2001 , Aaker 2002 , van Gelder 2002 , Urde 2003) . They also emphasized the role of the employees in strengthening the brand .

Aaker (2002) asked how can brands differentiate themselves and maintain an advantage ? Like Herman (2001) , Aaker (2002) stated that brand identity must be based partially on the organization behind the brand . The basic premise is that it takes an organization with a particular set of values , culture , people , programs and assets/skills to deliver a product or service . These organizational characteristics can provide a basis for differentiation , a value proposition and a customer relationship , as the stories of Saturn and The Body Shop .

Saturn's organizational values of treating the customer with respect and as a friend provide the basis for a relationship . Most customers sense these values and develop attitudes and perceptions accordingly . Similarly , The Body Shop's concern about

such issues like the rain forests , animal testing , package recycling and Third World economic development also draw the admiration and respect of customers .

The employees of Saturn and The Body Shop , as encountered by customers either in person or through advertisement , are regarded as being committed to the values and culture of the organizations . They provide credibility that could not be obtained by a simple announcement of product attributes and corporate programs .

Companies increasingly see the benefit of a corporate branding strategy . But to get the most out of such an approach , three essential elements must be aligned : vision , culture and image (Hatch&Schultz 2001) . Their research into one hundred companies around the world showed that a company must align these three essential , independent elements – called "strategic stars" – to create a strong corporate brand . To effectively build a corporate brand , executives need to identify where their strategic stars fall out of line . The relation between culture and vision explores the relationships between employees and managers ; the relation between culture and image uncovers the possible gap between the attitudes of employees and the perceptions of the outside world ; the relation between image and vision checks whether management takes the company in a direction that its stakeholders support . In a former article Hatch&Schultz (1997) emphasized that branding is an organizational tool that must be managed to create alignment between the internal culture and the external image of the organization . Urde (2003) stressed the importance of an alignment between organizational values , brand values (core values) and values as experienced by the customer (added values) ; he added that when all these three value viewpoints are aligned they create "the value foundation of corporate brand" . He noted that there are two brand building processes , the internal one (the relationship between the organization and the brand) and the external one (the relationship between the brand and the customer) . Urde (2003) summarized that when mission , vision and organizational values are aligned "the road towards high-level brand orientation has been taken" . In that respect Bickerton (2000) added that brand thinking has developed towards regarding branding as a combination of external (marketing and customer) perspective and internal (organization) perspective. He called it "Congruence of academic thinking" .

As mentioned above Upshaw&Taylor (2001) presented the term "Masterbrand" which means that the organization has to align its mission , vision and values around its brand . They also added the term "Masterbrand Community" , i.e independent

relationships among all stakeholders of the organization to create masterbrand value proposition .They mentioned , for example , the masterbrand value propositions of Apple (independence and creativity) , Nokia (innovation) and Virgin or IBM (customer service) .

de-Chernatory (1999) , Gotsi&Wilson 2001 , Versant (2001) , Atkinson (2002) , van Gelder (2002) , Chartland (2002) , Interbrand (2001) , McFarland (2002), Arruda (2002) , Eyring (2002) and (2003) and others stressed the significant impact of the organization employees as brand builders , focusing on the need to align their values with the organization brand's values .

Atkinson (2002) presented the notion of Whole Branding , which means aligning the external and internal aspects relevant for developing strong brand . The internal aspect refers mainly to the employees who are the heart and soul of the whole branding strategy . Atkinson (2002) added that brand comes from within the organization and the employees have a crucial role in its development . de-Chernatory (1999) determined that internal brand management becomes a culture management ; he stressed the significant contribution of the organization's employees as brand builders and also the need to align the employees' values and behavior with the brand values desired by the organization .

Like de-Chernatory (1999) , Eyring (2003) also related to the importance of the employees in the building process of the corporate brand . She presented four steps to improve the process of building strong brand : teaching the employees about the brand promise , developing the employees' understanding of the brand promise , implementing information systems regarding all parts of the organization to know the target customers , helping the managers to motivate their teams so as to deliver the brand promise . In a previous article Eyring (2002) suggested five steps towards changing the internal behavior in the organization regarding what she called Inside-Out Branding : bringing together the organization's employees to create a shared mindset about the brand , ensuring that the brand promise will be transferred to the customer "as is", making all stakeholders brand champions , establishing a clear decision making process and alignment of the organization values with the brand . Same attitude was found in McFarland (2002) who determined that a brand is actually a relationship between the organization and its customers and it is crucial that the organization should develop brand responsibility that would reach every individual in it . McFarland (2002) and an article in Interbrand (2001) pointed out that employees

must be brand ambassadors .By relating to a research made on financial corporations , including banks , Interbrand (2001) presented a process of four steps in building brands in this field , referring to the importance of informing the employees about what they have to deliver to the customers , regarding the brand values . The concept of employees as brand ambassadors was found also in Webster (2002) who added that an organization must seek a synchronization between customer and employee's perception of the corporate brand . He claimed that in order to achieve that goal brand champion employees are needed . Arruda (2002) referred also to the employees as a critical factor in the creation of a brand culture in the organization . The alignment of the employees with the brand promise can ensure the strengthening of the corporate brand . Same notion had been expressed by Versant (2000) ; he called "Employer Branding" to a method he developed to enhance the relations between the employees and the corporate brand , claiming that companies which implement employer branding successfully benefit from stronger brand identification of their employees and as a result the brand promise has been better fulfilled . This method stresses the adaptation of the corporate culture and values by its employees as a core factor to implement the employer branding . Backhaus&Tikoo(2004) referred too to the term employer branding , by emphasizing the relations between corporate branding and HR management . They added that more and more companies use employer branding in order to be more attractive to recruits and to make sure that employees are aligned with the company's culture . Sullivan (2004, cited at Backhaus&Tikoo 2004) defined employer branding as "a targeted long-term strategy to manage the awareness and perceptions of employees , potential employees and related stakeholders with regards to a particular firm" . So the term employer branding focuses on the differentiation of the organization's characteristics as an employer from those of the competitors . Sullivan (2002 , cited at Backhaus& Tikoo 2004) described employer branding as a three-steps process : first , determining the brand values and promise ; secondly , marketing the brand values and promise to the targeted potential employees and recruiting agencies and thirdly internal marketing of the employer brand to the organization's existing employees in order to develop employees that are more committed to the organizational values .

Chartland (2002) recommended that in order to save money and time in the process of internal branding , companies should look for a compatibility between their employees' values and the corporate brand . Another article in Interbrand (2001)

referred to the alignment of the organization and the brand for a better performance , in which the organization must be aligned internally to deliver the brand promise through the organization's culture ; the organization's employees must "live" the brand values in their daily activities . In leading corporations like Disney and Starbucks the employees believe that delivering the brand promise to their customers is their shared responsibilities .

Like de-Chernatony (1999) , Davis (2000) concluded that if the organization wishes to enhance the power of its brand it is important that the consumer's perception of the organization brand will be formed by the employee's action and behavior ; the brand should be managed by every employee in the organization . In another article Davis (2000) presented the notion of brand-based organization . He claimed that in organizations like Microsoft , Coca Cola or John Deer one can recognize pride that cannot be found in other organizations ; he called it Brand Asset Management (BAM) and added that if employee believes that the brand is an asset he will support and develop that asset .

Timon (2002) and Gotsi&Wilson (2001) too related to the role of HR department in the process of creating a powerful brand . According to Timon (2002) the HR department has to deliver on aligned recruitment and performance metrics and also to prepare compensation and benefits programs accordingly ; doing so the organization will then execute the internal branding process successfully . Gotsi&Wilson (2001) stressed that in order to make the employees "living the brand" so that their behavior would reflect the brand values , HR management practices must be aligned with the brand values ; therefore HR management department has to be involved in the whole process of creating the corporate image and reputation in a way that will impact their employees behavior according to the brand values . They emphasized , as a result of opinions expressed by consultants in the fields of internal communication and corporate identity , that staff can affect the reputation of their organization because their behavior represents the reality of the organization to the customers , so if their behavior does not fit the expectations created by the organization's external communication campaigns , the organizational reputation will be damaged . They added that it is very important that staff's behavior should be consistent with the organization values to enable the organization achieve the reputation it wishes to achieve . If the employees express negative views regarding the organization , their friends will believe them more than the image the organization tries to achieve

through its promotion practices . Exactly the same , as in Herman (2001) , all of the consultants expressed the importance of the alignment between the employees' behavior and the brand values and promise so that there will be no gap between what the organization transfers to the outside world (the marketplace) and what the employees inside the organization believe . These consultants also stressed the need to recruit people whose personalities and beliefs are congruent with the brand's values. Cultural fit is not less important than functional skills ; this claim takes us back to the concept of POF (or the Sense of Mission) that has been reviewed before . Hutchinson (2002) dealt also with the question of how to motivate employees to support the corporate brand . He stressed that it is critical that employees should deliver the brand promise to their customers effectively and that's why it is important to create a strong brand internally and not only externally . Therefore it is important to hire and retain people who will be able to deliver the brand promise to the customers successfully . The same concept was expressed by Mitchell (2002) ; he determined that internal marketing , i.e linking the employees to the brand promise , is critical to make the employees know and understand the brand promise and to realize better attitude for the brand by the customers . Like most of the mentioned above researches Mitchell (2002) also suggested a method that was aimed to enhance the link between the internal marketing of the brand and the external marketing . Likewise Greenfield (2002) emphasized the importance of the Branding In in the creation of a successful fulfillment of the brand promise ; Branding In means actually the alignment of the organization's employees with the brand values . He concluded that a stronger employees' identification with the brand values and promise is a challenge to the HR and marketing managers .

Harris&de-Chernatony (2001) discussed the whole issue of branding and brand performance by relating mainly to the brand culture and vision of the organization . They determined that managers must pay attention to the alignment between the organization culture and the brand values , focusing especially on the communication of the brand promise to their employees . Using an above mentioned article by de-Chernatony (1999) as a basis for their concept , they proposed seventeen propositions all based on the congruent perception as a crucial factor in the successful corporate brand management enabling the achievement of a better performance of the brand . They focused mainly on the perceptual congruity of employees and consumers , although de-Chernatony (1999) related to all stakeholders , and compared their

perceptions to the perceptions of the brand management team , i.e those people in the organization who are responsible for the design and development of the brand strategy. The most relevant propositions to this dissertation are the following :

- "1. There is a positive correlation between brand performance and the congruence of the brand team members' perceptions about the nature of their brand .
2. There is a positive correlation between brand performance and the congruence between the brand team's and consumers' perceptions about the nature of the brand .
3. There is a positive correlation between brand performance and the congruence between the brand team's and employees' perceptions about the nature of the brand .
4. The greater the similarity of brand team members , the more congruent will be their perceptions about the nature of the brand .
5. The longer the team tenure of heterogeneous brand teams , the more congruent will be their perceptions about the nature of the brand .
6. There is better brand performance as the congruence increases between the values of the organization and the values of the brand .
7. There is better brand performance as the congruence increases between the personal values of members of the brand team and the values of the organization .
8. There is better brand performance as the congruence increases between the personal values of employees and the values of the organization .
9. There is better brand performance as the congruence increases between the values of the brand and personal values of the brand team .
10. There is better brand performance as the congruence increases between the values of the brand and the personal values of employees .
11. Strong shared organizational values that are appropriate and adaptive will be positively associated with superior brand performance ."

2.6 Internal marketing

According to Papasolomou-Doukakis&Kitchen (2004) Internal Marketing (IM) is derived from the concept that employees constitute an internal market within the organization . Therefore every employee has to realize that other employees in the organization have to be treated as customers , so by creating satisfied internal

customers a firm basis is built to create also satisfied external customers (Heskett et-al 1994 , Frost&Kumar 2001 , Kang et-al 2002 , Ahmed&Rafiq 2003 , Bell et-al 2004 , Schultz 2004) . Ahmed&Rafiq (2003) related to IM as "a planned effort using a marketing-like approach to overcome organizational resistance to change and to align, motivate and inter-functionally co-ordinate and integrate employees towards the effective implementation of corporate and functional strategies in order to deliver customer satisfaction through a process of creating motivated and customer oriented employees" , while Frost&Kumar (2001) and Kang et-al (2002) emphasized the role of customer-faced employees who have to be treated properly by the "background support employees" in order to increase customer value .

In regard to the relations between satisfied internal and external customers , as means of creating more loyal customers , Heskett et-al (1994) presented the notion of service-profit chain . They stressed that the importance of employees in the service sector , regarding employees-customers relations , is extremely high in comparison to the production sector . The service-profit chain illustrates the importance of employees in getting high customer satisfaction and loyalty on the basis of highly satisfied and loyal employees . This chain relates to the growth and profitability of the organization as dependent on customers' loyalty , which depends on customers' satisfaction , which depends on customer value , which depends on employees' productivity , which depends on employees' loyalty , which depends on employees' satisfaction , which depends on internal quality , which depends on management activities .

So management activities are preconditioned to the creation of a customer-focused culture in an organization .

But implementing a successful IM system in the organization is not a simple task because of internal conflicts among employees at all levels and also because of a humans' natural resistance to change (Schultz 2004) . Therefore he emphasized the necessity of integration of all functions , much alike the principle of the service-profit chain model of Heskett et-al (1994) . As Ahmed&Rafiq (2003) put it , organizations in the 21th century ought to minimize internal barriers in order to make integration more feasible .

2.7 The research rationale

According to Aaker (2002) a brand is a set of perceptions which form the differentiation among the brands . The brand perception determines the expectation the customer has of a brand , expectation which presents the customer feelings towards a very specific experience that is promised by the branded product (Herman 2001) . Herman (2001) added that a brand can create psychological or sociological benefits which are consequences of fantasy , such as a Mercedes car which satisfies benefit that is far beyond the driving experience itself . Herman (2001) called all these kinds of benefits "values" or "added-values" and emphasized that the customer expects to get benefits on the basis of the brand values . He added that a realization of the brand strategy depends on the fit between the brand values and promises , on the one hand , and the way the customers perceive the brand , on the other hand . So , the lower the gap between the brand values and promises on the one side and the brand values perception of the customer on the other side , the better the brand performance. The main question is , therefore , what might close , or at least narrow , that gap , especially in the case of a corporate brand ?

There is a big difference between line branding and corporate branding (Harris&de-Chernatony , 2001) ; while line branding engages the customers , distributors and only a few of the corporate staff , a corporate branding is related to the stakeholders as a whole and a large part of the corporate employees are involved in the corporate brand (de-chernatony 1999) . McDonald,de Chernatony &Harris (2001) added that the corporate brand is highly influenced by the relationships developed between the customers and the organization's staff , than a line brand , especially in service brands. So it seems that the organization's employees , on all levels , have a substantial impact on the corporate brand success . As Herman (2001) put it , strong brands are brands which the organization , i.e its employees , "live them" . Many other authors also stressed the major role of the employees in the brand strengthening process (, de-Chernatony 1999 , Hatch&Schultz 1997 , Bickerton 2000 , Gotsi&ilson 2001 , Aaker 2002 , van Gelder 2002 , Urde 2003) .

But , in order to enhance the employees identification with the corporate brand and get their support , the corporate brand values have to reflect the corporate values and culture . If there is a gap between the corporate brand values (the "on stage") , and the actual corporate values (the "back stage") , it will be perceived by the employees as a

lie , encourage cynicism and finally damage their identification with the corporate brand . This misbelief of the employees will be transferred to the customers and undermine their belief in the corporate brand , which will eventually lead to an increasing gap between the brand values and the way customer perceive it , and thus decreasing customer loyalty (Herman 2001) .

The notion that corporate brand values and corporate values have to be congruent in order to improve the brand performance was determined by other authors too , like Harris&de-Chernatony (2001) and Key (2002) .

The concept of Person-Organization Fit (POF) deals with the congruence between the employee's own personal values and the values of the organization , according to the employee's perception . Chatman (1989) , O'reilly,Chatman&Caldwell (1991) , Cable&Judge (1996) , Chan (1996) , Kristof (1996) , Cable&DeRue (2002) , Silverthorne (2004) all determined that the greater the POF , the greater is the employees' satisfaction which leads to a greater commitment with the organization and its goals . Chatman (1989) as well as Cable&deRue (2002) added that employees who share the organization values are more likely to help its larger causes and show "extra behavior" .

Harris&de-Chernatony (2001) were more specific regarding the relations between the POF and brand success , by determining as follows :

- the greater the congruence between the corporate values and the corporate brand values , the better is the brand performance ,
- the greater the congruence between the employees' personal values and the corporate values (the POF) , the better is the brand performance ,
- the greater the congruence between the employees' personal values and the corporate brand values , the better is the brand performance .

A strong POF means , therefore , a higher congruence between the organizational values and the individual values of the employee and also a high fulfillment of the corporate values by the employees . In such a case , when the corporate brand values reflect the corporate values , the employees will not feel they were being lied to because they will realize that they transfer to the customer a brand promise and values that are congruent with the corporate values which they themselves contributed to its creation . Therefore their perception of the corporate brand values will be close or

even similar to the brand values of that corporation as declared by the management, and their identification with the brand values will be high too .

Moreover , the greater the POF , the smaller is the gap between the corporate brand values declared by the management and the actual corporate values . Eyring (2002) determined that in such a case a shared mindset about the brand is created , ensuring that the brand promise and values will be transferred to the customers "as is" . The employees will become better "ambassadors" of the corporate values (Cable&deRue 2002) , so the fit between the brand perception of the employees and of the customers will be higher . Aaker (2002) presented the examples of Saturn and Body Shop by stating that their employees , as encountered by customers either in person or through advertisement , are regarded as being committed to the values and culture of the organizations . Most customers , therefore , sense these values and developed attitudes and perceptions accordingly .

To sum up , a higher POF will lead to a higher identification of the employees with the corporate values and objectives as well as to more readiness to make more efforts and do extra work . Thus , on the basis of a resemblance between the corporate brand values and the corporate values , the employees will be more identified with the corporate brand values and thus will be more willing to transfer the brand values "as is" to the customers and as a consequence the customers' perception of the corporate brand will be the same or close to the corporate brand perception of the employees . As a result , the corporate brand perception of customers will be much alike the corporate brand values and promise , and as a consequence the brand position will be strengthened .

Therefore the answer to the question raised at the beginning of this chapter is that a high POF might be a cause for a higher fit between corporate brand perception of customers and of employees , leading to a decreasing gap between the corporate brand perception of customers and the corporate brand values and promise as determined by the corporate management .

3. The theoretical framework of the research

3.1 Preface

This chapter presents the variables' definitions and classification , the research model and the research hypotheses .

3.2 The variables definitions and classification

Independent variable - Person-Organization Fit (POF) of employees : qualitative-ordinal variable .

Nominal definition :

- "judgment of congruence between an employee's personal values and an organization's culture" (Cable&DeRui 2002) .
- "Compatibility between individuals and organizations" (Kristof 1996) .
- "Person-organization fit exists when there is congruence between the norms and values of organizations and the values of persons" (Chatman 1989) .

Operational definition

POF was measured by a subjective measure developed by Cable&DeRui (2002) and was filled by Kfar Hasha'ashuim's franchisees and employees (hereunder and throughout the study called "employees") only (See appendix 1) . Measuring POF was based on the question of how the respondent perceives his own values as congruent or not congruent with the organizational values . The respondent had to note whether he agrees and to what extent to three statements , on the basis of an ordinal Likert-style rating scale from 1 (strongly disagree) to 7 (strongly agree) .The measure reliability according to Cronbach's Alpha in Cable&DeRui's (2002) research was .91 .

The reliability of this measure as calculated by the researcher in this study is 0.87 .

Intervene variable – Employees' Brand Perception (EBP) level : qualitative-ordinal variable .

Nominal definition

- a process through which excitations from the environment are absorbed by people's senses and turn to be mental representatives in people's minds (Geva 1994) .

- a brand is a set of perceptions ; these perceptions form the differentiation among the brands (Aaker 2002) .
- the connection between product and brand is derived from the consumers' ability to perceive the brands as being different from one another because of their different names , different packages , different sizes etc (Herstein 2000) .

Operational definition

A closed structured questionnaire was prepared by the researcher , which contains eight items of brand values chosen by Mr. Avi Katz , Kfar Hasha'ashuim Ltd's owner and managing director , as his preferred brand values of the company (see appendix 4) . The respondent (employee) had to answer to what extent he/she agrees with each one of those eight brand values . The respondent had to rank his/her answer in an ordinal Likert-style rating scale between 1 (strongly disagree) to 7 (strongly agrees) , so the higher the ranking of each brand value the higher the brand perception level of the respondent (see appendix 2) .

The reliability according to Cronbach's Alpha is 0.800 .

Dependent variable - Customers Brand Perception (CBP) level : qualitative-ordinal variable .

The nominal and operational definitions are identical to the definitions of EBP level presented above . The only difference is that the CBP level was measured on the basis of the questionnaires filled by the customers (See appendix 3) .

Moderate variables

Age , gender , status and tenure of the employee in the organization .

Variables classification :

Age : quantitative-interval variable

Gender : qualitative-dichotomous variable

Status : qualitative-dichotomous variable

Tenure : quantitative-interval/ratio variable

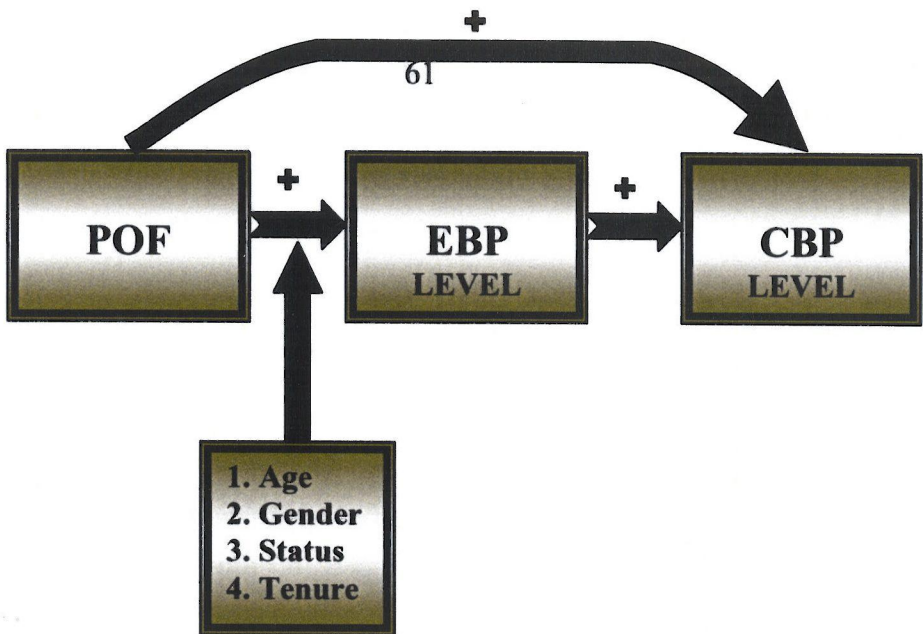
(See appendix 1) .

Operational definitions

Tenure : number of years of franchise or employment

Status : franchisee/employee

3.3 The research model



3.4 The research hypotheses

Hypothesis 1

There is a positive correlation between POF of the employees and their EBP level .
The higher the POF , the higher the EBP level .

Hypothesis 2

There is a positive correlation between EBP level and CBP level . The higher the EBP level , the higher the CBP level .

Hypothesis 3

There is a positive correlation between POF of the employees and CBP level . The higher the POF , the higher the CBP level .

Hypothesis 4

Age , gender , status and tenure , all influence the correlation between POF of the employees and their EBP level .

4. The research methodology

4.1 . Preface

This chapter presents an overview of the methodology used in this research . It includes descriptions of the participant samples , the research procedure , the research method , the means to collecting data , the research instruments and the data processing . A discussion regarding the reliability and validity of the variables and questionnaires is presented too .

4.2 Data resources

4.2.1 The research population

A research population is "the full set of cases from which a sample is taken" (Saunders..Lewis&Thornhill(2000) . According to Heiman (2001) "any law of nature applies to a specific group of individuals.... The entire group to which the law applies is called the population . Part of designing a study is to specifically define the target population " .

In this study there are two research populations : employees and customers in the retail field in Israel .

4.2.2 The sample population

The researcher preferred to use a non-probability convenience sampling method by choosing a certain Israeli retail chain . According to Heiman(2001) "most "random" samples are also convenience samples , and because of the researcher's limitations in term of travel , time and cost there will always be some members of the population who have no chance of being selected" . Whereas the main objective of this study was to examine brand perceptions , it seemed that the best way to conduct the research was to focus on a certain brand name .

The selected brand was that of "Kfar Hasha'ashuim" ("The Amusement Village") which is a franchise-based chain in the field of toys and children games . This chain is the largest franchise-based retail in Israel and one of the two leading companies in the toys and games field ; the other one is Toys-R-Us .

"Kfar Hasha'ashuim" contains sixty-four stores and is spread out over the entire country .

The rationale behind the selection of the retail sector , and this chain in particular , as a basis of this research was that this sector in Israel is of a branded nature and the branded chains hold a substantial portion of the retail market in the country .

Moreover , the number of franchised chains as a structure to developing and running retail chains in Israel have increased recently , so "Kfar hash'a'ashuim" , as a fully franchised-based chain , properly represents the general nature of retail sector in Israel.

The customers of "Kfar hsha'ashuim" represent a wide denominator of the total Israeli population , whereas the chain is aimed mainly to the low and middle class customers.

So , the sample populations were two :

- (1) Franchisees and their employees – about 170 franchisees and their employees who operate 64 stores (2-3 workers in each store) . As was mentioned above the franchisees and their employees are altogether called , throughout this research , "employees" .
- (2) Customers – customers who regularly buy from "Kfar Hash'a'ashuim" stores .

101 employees and 121 customers , from 43 stores , participated in the research .

4.3 The research approach and design

This research is an empirical , quantitative , deductive and descriptive (non-experimental) . The research philosophy reflects the principle of positivism .

According to Saunders, Leais & Thornhill (2000) positivism means objective analysis in which the researcher is "coolly making detached interpretations about those data that have been collected in an apparently value-free manner" .

The main advantages of the positivism approach are : collecting of a small , comparable data and a good control of the whole research process . The advantages of a quantitative research are : reaching into cause and effect explanations, having a predicting ability and having based on empirical research methods .

The research strategy is a survey which is usually associated with the deductive approach . The researcher preferred this research strategy because it enables to collect a reasonable amount of data from the target population in a relatively economical

way. The data are standardized and so an easy comparison is available (Saunders.,Lewis&Thornhill , 2000) .

According to the research objectives , correlations between variables were conducted in examining the research hypotheses . Being a correlative research , this study is aimed at finding correlations between variables and not at finding whether a certain variable is a cause for another variable .

4.4 The research instruments

Data have been collected through questionnaires which according to Saunders., Lewis&Thornhill (2000) are most effective when they include standardized questions which may be interpreted similarly by all respondents . They added that descriptive research of opinion questions , as in this case , will enable the researcher "to identify and describe the variability in different phenomena" .

The researcher used two closed scale questionnaires , as follows :

- (1) A questionnaire for the employees only , which examines their subjective perceived congruence between their own values and the corporate values (Person-Organization Fit , or POF) . This questionnaire was suggested by Cable&DeRui (2002) , and examines the employees' personal perception of the congruence between the corporate values where they are employed and their own personal values . Cable&DeRui (2002) measured this perceived POF through three items :
 - 'The things that I value in life are similar to the things that my organization values" ,
 - "My personal values match my organization's values and culture" ,
 - "My organization's values and culture provide a good fit with the things that I value in life" .

The respondent had to note whether he agrees and to what extent to three statements , on the basis of an ordinal Likert-style rating scale from 1 (strongly disagree) to 7 (strongly agree) (See appendix 1) .

Reliability

The reliability of the scale in their research according to Cronbach's Alpha was .91 in a single-firm sample and .92 in a multiple-firm sample . The reliability was checked also by the researcher and it was found to be .878 . The high

percentage of respondents (60%) is one of the factors which resulted the high reliability of this measure .

Validity

- The questions included in the questionnaire have been relevant to the research objectives and questions .
 - The questions are of "beliefs" type (Dillman 1987 , at Saunders,et-al 2000) , i.e an assessment of what the respondent thinks .
 - The researcher used Cable&deRui's (2002) measure which was validated on the basis of a pilot study of 185 respondents (Cable&deRui 2002) .
 - It seems to the researcher that the outcomes can be generalized on the basis of the significant variety of locations throughout the country (external validity) .
 - It can be also pointed out that level of fit between the nominal and operational definitions of the variables is high (structure validity) .
- (2) A structured questionnaire for the employees as well as for customers of examining their perception level of the corporate brand values .

The preferred corporate values by the management were determined by the owner and managing director of the company , Mr. Avi Katz , as the brand values which Mr. Katz wished to be perceived as such by the customers (see appendix 4) . This questionnaire presented to the respondents eight corporate values which were chosen by Mr. Katz out of fifty-four corporate values suggested by O'reilly,Chatman& Caldwell (2001) . This fifty-four corporate values list was called Organizational Culture Profile , or OCP , and was aimed to serve as a means to measure POF in an objective way . The researcher chose this instrument as a basis for determining corporate values because it seemed to be wide and comprehensive on a large scale , giving the respondent , Mr. Katz in this case , enough possibilities to choose the values he would like see in his organization and be perceived as such by the customers .

The respondents had to rank their perception level of the corporate values on a basis of ordinal Likert-style rating scale between 1 and 7 , where 1 means strongly disagreement with a corporate value as suits the organization as the respondent perceives it and 7 – strongly agreement with a corporate value as suit

the organization according to the respondent's perception (See appendixes 2 and 3).

Reliability

The Cronbach's Alpha reliability of the EBP/CBP questionnaire is 0.800 . The reliability of the fifty-four items included in the OCP measure mentioned above was .88 . As in the previous questionnaire , this questionnaires checked also the beliefs of the respondents and the way they feel about the items regarding the organization's brand values (Dillman 1987 , at Saunders,et-al 2000) . No "subjective error" , "subjective bias" , "observer error" or "observer bias" (Robson 1993 , at Saunders,et-al 2000) occurred . The researcher was assisted by a specific person in the organization who was in a daily contact with the chain stores to solve any misunderstanding , and also was backed up by the researcher himself who was in a direct contact with employees when it was necessary , for the same reason . Mr. Avi Katz himself was also involved when it was needed .

Validity

- The questions included in the questionnaire have been relevant to the research objectives and questions .
- The questions are of "beliefs" type (Dillman 1987 , at Saunders,et-al 2000) , i.e an assessment of what the respondent thinks .
- The brand values presented to the respondents were based on the OCP measure developed by O'reilly,Chatman&Caldwell (2001) . In the process of building this measure the authors began with 110 items of values using four criteria : : "generality" , "discriminabilty" , "readability" and "nonredundancy" . Then thirty-eight participants and four academic people were requested to identify items that were irrelevant or difficult to understand , so at the end fifty-four value-based items were left (O'reilly,Chatman&Caldwell 2001).
- It seems to the researcher that the outcomes can be generalized on the basis of the significant variety of locations throughout the country (external validity) .
- It can be also pointed out that level of fit between the nominal and operational definitions of the variables is high (structure validity) .

4.5 Collecting the data

The two questionnaires were distributed to the employees by the chain's internal mail system . The employees responded to the two mentioned above questionnaires , to

measuring their POF and EBP level . The customers responded only to the second questionnaire to measuring their CBP level . The customers got the questionnaires from the employees by hand and responded "on the spot" . The whole process of distributing and collecting the questionnaires lasted about 50 days and was personally supervised by the researcher assisted by the organization's people .

4.6 The statistical setting

4.6.1 Data processing

The data collected from the respondents was processed by Excel and SPSS . The processing of the data included reliability , descriptive statistics and correlational statistics as follows :

Reliability

The reliability was calculated according to Cronbach's Alpha , as was mentioned above in detail .

Descriptive statistics

The descriptive statistics in this study includes measures of central tendency and of variability . According to Heiman (2001) measures of central tendency are important because they answer basically about the scores : are they generally high or low , etc . The measures of central tendency are actually one summary score that summarizes the sample and consequently we can know how the group performed . This study presents all the central tendency measures , i.e the mode , median and mean of the scores in the distributions .

Without computing a measure of variability the measure of central tendency cannot provide complete description of the distribution .The mean , for instance , does not refer to scores that are not in the center . Measures of variability describe "the extent to which scores in a distribution differ from each other" (Heiman 2001) . The variance and the standard deviation are the measures of variability ; "they indicate how much the scores are spread out around the mean" (Heiman 2001) .

The standard deviation of the distribution scores are presented in the descriptive statistics in this study .

The whole data are presented in tables and bar graphs which are suitable for nominal and ordinal scores .

Correlational statistics

Correlation is the same as relationship ; correlational statistics means examining the relationship , or the correlation , between variables (Heiman 2001) . The researcher used the following procedures :

- Chi square procedure - for testing whether the frequencies in the sample represent the predicted frequencies in the population ; used in nominal data .
- T test for dependent variables – for significance testing when the research design involved matched groups or repeated measures and there are only two conditions of the independent variables .
- ANOVA (analysis of variance) - for determining whether significant differences exist in an experiment that involves two or more sample means .
- Fischer's Z test – for measuring differences between correlations .
- Pearson Correlation Coefficient – which is computed from the pairs of X scores and Y scores in a set of data that summarizes and describes the type of relationship present and the strength of that relationship .
Pearson correlation coefficient was preferred to Spearman's because the measurement scale is in a range of 1 to 7 (over 4 scores) .
- Partial Pearson Correlation Coefficient – for examining the existence of a mediator variable , by Hierarchic Regression .

4.6.2 Examining the research hypotheses

The hypotheses were examined by the following measures :

Hypothesis 1 – Pearson correlation coefficient for linear correlation between the variables .

Hypothesis 2 - Pearson correlation coefficient for linear correlation between the variables .

Hypothesis 3 - Pearson correlation coefficient for linear correlation between the variables .

Partial Pearson correlation coefficient to examining the existence of a mediator variable .

Hypothesis 4 - Pearson correlation coefficient for linear correlation between the

variables .

Z test for examining whether the gaps between the correlations are significant .

4.7 The research limitations

The main limitations of this study are the following :

- (1) The research examined statistical relationships and not explanatory (cause-and-effect) relationships .
- (2) A convenience sampling does not necessarily mean a representative sample .
- (3) The measure for examining the POF was a subjective and perceived one , so the value congruence is referring to the respondent's perception and does not indicate the real values of either the respondent or the organization .
- (4) The research field is a franchisee chain . Maybe the franchisees are less familiar with the corporate culture than the chain's employees .

5. The research results

5.1 Preface

This chapter presents the theoretical and correlational statistics of this research . The theoretical statistics describes an analysis of the samples distributions according to their various characteristics and also demonstrates the mode , median , mean and standard deviation of the research variables .

The correlational statistics presents the results of the hypotheses analysis , on the basis of the processing tools that were chosen for this research .

5.2 Theoretical statistics

In this research 101 employees and 121 customers in 43 stores participated .

5.2.1 Employees

In regard to employees , in 28 stores two employees were participated and in 15 stores – three employees . 42.1% of the respondents were franchisees and 57.9 were employees . The employees distributions of each group according to gender , age and tenure are presented hereunder .

Distribution according to gender

Table 1 – Distribution according to gender

		Status			
			Franchisees	Employees	Total
Gender	Male	N	29	28	57
		%	72.5%	50.9%	60.0%
	Female	N	11	27	38
		%	27.5%	49.1%	40.0%
Chi-Square Tests			4.50		
Df			1		
Sig.			0.034		

Male percentage within franchisees (72.5%) is almost tripled in relation to females (27.5%) , whereas within employees the percentage of males and females is quite the same (see figure 1) .

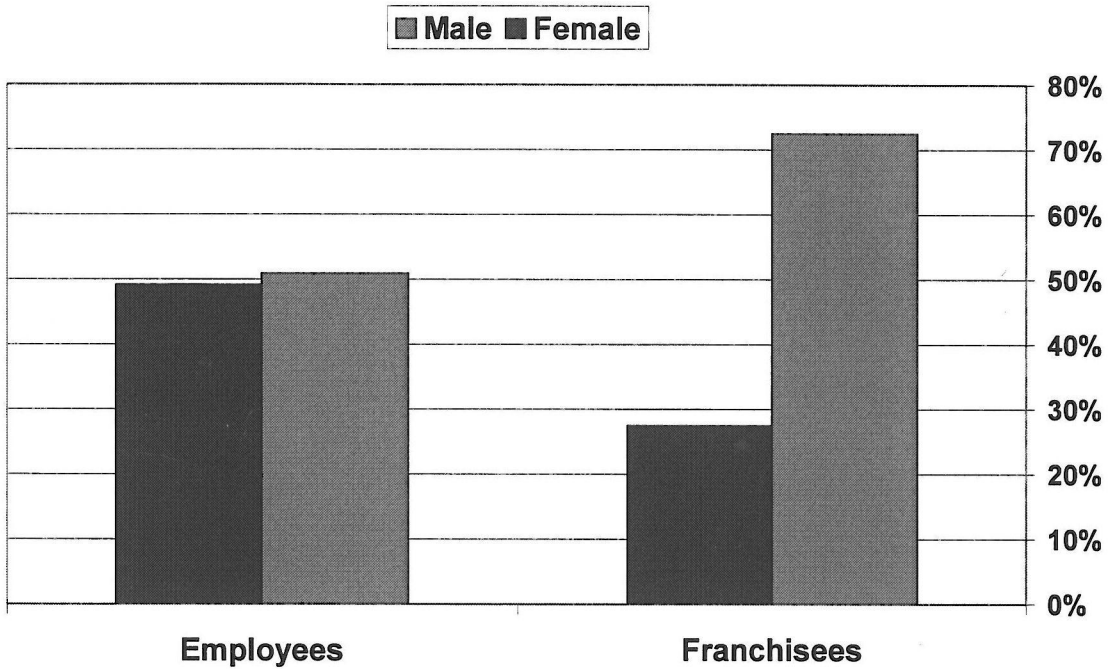


Figure 1 : Distribution of franchisees and employees according to gender .

Distribution according to age

Table 2 – Distribution according to age

		Status			
			Franchisees	Employees	Total
Age	Up to 30	N	5	37	42
		%	12.5%	67.3%	44.2%
	40-31	N	24	17	41
		%	60.0%	30.9%	43.2%
	41 and above	N	11	1	12
		%	27.5%	1.8%	12.6%
Chi-Square Tests			32.35		
Df			2		
Sig.			0.000		

The average age of franchisees (37.9 years old) is higher than that of employees (30 years old) . The percentage of franchisees under the age of 30 (12.5%) is lower than that of employees (67.3%) , but at the age of 41 and above the percentage within the franchisees (27.5%) is higher than that of employees (only 1.8%) .

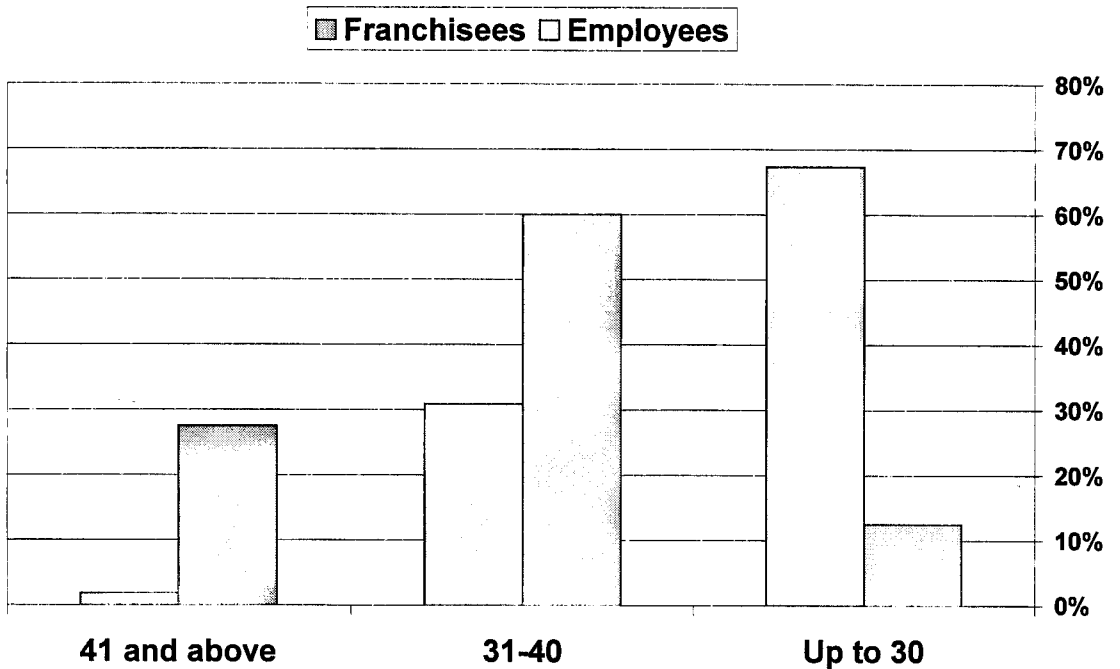


Figure 2 – Distribution of franchisees and employees according to age

Distribution according to tenure

Table 3 – Distribution according to tenure

		Status			
			Franchisees	Employees	Total
Tenure	Up to two years	N	9	40	49
		%	22.5%	72.7%	51.6%
	Three to five years	N	20	14	34
		%	50.0%	25.5%	35.8%
	Six to ten years	N	11	1	12
		%	27.5%	1.8%	12.6%
Chi-Square Tests			27.32		
Df			2		
Sig.			0.000		

The average tenure of franchisees (4.6 years) is higher than that of employees (2.2 years). The percentage of franchisees with tenure less than two years (22.5%) is lower than that of employees (72.7%), whereas the percentage of franchisees with tenure of six to ten years (27.5%) is higher than that of employees (1.8%).

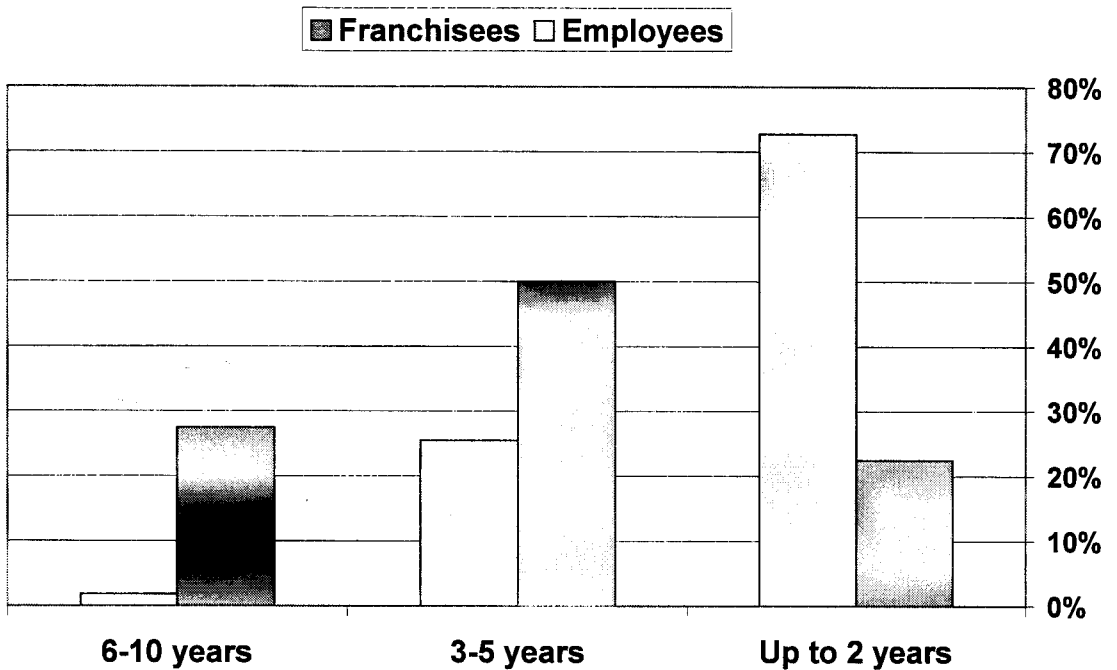


Figure 3 – Distribution according to tenure

5.2.2 Customers

121 customers participated in the research . In 21 stores two customers participated , in 12 stores three , in 7 stores – four and in 5 stores – five customers participated . The distributions of customers according to gender , age , number of children under the age of ten and number of purchases at the same store are presented in Table 4 .

Table 4 – Distribution of customers according to personal characteristics

Variables	Scores	N	%
Gender	Male	34	28.8
	Female	84	71.2
Age	Up to 25	14	11.8
	35-26	62	52.1
	45-36	38	31.9
	46 and above	5	4.2
Number of children under the age of ten	None	8	6.8
	1-2 children	77	65.3
	3-6 children	33	28.0
Number of purchases ion the store	Once	4	3.4
	Twice	10	8.4
	More than twice	105	88.2

Most of the customers are females (71.2%) .

About half of the customers are at the age of 26-35 and one third – at the age of 36-45 .The average age is 33.5 years old and the range of ages is 17-54 .

Only 6.8% have no children up to the age of ten , whereas 65.3% have 1-2 children up to the age of ten and 28% have 3-6 children . The average number of children is 2.04 .

Most of the customers are repeated ones ; 88.2% had more than two purchases in the store , 8.4% had two purchases , while only 3.4% purchased only once in the store .

5.2.3 Description of the research variables

The variables which were examined in this research are :

- POF (Person-Organization Fit) – the employees' perception of the congruence level between their own values and the organizational values .
- The employees and customers' perception of corporate brand values (EBP and CBP).

POF (Person-Organization Fit)

This variable was examined through a close questionnaire of three items (see chapters 3 and 4 above and appendix 1) . This questionnaire was filled in by the employees only. Appendix 5 presents the central tendency and variability data of the employees rating about their perception of the congruence between their personal values and the organizational values .

The mean score of the perceived POF level is high (5.79-5.93 out of 7) . The final measurement of the POF was built on the basis of the mean in regards to the three items . The reliability is high (0.878) .

Table 5 presents the central tendency and variability of the final results .

Table 5 – The central tendency and variability of POF

	MIN.	MAX.	MEAN	STD. DEV.	MEDIAN	MODE	ALPHA
POF level	4.67	7.00	5.87	.54	6	6	0.878

(n=101)

From the table above one can see that the POF level is high (5.87) .

EBP (Employee Brand Perception) and CBP (Customer Brand Perception)

The measurement of the corporate brand values perception of employees , as well as of customers , was examined by an 8 items questionnaire (see appendixes 2 and 3) . Appendixes 6 and 7 presents the central tendency and variability of the rating of employees and of customers at the various items of brand values .

The reliability is high (0.800) .

Among the employees the brand perception level is at the average of 5.70-6.13 and the item with the highest score is no. 5 - "working long hours" , while the item with the smallest score is no. 1 - "emphasizing a single culture throughout the organization" (see figure 4 and appendix 6) .

Among the customers the brand perception level is at the average of 5.77-6.26 and the item with the highest score is again (like the employees' score) no. 5 – "working long hours" and also no. 7 "being innovative" , while the item with the smallest score is again (like the employees' score) no.1 - "emphasizing a single culture throughout the organization" (see figure 4 and appendix 7) .

The central tendency and variability of the employees and customers' rating are presented in table 6 and figure 4 .

Table 6 – The central tendency and variability of EBP and CBP

	MIN.	MAX.	MEAN	STD. DEV.	MEDIAN	MODE	ALPHA
EBP	3.63	7	5.96	0.68	6	6	0.800
CBP	4.1	7	6.11	0.57	6.3	6.3	

n(employees)=101 , n(customers)=121

From the table above one can see that the employees' rating is 5.96 while the customers' rating is slightly higher (6.11) .

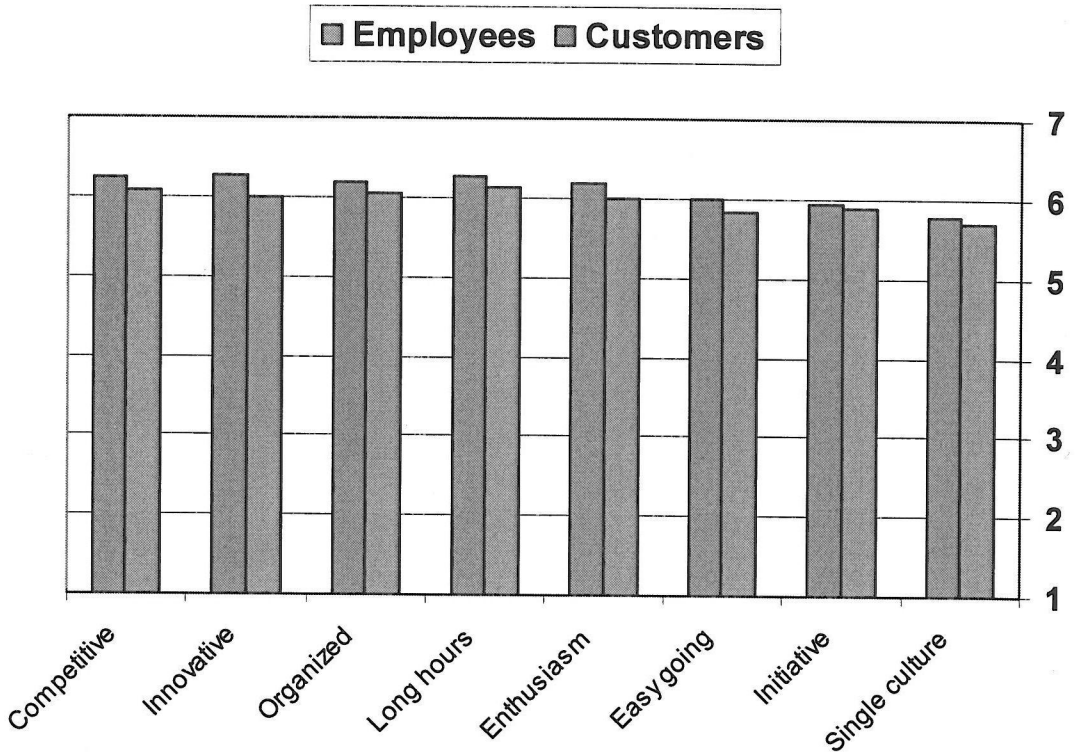


Figure 4 – The employees' (EBP) and customers' (CBP) rating regarding the corporate brand values .

According to this diagram one can see that in all eight items the customers' rating is slightly higher than that of employees . As was mentioned before , the rating of item no.5 has got the highest score within the employees and customers as well , and item no. 1 has got the smallest score , again within the employees and the customers altogether .

In order to examine whether the differences in the ratings of employees and of customers are significant t test was made . It was found that the differences between employees and customers are not significant .

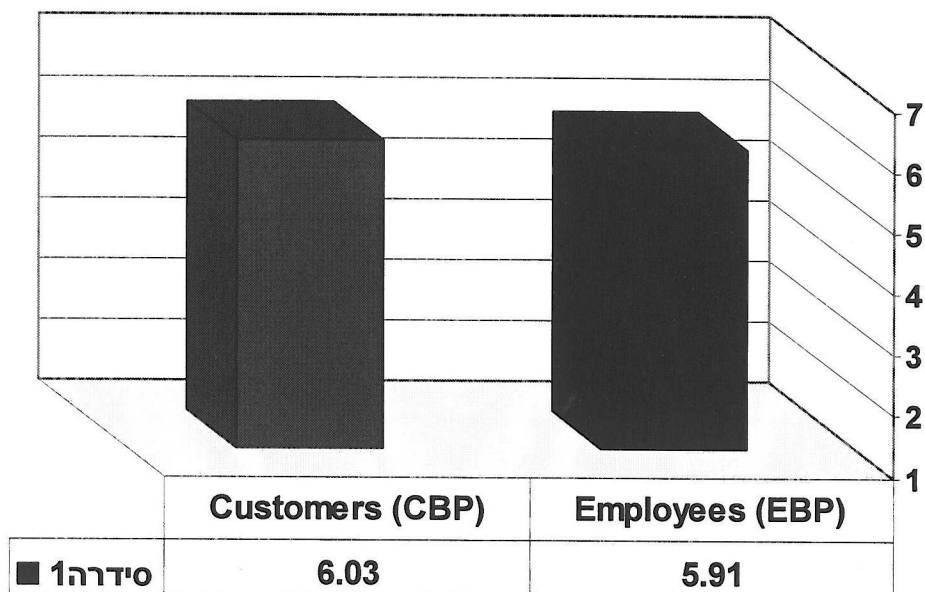


Figure 5 – Rating measurement of brand value perception level – comparison between employees and customers

5.3 Correlational statistics

Here are the results as for the research hypotheses , based on Pearson Correlation Coefficient .

In each hypothesis variation matrix is presented showing the co-variance of the two variables .

Hypothesis 1 : There is a positive correlation between POF of the employees and their EBP level . The higher the POF , the higher the EBP level .

The hypothesis was examined by Pearson Correlation Coefficient and related to each employee separately (n=101) . See table 7 .

Table 7 – Pearson correlation coefficient between POF of the employees and their EBP level

		POF
EBP	Correlation	.511(**)
	Sig. (2-tailed)	.000

(**) $p < 0.01$

There is a significant positive correlation between POF and EBP ($r(101) = 0.511$; $p < 0.01$); the higher the POF the higher is the EBP.

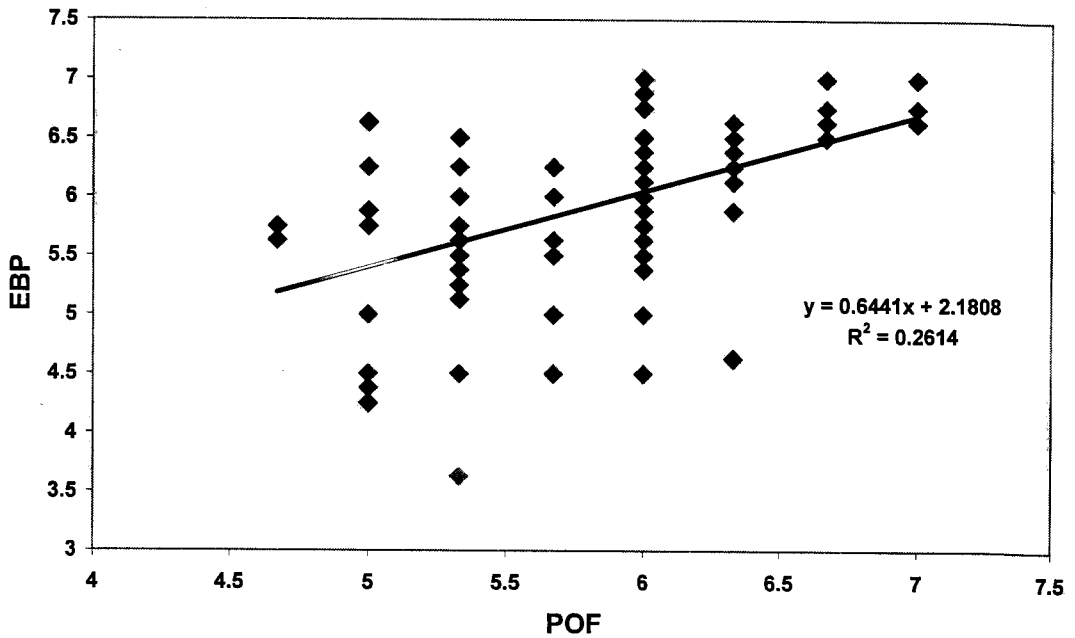


Figure 6 – Scores variation matrix of POF and EBP .

According to the results , hypothesis 1 has been supported .

Hypothesis 2 : There is a positive correlation between EBP level and CBP level .

The higher the EBP level , the higher the CBP level .

This hypothesis was examined by Pearson Correlation Coefficient between the employees' and the customers' ratings of their brand perception . See table 8 .

Table 8 – Pearson correlation coefficient between EBP and CBP

		CBP Customers
EBP Employees	Correlation	.486(**)
	Sig. (2-tailed)	.001
	N	43

(**) $p < 0.01$; (*) $p < 0.05$

There is a significant positive correlation between EBP and CBP ($r_{43}=0.486$; $p < 0.01$): the higher the EBP, the higher the CBP.

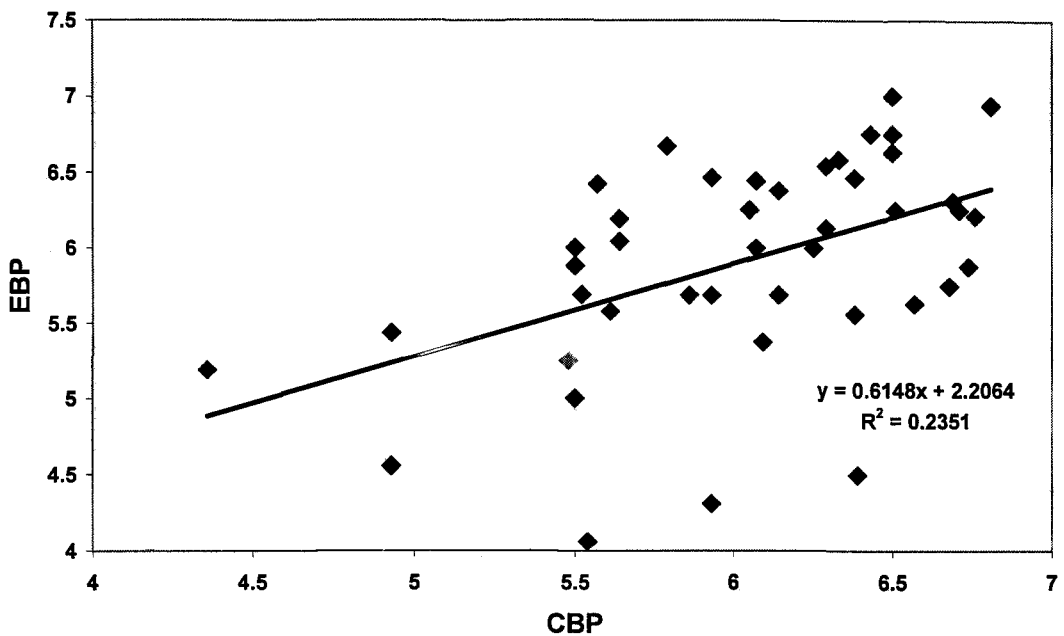


Figure 7– Scores variation matrix of EBP and CBP .

According to the results , hypothesis 2 has been supported .

Hypothesis 3 : There is a positive correlation between POF of the employees and CBP level . The higher the POF , the higher the CBP level .

This hypothesis was examined by Pearson Correlation Coefficient between the POF of the employees and CBP . See table 9 .

Table 9 – Pearson correlation coefficient between POF of employees and CBP

		CPB Customers
POF	Correlation	.207
	Sig. (2-tailed)	.182
	N	43

(**) $p < 0.01$; (*) $p < 0.05$

There is a non-significant positive correlation between POF and CBP ($r_{43}=0.207$; $p > 0.05$).

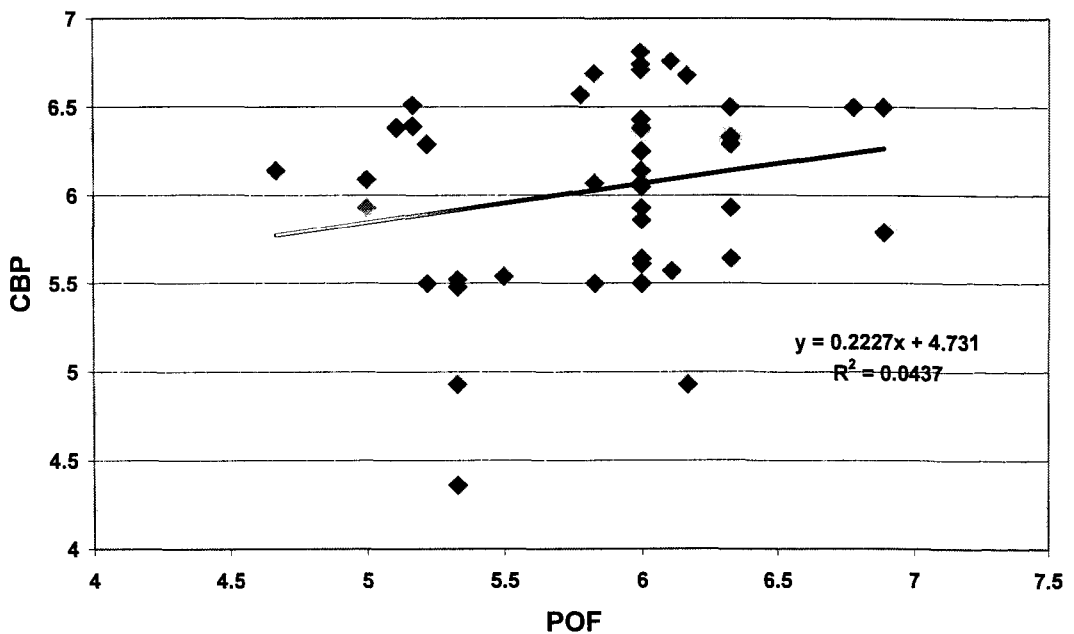


Figure 8 – Scores variation matrix of POF and CBP

According to the results , hypothesis 3 has not been supported , although the results were in the hypothesized direction .

In order to examining whether EBP serves as a mediator variable between POF and CBP , a partial correlation coefficient was calculated while deleting EBP . See table 10 .

Table 10 – Partial Pearson correlation coefficient between POF and CBP

CBP		
-0.056	Partial Correlation	POF
40	N	
(.775)	Sig. (2-tailed)	

As was presented in Table 9 above the full correlation between POF and CBP is positive and non-significant ($r_{43}=0.207$; $p>0.05$), but there is a positive and significant correlations between EBP and CBP ($r_{43}=0.486$; $p<0.01$) and between POF and EBP ($r(101)= 0.511$; $p<0.01$).

By calculating the partial correlation, while deleting EBP, there was no correlation found between POF and CBP ($r=0.056$), as presented in table 10. Therefore, whereas there is a full positive, although non-significant, correlation between POF and CBP, but no correlation between these two variables, while deleting EBP, EBP serves as a mediator variable between POF and CBP.

Hypothesis 4 : Age , gender , status and tenure , all influence the correlation

between POF of the employees and their EBP level .

This hypothesis was examined by Pearson Correlation Coefficient between POF and EBP within sub groups according to the employees' characteristics .

Table 11 – Pearson correlation coefficient between POF and EBP according to age

		POF		
		Up to 30	31-40	+41
EBP	Correlation	.550(**)	.502(**)	.530
	Sig.	.000	.001	.077
	N	42	41	12

(**) $p<0.01$; (*) $p<0.05$

The correlation between POF and EBP within the groups is positive but quite similar . According to Fischer's Z test the gap between the groups is not significant .

Table 12 - Pearson correlation coefficient between POF and EBP according to gender

		POF	
		Male	Female
EBP	Correlation	.603(**)	.468(**)
	Sig.	.000	.003
	N	57	38

(**) $p < 0.01$

The correlation between POF and EBP in Males is higher than in Females , but according to Fischer's Z test the gap between the groups is not significant .

Table 13 - Pearson correlation coefficient between POF and EBP according to status

		POF	
		Franchisees	Employees
EBP	Correlation	.537(**)	.564(**)
	Sig.	.000	.000
	N	40	55

(**) $p < 0.01$

The correlation between POF and EBP is quite similar and according to Fischer's Z test of the gap between the groups is not significant .

Table 14 - Pearson correlation coefficient between POF and EBP according to tenure

		POF		
		Up to 2 years	3-5 years	6-10 years
EBP	Correlation	.638(**)	.573(**)	.255
	Sig.	.000	.000	.424
	N	49	34	12

(**) $p < 0.01$; (*) $p < 0.05$

As far as the tenure is longer the correlation between the variables is lower . According to Fischer's Z test the gap between the groups is not significant .

5.4 Other results

T and ANOVA tests were made to examining the relations between the employees' and customers' characteristics , on the one hand , and POF , EBP and CBP on the other hand .

Employees

According to these tests there were no correlations found between the employees' and customers' characteristics and the research variables , except for the correlation between the employee's age and POF and EBP . See table 14 .

Table 15 – ANOVA test – the correlation between employee's age and POF and EBP

	Up to 30		31-40		41+		F(2,92)	Sig.
	Mean	Std. Dev.	Mean	Std. Dev.	Mean	Std. Dev.		
POF	5.95	.50	5.93	.53	5.47	.56	4.311*	.016
EBP	6.05	.64	6.04	.55	5.54	.96	3.089	.050

(*) $p < 0.05$

A significant correlation was found between age and POF ($F_{2,92}=4.311$; $p < 0.05$) : within employees at the age of 41 and above the POF is lower (5.47) than within younger employees (5.95 and 5.93) .

Also , significant correlation was found between age and EBP ($F_{2,92}=3.089$; $p = 0.05$) ; within employees at the age of 41 and above the rating was lower (5.54) than younger employees (6.05 and 6.04) .

Therefore , whenever the employee is older , his/her both POF and EBP levels are lower than those of younger employees .

Customers

No correlations were found among customers regarding the research variables .

6. Discussion

6.1 Preface

Here a discussion on the research hypotheses analysis results and other results is presented , including an integration of relevant literature resources that support the research results .

6.2 The research hypotheses

The following discussion relates to the research hypotheses and the results presented above .

Hypothesis 1 - There is a positive correlation between POF of the employees and their EBP level . The higher the POF , the higher the EBP level .

This hypothesis was supported .

Jamal&Goode (2001) examined the impact of self-image congruence on brand preference and satisfaction , stating that the perceptions of self images are connected to the personality so that individuals tend to buy brands whose personalities are close to individual's own self-images . That is to say that individuals express themselves by preferring brands whose personalities are perceived to be fit with their own personalities . Their main conclusion is that there is a strong relationship between self-image congruency and brand preference . Their findings also confirm that customers might prefer brands that have images compatible with their perceptions of self . Hussey&Duncombe (1999) concluded that the congruence between brand image and self-concept increases in parallel to an increase in consumers' preferences of brands.

This concept can relate also to organization's employees who tend to be more identified with corporate brand values which fit their own values . As Harris&de-Chernatony (2001) put it , "the greater the congruence between the employees' personal values and the corporate brand values , the better is the brand performance" .

According to Herman (2001) the organization's employees seek for a fit between the corporate brand values and the corporate values themselves ; if there is a discrepancy

between the two, the employees look at this situation as a lie and therefore refuse to stand behind the corporate brand values . Similarly , Harris&de-Chernatony (2001) and key (2002) also stressed the importance of the congruence between the corporate brand values and the corporate values .

A high fit between the employee's values and the organizational values (POF) as he/she perceives it will bring about a high acceptance level of the organizational values by him/her . As a consequence , when the brand values reflect the corporate values the employees will respond to the brand values positively and agree that the corporate brand values and the corporate values are actually the same . In such a case the brand perception level of the employees (EBP) will be close to the corporate brand values declared by the management .

**Hypothesis 2 - There is a positive correlation between EBP level and CBP level .
The higher the EBP level , the higher the CBP level .**

This hypothesis was supported .

As Herman (2001) pointed out , when the employees identify with the corporate brand, the brand values are fully and consistently realized , a result which contributes to the belief the consumer feels towards the brand . Herman (2001) added that organizations like Harley- Davidson , Body Shop and Disney are good examples of such consumers' belief . In these organizations the brand perception of the customers corresponded to the brand promise and values determined by the management because of the support deriving from the organization's employees .

In other words , in such cases , the employees believe in the brand and are ready to support it as "brand ambassadors" (McFarland 2002) . Aaker (1996) presented the examples of Saturn and Body shop by stating that their employees are regarded as being committed to their organizations' values and culture . Most customers , therefore , sense these values and developed high identification level with them . As Hatch&Schultz (2001) put it , the relationships between organization's culture and image uncover the possible gap between the attitudes of employees and the perceptions of the outside world and also emphasized that branding is an instrument that must be managed to create alignment between the internal culture and the external image of the organization . Urde (2003) widened this issue by emphasizing

the importance of an alignment between organizational values , brand values and values as experienced

by the customer ; he added that when all these three values viewpoints are aligned they create "the value foundation of corporate brand"

Other scholars also stressed the role of the employees in the process of transferring the brand values to the customers in such a way that the customer will perceive them the same way as the employees do (Arruda 2002 , Webster 2002 , Hutchinson 2002 , Mitchell 2002) . As Davis (2000) put it , if the organization wishes to enhance the power of its brand it is important that the customer's perception of the organization brand will be formed by the employee's action and behavior . Aaker (1996) also stated that brand identity must be based partially on the organization behind the brand .

Hypothesis 3 - There is a positive correlation between POF of the employees and CBP level . The higher the POF , the higher the CBP level .

This hypothesis was not supported , although the results were in the hypothesized direction .

Whereas it was found that EBP serves as a mediator variable between POF and CBP that means that POF do influence CBP through the "assistance" of EBP .

Chatman (1989) , O'reilly,Chatman&Caldwell (1991) , Cable&Judge (1996) , Chan (1996) , Kristof (1996) , Cable&DeRue (2002) all determined that high POF has a positive impact on employees' satisfaction which leads to a greater commitment to the organization and its goals . Chatman (1989) as well as Cable&deRue (2002) added that employees who share the organization values are more likely to help its larger causes and show "extra behavior" , and O'Reilly,Chatman&Caldwell (1991) determined that when the fit between the personal values and organizational values is high , employees are less likely to turnover , and are more satisfied , committed and productive .

A high identification , commitment , productivity and willingness to do "extra work" all should stimulate employees to stand behind the corporate brand values and make

sure that customers understand and accept them . This was the rationale behind this hypothesis .

Hypothesis 4 – Age , gender , status and tenure , all influence the correlation between POF of the employees and their EBP level .

The results show that these factors do not serve as moderate variables which influence the correlation between POF and EBP . Whereas Rokeach (1973) and others defined values as beliefs , attitudes , judgments and behaviors and whereas Massey (1979, cited in Russel 2001) determined that specific factors such as family , friends , religion , education , the media , geographic roots , technology , current events etc influence personal values , it seems that demographic background or other "objective" terms , like status or tenure , are not variables to deal with when values are at stake .

6.3 Other results

The relations between the employees' and customers' characteristics , on the one hand, and the research variables on the other hand , were examined too . It was found that only employees' age influence POF and EBP levels , and in such a way that whenever the employee is older , his/her both POF and EBP levels are lower than those of younger employees .

The most interesting phenomenon is that both POF and EBP are lower according to older employees' perception . Therefore , it seems again, as it was hypothesized and supported in hypothesis 1 , that POF and EBP are intercorrelated positively .

This result contradicts the conclusion derived from the discussion in hypothesis 3 , for it seems the demographic factor like age can affect values perceptions .

7. Research summary

The following research summary includes also conclusions and suggestions for further researches .

7.1 Summary

This study explored the relationships between the extent to which employees perceive their values as congruent with their organization's values , on the one hand , and the way they and their customers perceive the corporate brand values , on the other hand . The notion of "inside/outside branding" was the basic rationale for the study , whereas it focuses on the problem emerging from a gap which might exist between the brand values and promise , and the "real happening" (the organizational culture and values) , a problem that many organizations usually face .

The literature shows that employees have an important role in the way customers perceive the corporate brand . In order to get the employees' cooperation regarding the transference of the brand values to the customers , the management has to build a corporate culture and values which support the brand values ; only then the management will get its employees' support of the brand values .

A high degree of a perceived congruence between the individual values of the employees and the organizational values may create culture and values with which the employees will feel comfortable . When the brand values , which the management wishes to transfer to the customers , reflect the organizational culture and values the employees with a high POF will perceive these values as congruent with the organization's values and will be more ready to transfer them to the customers . This readiness of the employees is promoted by a high POF , whereas high POF means a higher commitment and willingness to do extra work for the organization . As a result the customers will perceive the brand values in a similar way to that of the employees; as a consequence the brand positioning in the marketplace will be strengthened .

In that respect HR managers have an important role , in two ways which complement each other – first , recruiting candidates that were found suitable to the corporate culture and values , i.e having a high POF and second , establishing procedures , practices and internal promotion system to creating an internal marketing culture which will bring about the desirable identification of the employees with the corporate

mission and values . One of the most important HR Marketing's objective is to create an internal service chain in the organization in which employees will feel identified with and committed to the organization brand and thus willing to help each other to create a united and powerful group of brand ambassadors . As Gould (1998) noted every organization has an emotional side , i.e motivations , feeling , beliefs and values. The emotional capital of the organization exists externally in the emotions of the customers and other external stakeholders as well as internally in the hearts and minds of the employees . HR management's role is to integrate the management of the external and internal emotions . Internal customers , i.e the employees , who do not experience relationship marketing and communication inside the organization lack the understanding and motivation needed to develop good relationships with other external and internal customers. They are unlikely to become customer-oriented .

The researcher chose an Israeli retail chain in the toys and children games market , a chain which is relatively a new player in the market but reached about 25% market share within a period of less than ten years .

Forty-three stores participated in the research and each store was represented by 2-3 employees and 2-3 customers . The ability to connect certain employees with specific customers enabled the researcher to use Pearson Correlation Coefficient to measure the relationship between the brand perception of the employees and that of the customers.

According to the researcher's view the impact of Person-Organization Fit (POF) on the brand perception of employees and of customers had never been examined before. Moreover , POF was examined as a factor influencing internal factors such as commitment ; identification , intention to leave the organization and readiness to do extra work , but not an external factor such as brand perception . The researcher believes that this makes the study unique .

7.2 Conclusions

According to the research outcomes two of the four research hypotheses , 1 and 2 , were supported while the outcomes regarding hypothesis 3 followed its direction , although it was not supported statistically . Hypothesis 4 , which related to moderate variables , was not supported .

These outcomes show that Person-Organization Fit affects the brand perception of the employees in a positive direction and that the brand perception of customers is correlated positively with the brand perception of employees . The research shows also that the brand perception of employees was found as a mediator variable between POF and the brand perception of customers .

An interesting outcome is that there is a significant correlation between employee's age and POF and EBP as well . In both , elder employees (more than forty-one years old) had lower POF and EBP than younger ones . This outcome might point out that elder employees feel less comfortable with the organization culture and values as well as with its brand values . Moreover , whereas elder employees have a low POF in relation to younger employees they have also a low EBP ; this result fits the positive correlation which was found between POF and EBP (hypothesis 1) .

This study proved once again that internal branding has a major role in building a powerful and successful corporate brand .

7.3 Suggestions for further studies

The researcher's suggestions for further studies are as follows :

- (1) Whereas this study is a "pioneer" in exploring the POF impact on brand perception of employees and of customers , it is worthwhile to go deeper into this issue and study it in other organizations , mainly in the service sector . Kfar Hasha'ashuim is a retail company which combines tangible products as well as service aspects . It seems to the researcher that exploring this model in organizations which engage in service "per-se" (banking , insurance , universities , etc) will give it even more support and reinforcement .
- (2) Whereas Kfar Hasha'ashuim is a franchised chain it might be that employees who run the chain stores , in comparison to franchisees , will feel more committed to the organization culture and objectives and thus may feel more obliged to stand behind it . Therefore a similar research in wholly owned retail chain stores may reveal that the correlations examined in this study are even higher .
- (3) Another model to explore , according to the researcher's mind , is regarding the POF as a moderate variable that may influence the correlation between EBP and CBP .
- (4) This study measured POF through a subjective measure . It is recommended to

measure it also through an objective one , like the one of O'reilly,Chatman& Caldwell (2001) . A comparison between these two measures types in relation to this research model will expand the scope of the whole study and will point out to the most POF feasible measure regarding this research model .

Bibliography

- 1 . Aaker,D.A(1991), Managing brand equity, Free Press, New York .
- 2 . Aaker,D.A(2002), Building strong brands, The Free Press .
- 3 . Abdul Rashid,Z.,Sambasivan,M&Johari,J(2003), The influence of corporate culture and organizational commitment on performance, The Journal of Management Development, vol.22, no.8, p.708-728 .
- 4 . Ahmed,P.K&Rafiq,M(2003), Internal marketing issues and challenges, European Journal of Marketing, vol.37, no.9, p.1177-1186 .
- 5 . Alreck,P&Settle,R.B(1999), Strategies for building consumer brand preference, Journal of Product and Brand Management, vol 8, no.2, p130-144 .
- 6 . Arruda,W(2002), More than employees: brand evangelists, [www.marketingprofs.com\(14/11/00\)](http://www.marketingprofs.com(14/11/00)).
- 7 . Atkinson,M(2002), Research for whole branding, [www.jcwg.com\(1/8/02\)](http://www.jcwg.com(1/8/02)).
- 8 . Backhaus,K&Tikoo,S(2004), Conceptualizing and researching employer branding, Career Development International, vol.9, no.5, p.501-517 .
- 9 . Baht,S&Reddy,S.K(1998), Symbolic and Functional Positioning of Brands, Journal of Consumer Marketing, vol.15, no.1, p.32-43 .
- 10 . Balmer, J.M.T (2001a), Corporate Identity , Corporate branding and corporate marketing – seeing through the fog , European Journal of Marketing , vol.35, no. 3/4 pp.248-291 .
- 11 . Balmer,JMT (2001b), The three virtues and seven deadly sins of corporate brand management, Journal of General Management, vol.27, no.1, p.1-17 . In Knox&Bickerton(2003), The six conventions of corporate branding, European Journal of Marketing, vol.37, no.7/8, p.998-1016 .
- 12 . Balmer,J.M.T&Gray,E.R(2003), Corporate brands: what are they? What of them?, European Journal of Marketing, vol.37, no.7/8, p.972-997 .
- 13 . Bart,C.K.,Bontis,N&Taggar,S(2001), A model of the impact of mission statements on firm performance, Management Decision, vol.39, no.1, p.19-35 .
- 14 . Barrett,R(2001), The seven levels of corporate sustainability, [www.corptools.com\(22/4/03\)](http://www.corptools.com(22/4/03)).
- 15 . Barrett,R(2002), Implementing cultural transformation: building a vision-guided, values-driven organization, [www.richardbarrett.net\(1/12/02\)](http://www.richardbarrett.net(1/12/02)).

- 16 . Barrett,R(2002), Cultural Capital : The New Frontier of Competitive Advantage - Increasing market value by leveraging the intangibles,
www.richardbarrett.net(1/12/02).
- 17 . Barrett,R(2002), Liberating the corporate soul,
www.twn.co.nz/corpsoul.htm(2/12/02).
- 18 . Barrett,R(2002), The value of values: why values are important in organizations?
www.corptools.com(22/4/03).
- 19 . Bass,F.M&Talarzyk,W.W(1972), An attitude model for the study of brand preference , Journal of Marketing Research,vol.9, Feb, p.93-96 .
- 20 . Beckwith Harry(1997), Selling the Invisible, Warner Books inc .
- 21 . Bell,S.J.,Menguc,B&Stefani,S(2004), When customers disappoint : a model of relational internal marketing and customer complaints, Academy of Marketing Science, vol.32, no.2, p.112-126 .
- 22 . Bellizzi,J.A.,Krueckeberg,H.F.,Hamilton,J.R.&Martin,W.S(1981), Consumer perceptions of national , private and generic brands, Journal of Retailing , vol.57, no.4,p.56-70 .
- 23 . Betts,P(1994), Brand development :commodity markets and manufacturer-retailer relationships, Marketing Intelligence&Planning, vol.12, no.9,p.18-23 .
- 24 . Bickerton,D(2000), Corporate Reputation versus Corporate Branding: the realist debate, Corporate communication: An International Journal, vol.5, no.1, p.42-48 .
- 25 . Birtwistle,G&Shearer,L(2000), Consumer perception of five UK fashion retailers, Journal of Fashion Marketing and Management, vol.5, no.1, p.9-18 .
- 26 . Blankson,C&Kalafatis,S.P(1999), Issues and challenges in the positioning of service brands:a review, The Journal of Product&Brand Management, vol.8, no.2, p.106-118 .
- 27 . Brand,C(1997), Strong creative strategies reinforce the brand promise, Direct Marketing, vol.60, no.8, p.46-49 .
- 28 . Bretz,R.D&Judge,T.A(1994), Person-Organization fit and the theory of work adjustment: implications for satisfaction, tenure and career success, Journal of Vocational Behavior, vol.44, p.43-54 .
- 29 . Cable,D.M&deRue,D.S(2002), The congruent and discriminant validity of subjective fit perceptions, Journal of Applied Psychology, vol.87, no.5, p.875-884.
- 30 . Cable,D.M&Judge,T.A(1996), Person-Organization Fit, Job Choice Decisions

- and Organizational Entry, Organizational Behavior and Human Decision Processes, vol.67, p.294-311 .
- 31 . Campbell,M.C(2002), Building brand equity, International Journal of Medical Marketing, vol.2, no.3, p.208-218 .
- 32 . Campbell,A.,& Yeung,S.(1991),Creating a Sense of Mission, Long Range Planning, Pergamon Press, August 1991 . In de-Wit,B&Meyer,R(1999), Strategy:Process,Content,Context,International Thompson Business Press .
- 33 . Chan,D(1996), Cognitive misfit of problem-solving style of work: a facet of person-organization fit, Organizational Behavior and Human Decision Processes , vol.68, no.3, p.194-207 .
- 34 . Chartland,B(2002), A new prescription for internal branding: the role of employees in brand definition and promotion, www.golinharris.com/resources/article.
- 35 . Chatman,J.A(1989), Improving interactional organizational research: a model of person-organization fit, Academy of Management Review, vol.14, no.3, p.333-349 .
- 36 . Collins,J.C&Porras,J,I(1994) , Built to Last: Successful Habits of Visionary Companies , Random House Business Books .
- 37 . Collins,J.C&Porras,J.I(1996), Building your company's vision , Harvard Business Review, September-October .
- 38 . Cowan,C.C&Todorovic,C.N(2000), Spiral dynamics: the layers of human values in strategy, Strategy and Leadership, vol.28,no.1, p.4-12 .
- 39 . Cravens,D.W;Piercy,N.F&Pentice,A(2000), Developing market-driven product strategies, Journal pf Product and Brand Management,vol.9, no.6, p.369-388 .
- 40 . Daniels,S(2000), Customer value management, Work Study , vol.49, no.2, p.67-70 .
- 31 . Davis,S.M(2000), Brand asset management: driving profitable growth through your brands, Jossey-Bass , San-Francisco .
- 42 . Davis,S.M(2000),The Power of the Brand, Strategy and Leadership, vol 28, no. 4, p.4-9 .
- 43 . Davis,S.M(2001), Corporate branding: making the brand the strategic "driver" for the entire organization, [www.brandchannel.com/papers\(11/2/03\)](http://www.brandchannel.com/papers(11/2/03)).
- 44 . Davis,S.M (2002),Implementing your BAM2 strategy:11 steps to making your brand a more valuable asset, Journal of consumer marketing, vol 19, no.6, p.503-

513 .

- 45 . de-Chernatony, L (1999), Brand Management through narrowing the gap between Brand Identity and Brand Reputation , Journal of Marketing Management , vol.15, no.1,p.157-180 .
- 46 . de-Chernatony,L&Dall'Olmo Riley,F(1998), Defining a "brand" : beyond the literature with experts' interpretations, Journal of Marketing Management , vol.14, no.5, p.417-443 .
- 47 . de-Chernatony,L&Segal-Horn,S(2000), The criteria for successful services brands, European Journal of Marketing . In Jones,P.,Hillier,D.,Shears,P&Clarck-Hill,C(2002),Customer perceptions of services brands: a case study of the three major fast food retailers in the UK, Management Research News, vol.25, no.6/7 .
- 48 . de-Chernatony,L&Segal-Horn,S(2001), Building on services characteristics to develop successful services brands, Journal of Marketing Management, vol.17, no.7-8,.645-669. In Jones,P.,Hillier,D.,Shears,P&Clarck-Hill,C(2002),Customer perceptions of services brands: a case study of the three major fast food retailers in the UK, Management Research News, vol.25, no.6/7 .
- 49 . de-chernatony,L&Segal-Horn,S(2003), The criteria for successful services brads, European Journal of Marketing, vol.37, no.7/8, p.1095-1118 .
- 50 . del Rio,A.B.,Vazquez,R&Iglesias,V(2001), The effects of brand associations on consumer reponse, Journal of Consumer Marketing, vol.18, no.5, P. 410-425 .
- 51 . Denison,D.B(2000), The Denison Organizational Culture Model, [www://denisonculture.com/](http://www.denisonculture.com/)
- 52 . Dibb,S.,Simkin.L.,Pride,W.N&Ferrel,O.C(1997), Marketing: concepts and strategies, Houghton Mifflin Company .
- 53 . Dolak,D(2001), Building a strong brand: brands and branding basics, [www.brandchannel.com/whitepapers/dolak\(11/2/03\)](http://www.brandchannel.com/whitepapers/dolak(11/2/03)).
- 54 . Eggert,A&Ulaga,W(2002), Customer perceived value: a substitute for satisfaction in business markets, The Journal of Business and Industrial Marketing, vol.17, no.2, p.107-118 .
- 55 . Evans,G(2002), Measuring and managing customer value, Work Study, vol.51, no.3, p.134-139 .
- 56 . Eyring.A.R(2003), Can anyone at the company help build brand value?, [www.brandchannel.com/brand_speak.asp\(26/2/03\)](http://www.brandchannel.com/brand_speak.asp(26/2/03)).
- 57 . Eyring.A.R (2002) , Inside-Out banding for a change ,

- www.brandchannel.com/brand_speak.asp?id=45 (30/9/02) .
- 58 . Farr,A(1997), Do strong brands exist?, www.millwardbrown.com(10/11/02).
- 59 . Fishbein,M(1967),A behavior theory approach to the relations between belief about an object and the attitude toward the object , Readings in Attitude Theory and Measurement , John Wiley&Sons, NY .
- 60 . Fishbein,M(1967),A consideration of beliefs and their role in attitude measurement , Readings in Attitude Theory and Measurement , John Wiley&Sons, NY .
- 61 . Fournier,S(1997), The consumer and the brand: an understanding within the framework of personal relationships, Working paper, HBR . In Herstein,R(2000),Brand management, Cherickover Publishing, Tel Aviv .
- 62 . Frost,F.A&Kumar,M(2001), Service quality between internal customers and internal suppliers in an international airline, International Journal of Quality&Reliability Management, vol.18, no.4, p.371-386 .
- 63 . Gelder,S(1997), A view on the future of branding, www.brandchannel.com/papers.asp(4/3/03).
- 64 . Geve,A(1994), Consumer Behavior: Buying Decision Processes, The Open University , Tel Aviv .
- 65 . Gilbert,D(1999), Retail Marketing Management, Prentice-Hall .
- 66 . Gotsi,M&Wilson,A(2001),Corporate Reputation Management: "living the brand",Management Decision, vol.39, no.2, p.99-104 .
- 67 . Gould,B(1998), Emotional capital and internal marketing, The Antidote, vol.3, no.8 .
- 68 . Greenfield,A(2002),Branding In: a process of organization inside branding, Human Resources, May 2002, Israel .
- 69 . Gronroos,C(2001), Service Management and Marketing, John Wiley&Sons Ltd .
- 70 . Hagberg,R&Heifetz,J(2002) , Corporate culture/organizational culture: understanding and assessment , www.hcgnet.com/html/articles/understanding-culture.html (1/12/02)
- 71 . Harris,F&de Chernatony,L(2001),Corporate Branding and Corporate Brand Performance, European Journal of Marketing,vol.35, no 3, p.441-456 .
- 72 . Harris,L.C&Ogbonna,E(1998), A three-perspective approach to understanding culture in retail organizations, Personnel Review, vol.27, no.2, p.104-123 .
- 73 . Hatch,J.H&Schultz,M(1997), Relations Between Organizational Culture ,

- Identity and Image, European Journal of Marketing, vol.31,no.5, p.356-365 .
- 74 . Hatch,M.J.,&Schultz,M.(2001), Are the Strategic Stars Aligned for your Corporate Brand ?, Harvard Business Review.
- 75 . Hatch,M.J&Schultz,M(2003), Bringing the corporation into corporate branding, European Journal of Marketing, vol.37, no.7/8, p.1041-1064 .
- 76 . Hatchinson,E(2002), Successful internal branding,
www.instituteforbrandleadership.org/internalbranding.html(1/12/02).
- 77 . Haynes,A,Lackman,C&Gustey,A(1999), Comprehensive Brand Presentation:ensuring consistent brand image, Journal of Product and Brand Management, vol 8, issue 4, p 286-300, issue 1061-0421 .
- 78 . Heiman,G. W(2001), Understanding Research Methods and Statistics, Houghton Mifflin Company .
- 79 . Hermann,D(2001), The Guide for Brands Builders, Cherickover Publishing, Tel Aviv .
- 80 . Herstein,R(2000), Brand management, Cherickover Publishing, Tel Aviv .
- 81 . Heskett,J.L.,Jones,T.O.,Loveman,G. W.,Sasser,Jr, W.E&Schlesinger,L.A(1994), Putting the service-profit chain to work, Harvard Business Review, March-April .
- 82 . Hofstede,G(1980), Culture's Consequences, Sage, Beverly Hills. In Lim.B(1995), Examining the organizational culture and organizational performance link, Leadership and Organization Development Journal, vol.16, no.5, p.16-21 .
- 83 . Hofstede,G(1989), Organizing the cultural diversity, European Management Journal, vol.7, no.4, p.389-396 . In Wallace,J.,Hunt,J&Richards,C(1999), The relationship between organizational culture , organizational climate and organizational values, The International Journal of Public Sector Management, vol.12, no.7, p.548-564 .
- 84 . Hofstede,G.,Neuijen,B.,Ohayu,D&Sanders,G(1990), Measuring organizational cultures: a qualitative and quantitative study across 20 cases", Administrative Science Quarterly, vol.35, p.286-316 . In Wallace,J.,Hunt,J&Richrads,C(1999), The relationship between organizational culture , organizational climate and managerial values, The International Journal of Public Sector Management, vol.12, no.7, p.548-564 .
- 85 . Holbrook,M.B(1999), Consumer Value: a framework for analysis and research, Routledge .
- 86 . Hussey,M&Duncombe,N(1999), Projecting the right image: using projective

- techniques to measure brand image, Qualitative Market Research: An International Journal, vol.2, no.1, p.22-30 .
- 87 . Imram,N(1999), The role of visual cues in consumer perception and acceptance of a food product, Nutrition&Food Science, vol.99, no.5, p.224-230 .
- 88 . Interbrand(2001),Aligning your organization and your brand for performance, no.3, March 2001 , www.brandchannel.com .
- 89 . Interbrand(2001), Bank on the brand, Interbrand Business Papers, no.1, 15/5/01, www.brandchannel.com .
- 90 . Jabnoun,N(2001), Values underlying continuous improvement , Total Quality Management, vol.13, no.6, p.381-388 .
- 91 . Jamal,A&Goode,M.M.H(2001), Consumers and brands: a study of the impact of self-image congruence on brand preference and satisfaction, Marketing Intelligence&Planning, vol.19, no.7, p.482-492 .
- 92 . Johnson,G.,&Scholes,K.(1999), Exploring Corporate Strategy, Prentice-Hall Europe, Fifth Edition.
- 93 . Jones,P.,Hillier,D.,Shears,P&Clarck-Hill,C(2002), Customer perceptions of services brands:a case study of the three major fast food retailers in the UK, Management Research News, vol.25, no.6/7 .
- 94 . Jones,P.,Shears,P.,Hillier,D&Clarck-Hill,C(2002), Customer perceptions of services brands: a case study of J.D Wetherspoons, British Food Journal, vol.104, no.10, p.845-854 .
- 95 . Judge,T.A&Cable,D.M(1997), Applicant personality , organizational culture and organization attraction, Personnel Psychology, vol.50, no.2, p.359-394 .
- 96 . Jurnalistic(2002),Time to jump on the brandwagon, Strategic Direction, vol.18, no.10.
- 97 . Kamakura,W&Russel,G(1993),Measuring brand value with scanner data, International Journal of Research in Marketing, no.10, p.9-22 . In: Myers,C.A(2003),Managing brand equity: a look at the impact of attributes, The Journal of Product&Brand Management,vol.12, no.1, p.39-51.
- 98 . Kang G.,Jame,J&Alexandris,K(2002), Measurement of internal service quality : application of SERVQUAL battery to internal service quality, Managing Service Quality, vol.12, no.5, p.278-291 .
- 99 . Kangis,P.,Gordon,D&Williams,S(2000) , Organizational climate and corporate performance:an empirical investigation , Management Decision , MCB

University Press .

- 100 . Keller,K.L(1998), Strategic Brand Management: Building, Measuring and Managing Brand Equity, Prentice-Hall .
- 101 . Keller,K.L(1999), Building and managing corporate brand equity. In Schultz,M.,Hutch,M.J&Larsen,M.H(2000), The expressive organization, Oxford University Press .
- 102 . Keller,K.L(1999), Brand mantras : rationale , criteria and examples , Journal of Marketing Management , vol.15 , p.43-51 .
- 103 . Keller,K.L&Aaker,D.A(1997), Managing the corporate brand: the effects of corporate marketing activity on consumer evaluations of brand extensions, Cambridge, Mass: Marketing Science Institute
- 104 . Key,M(2002),Inside out branding,
www.maryhesslerkey.com/insideout.html(1/12/02).
- 105 . Knox,S(2004), Positioning and branding your organization, Journal of Product&Brand Management, vol. 13, no.2, p.105-115 .
- 106 . Knox,S&Bickerton,D(2003), The six conventions of corporate branding, European Journal of Marketing, vol.37, no.7/8, p.998-1016 .
- 107 . Kotler,P.,Armstrong,G.,Saunders,J&Wong,V(1999), Principles of marketing, Prentice-Hall Europe .
- 108 . Kotler,P&Hornik,J(2000), Marketing Management, The Israeli Edition, Prentice-Hall .
- 109 . Kotter,J.P&Heskett,J.L(1992), Corporate Culture and Performance, The Free Press.
- 110 . Krishnan,V.R(2001),Value systems of transformational leaders, Leadership&Organization Development Journal, vol.22, no.3,p.126-132.
- 111 . Krishnan,B.C&Hartline,M.D(2001), Brand equity : is it more important in services?, Journal of Services Marketing, vol.15, no.5, p.328-342 .
- 112 . Kristof,A.L(1996),Person-Organization Fit: An Integrative Review of its Conceptualizations, Measurements and Implications, Personnel Psychology, vol.49, p.1-49 .
- 113 . Kroeber,A.I&Kluckhohn,F(1952), Culture: A Critical Review of Concepts and Definitions , New York, Vintage Books . In Senior,B(2002),Organizational Change, Perarson Education Ltd .

- 114 . Kuhn,T.S(1970), *The Structure of Scientific Revolutions*, 2nd ed., Chicago. In Schneider,W.E(1994), *The Reengineering Alternative*, Richard D.Irwin,Inc .
- 115 . Kunde,J(2000),*Corporate Religion: building a strong company through personality and corporate soul*, Prentice-Hall .
- 116 . Lamond,D(2003), The value of Quinn's competing values model in an Australian context, *Journal of Managerial Psychology*, vol.18, no.1, p.46-59 .
- 117 . Lassar,W.,Mittal,B&Sharma,A(1995),Measuring customer-based brand equity, *Journal of Consumer Marketing*, vol.12, no.4, p.11-19 .
- 118 . Lim,B(1995), Examining the organizational culture and organizational performance link, *Leadership and organization development Journal* , vol.16, no.5, p.16-21 .
- 119 . Locke,E.A(1976), The nature and causes of job satisfaction . In Dunnette MD (Ed), *Handbook of industrial and organizational psychology* , p.1297-1343 , Chicago:Rand McNally . In Judge,T.A&Cable,D.M(1997), Applicant personality, Organizational culture and organization attraction, *Personnel Psychology*, vol.50,no.2, p.359-394 .
- 120 . Mackay,M.M(2001),Evaluation of brand equity measures: further empirical results, *The Journal of Product&Brand Management*, vol. 10, no.1, p. 38-51 .
- 121 . Mackay,M.M(2001), Application of brand equity measures in service markets, *Journal of Services Marketing*, vol. 15, no.3, p.210-221 .
- 122 . Maklan,S&Knox,S(1997), Reinventing the brand: bridging the gap between customer and brand value, *Journal of Product and Brand Management*, vol. 6, no. 2, p.119-129 .
- 123 . Martin,J(1992), *Cultures organizations: three perspectives*, Oxford university press. In Harris,L.C&Ogbonna,E(1998), A three-perspective approach to understanding culture in retail organizations, *Personnel Review*, vol.27, no.2, p.104-123 .
- 124 . Massey,M(1979) , *The People Puzzle: Understanding Yourself and Others* , Reston Publishing Company . In Russel,R.F(2001) , The role of values in servant leadership , *Leadership&Organization Development Journal* , vol.22, no.1, p.76-84.
- 125 . McDonald,M.H.B.,de Chernatony,L&Harris,F(2001), Corporate marketing and service brands-Moving beyond the fast-moving consumer goods model, *European Journal of Marketing*, vol.35, no.3/4, p.335-352 .

- 126 . McFarland,J(2002), Branding from the inside-out and from the outside-in, Harvard Management, vol.7, no.2, p.8-9 .
- 127 . Mentzer,J.T.,Rutner,S.M&Matsuno,K(1997), Application of the means-end value hierarchy model to understanding logistics service value, International Journal of Physical Distribution&Logistics Management, vol.27, no.9,p.630-643 .
- 128 . Miller,D(2002), Success comes with delivering brand promise, Marketing, Heymarket Publishing Ltd (UMI-Proquest) .
- 129 . Miner,J.B(1971), Management Theory, Macmillan. In Mullins,L.J(1999), Management and Organizational Behavior, Prentice-Hall,Fifth Edition
- 130 . Mintzberg,H(1973), The Nature of Managerial Work, Harper and Row. In Mullins,L.J(1999), Management and Organizational Behavior, Prentice-Hall.Fifth Edition
- 131 . Mintzberg,H.,&Quinn,J.B,&Ghoshal.S.(1999), The Strategy Process, Pearson Education .
- 132 . Mitchell, C (2002), Selling the Brand Inside , Harvard Business Review , January 1 .
- 133 . Mullins,L.J(2002), Management and organizational behavior, Prentice-Hall, 6th Edition .
- 134 . Murling,M.S&Strannegurd,L(2004), Silence of brands, European Journal of Marketing, vol.38, no.1/2, p.224-238 .
- 135 . Myers,C.A(2003),Managing brand equity: a look at the impact of attributes, The Journal of Product&Brand Management,vol.12, no.1, p.39-51.
- 136 . Nixon,B.,&Pitts,G(1991), "W.H Smith Develops a New Approach to Developing Senior Managers", Industrial and Commercial Training.,vol. 23, no.6, p.3-10. In Mullins,L.J(1999), Management and Organizational Behavior, Prentice-Hall, Fifth Edition
- 137 . Olins,W(2000), How brands are taking over the organization . In Schultz,M.,Hatch,M.J&Larsen,M.H(2000), The Expressive Organization, Oxford University Press .
- 138 . O'reilly 3,C,Chatman,J&Caldwell,D.F(1991), People and Organizational culture: a Profile Comparison Approach to Assessing Person-Organization Fit, Academy of Management Journal, vol.34(3), p.487-516 .

- 139 . O'Reilly,C&Chatman,J.A(1986), Organizational Commitment and psychological attachment: the effects of compliance, identification and internalization of prosocial behavior, Journal of Applied Psychology, vol.21, no.3, p.492-499 .
- 140 . Palacio,A.B.,Meneses,G.D&Perez,P.J(2002), The configuration of the university image and its relationship with the satisfaction of students, Journal of educational administration, vol.40, no.5, p.486-505 .
- 141 . Palmer,L.,Foley,J&Parsons,C(2004), Principles not values, Industrial and Commercial Training,vol.36, no.1, p.38-40 .
- 142 . Papsolomou-Doukakis,L&Kitchen,P.J(2004), Internal marketing in UK banks : conceptual legitimacy or window dressing , International Journal of Bank Marketing, vol.22, no.6, p.421-452 .
- 143 . Petromilli,M.,Morrison,D&Million,M(2003), Brand architecture: building brand portfolio value, Strategy&Leadership, vol.30, no.5, p.22-28 .
- 144 . Pickton,D&Broderick,A(2001), Integrated marketing communications, Pearson Education Ltd .
- 145 . Posner,B.Z.,Kouzes,J.M&Schmidt,W.H(1985), Shared values make a difference:an empirical test of corporate culture, Human Resource Management, vol.24, no.3, p. 293-309 .
- 146 . Quinn,R.E(1988), Beyond rational management: mastering the paradoxes and \ competing demands of high performance, Jossey-Bass. In Lamond,D(2003), The value of Quinn's competing values model in an Australian context, Journal of Managerial Psychology, vol.18, no.1, p. 46-59 .
- 147 . Rapier,S.M(2002),Synchronizing the brand,
[www.brandchannel.com/papers_review.asp\(11/2/03\)](http://www.brandchannel.com/papers_review.asp(11/2/03)).
- 148 . Ravald,A&Gronroos,C(1996), The value concept and relationship marketing, European Journal of Marketing, vol.30, no.2, p.9-30 .
- 149 . Reynolds,T.J&Olson.J.C(2001), Understanding consumer decision making: the means-end approach to marketing and advertizing strtaegy, Lawrence Erlbaum Associates Publishers, New Jersey .
- 150 . Rokeach,M(1973), The Nature of Human Values, New York: Free Press. In Cable,D.M&Judge,A.J(1996),Person-Organization fit, job choice decisions, and organizational entry, Organizational Behavior and Human Decision Processes,vol.67, no.3, p.294-311 .

- 151 . Rooney,J.A(1995),Branding: a trend for today and tomorrow, Journal of Product and Brand Management, vol 4, no. 4, p.48-55 .
- 152 . Ros,M.,Schwartz,S.H&Surkiss,S(1999), Basic individual values , work values and the meaning of work, Applied Psychology:An International Review, vol.48, no.1, p.49-71 .
- 153 . Roskin,R(1986), Corporate culture revolution: the management development imperative, Journal of Managerial Psychology, vol.1, no.2, P.3-9. In Lim,B(1995), Examining the organizational culture and organizational performance link, Leadership and Organization Development Journal, vol.16, no.5, p.16-21 .
- 154 . Sadri,G&Lees,B(2001), Developing corporate culture as a competitive advantage, The Journal of Management Development, vol. 20, no.10, p. 853-859.
- 155 . Saffold,G.S(1988),Cultural Traits, strength and organizational performance : moving beyond strong culture, Academy of Management Review, vol.13(4) , p.546-558.
- 156 . Sagie,A&Koslowsky(1998), Extra- and intra-organizational work values and behavior:a multiple-level model, Trends in Organizational Behavior, vol.5 .
- 157 . Saunders,M.,Lewis,P&Thornhill,A(2000), Research Methods for Business Students, Pearson Education Limited .
- 158 . Schein.E.H(1990), Organizational culture, American Psychologist, vol.45, no.2, p.110-119. In Lamond,D(2003), The value of Quinn's competing values model in an Australian context, Journal of Managerial Psychology, vol.18, no.1, p.46-59 .
- 159 . Schein,E.H(1999), The Corporate Culture Survival Guide: Sense and Nonsense about Culture Change , Jossey-Bass , San Francisco , CA .
- 160 . Schmitt,B.H&Simonson,A(1997), Marketing Aesthetics: The Strategic Management of Brands Identity and Image, New York, The free Press. In Witkowski,T.H.,Ma,Y&Zheng,D(2003), Cross cultural influence on brand identity impressions : KFC in China and the United States , Asia Pacific Journal of Marketing and Logistics, vol.15, no.1 .
- 161 . Schneider,B,Goldstein,H.W&Smith,D.B(1995), The ASA Framework: An Update, Personnel Psychology, vol.48, p.747-773 .
- 162 . Schneider,W.E(1994), The Reengineering Alternative: A Plan for Making your

Current Culture Work, Richard,D.Irwin,Inc .

- 163 . Schultz,D.E(2001), Getting to the heart of the brand, Marketing Management, vol.10, no.3, p.8-9 .
- 164 . Schultz,D.E(2004), Building an internal marketing management calculus, Interactive Marketing, vol.6, no.2, p.111-129 .
165. Senior,B(2002),Organizational Change , Pearson Education Ltd .
- 166 . Shafer,W.E.,Morris,R.E&Ketchand,A.A(2001) , Effects of personal values on auditors' ethical decisions , Accounting, Auditing& Accountability Journal , vol.14, no.3, p.254-277 .
- 167 . Shocker,A.D&Srivastava,R.K(1991),Brand Equity: A Perspective on its Meaning and Measurement, Marketing Science Institute, Cambridge,MA (Report no. 91-124). In: Lassar,W.,Mittal,B&Sharma,A(1995),Measuring customer-based brand equity, Journal of Consumer Marketing, vol.12, no.4, p.11-19 .
- 168 . Siegall,M&McDonald,T(2004), Person-organization value congruence , burnout and diversion of resources, Personnel Review, vol.33, no.3, p.291-301 .
- 169 . Silverthorne,C(2004), The impact of organizational culture and person-organization fit on organizational commitment and job satisfaction in Taiwan, Leadership&Organization Development Journal, vol.25, no.7, P.592-599 .
- 170 . Simoes,D&Dibb,S(2001), Rethinking the brand concept: new brand orientation, corporate communications, An International Journal, vol.6, no.4, p. 217- 224. In Jones,P.,Hillier,D.,Shears,P&Clarck-Hill,C(2002), Customer perceptions of services brands: a case study of the three major fast food retailers in the UK, Management research News,vol.25, no.6/7 .
- 171 . Simon,V&Sullivan,M(1993),The measurement and determinants of brand equity: a financial approach, Marketing Science, no.12, p.28-52. In: Myers,C.A(2003),Managing brand equity: a look at the impact of attributes, The Journal of Product&Brand Management,vol.12, no.1, p.39-51.
- 172 . Smith,S(2002),Creating a values based culture,
[www.sidsmith.com/_downloads/values_based_culture_/pdf\(1/12/02\)](http://www.sidsmith.com/_downloads/values_based_culture_/pdf(1/12/02)).
- 173 . Tan,P(2003),Down to the core: branding not-for-profits,
[www.brandchannel.com/start1.asp\(18/11/02\)](http://www.brandchannel.com/start1.asp(18/11/02)).
- 174 . Timon,C(2002), Internal branding and the HR department,
[www.workindex.com/editorial/hre/hre0209\(1/12/02\)](http://www.workindex.com/editorial/hre/hre0209(1/12/02)).

- 175 . Torrington,D&Hall,L(1998), Human Resources Management, Prentice-Hall, 4th Edition .
176. Upshaw,L.B&Taylor,E.l(2001), Building business by building a Masterbrand, [www.brandchannel.com/papers_review\(11/2/03\)](http://www.brandchannel.com/papers_review(11/2/03)).
- 177 . Urde,M(2003),Core value-based corporate brand building, European Journal of Marketing, vol.37, no.7/8, p.1017-1040 .
- 178 . Uusitalo,O(2001),Consumer perceptions of grocery retail formats and brands, International Journal of Retail&Distribution Management, vol 29, no.5, p.214-225. .
- 179 . Van Gelder,S(2002),A view on the future of branding, Brand Meta: Global Brand Strategy , www.sicco.van.gelder@brand-meta.com .
- 180 . Van Medag,M(1997), Brand strategy needs turning back to front, Marketing Intelligence&Planning, vol.15, no.3, p.157-159 .
- 181 . Versant(2001), Employees brand evolution: a guide to building loyalty in your organization, [www.brandchannel.com\(11/2/03\)](http://www.brandchannel.com(11/2/03)).
- 182 . Webster,K.K(2002),Branding your employees , [www.brandchannel.com/papers_review.asp\(1/12/02\)](http://www.brandchannel.com/papers_review.asp(1/12/02)).
- 183 . Webster,K.K(2002), Relationship branding: fulfilling the promise of a brand, [www.brandchannel.com/papers_review.asp\(11/2/03\)](http://www.brandchannel.com/papers_review.asp(11/2/03)).
- 184 . Wiener,Y(1988),Forms of Value Systems: A Focus on Organizational Effectiveness and Cultural Change and Maintenance, Academy of Management Review, vol.13, no.4, p.534-545 .
- 185 . Wilhelmson,E(2002), Brand perception and usability, [www.fabricinteractive.com/press/branding.html\(2/12/02\)](http://www.fabricinteractive.com/press/branding.html(2/12/02)).
- 186 . Wilson,A.M(2001), Understanding Organizational Culture and the Implications for Corporate Marketing , European Journal of Marketing, vol.35,no. 3/4,p.353-367.
- 187 . Winters,L.C(1991),Brand equity measures: some recent advances, Marketing Research, p.70-73 . In: Mackay,M.M(2001),Evaluation of brand equity measures:further empirical results, The Journal of Product&Brand Management, vol 10, no.1, p. 38-51 .
- 188 . Witkowski,T.H.,Ma,Y&Zheng,D(2003), Cross cultural influence on brand identity impressions: KFC. In China and the United states, Asia pacific Journal of Marketing and Logistics, vol.15, no.1 .

189 . Zanoli,R&Naspetti,S(2002), Consumer motivations in the purchase of organic food, British Food Journal, vol.104, no.8, p.643-653 .

Appendixes

Appendix 1

Person-Organization Fit Questionnaire

Dear franchisee/employee ,

Important values can be expressed as common norms or expectations in regards to what is important , how to behave or what are the attitudes which are most accepted by you

Values maybe : innovation , initiative , integrity , honesty , supporting , familiarity , competitiveness , caution , quality , informality , aggressiveness , etc .

I appreciate if you might express your opinion in regards to the statements hereunder .

The statements relate to your attitude regarding "Kfar Hasha'ashuim" and your job in the organization .

Before answering , consider deeply each statement separately , even if the statements seem to be similar .

Statement 1

The things that I value in life are very similar to the things that my organization values .

1	2	3	4	5	6	7
strongly disagree	moderately disagree	slightly disagree	neither agree nor disagree	Slightly agree	moderately agree	strongly agree

Statement 2

My personal values match my organization's values and culture .

1	2	3	4	5	6	7
strongly disagree	moderately disagree	slightly disagree	neither agree nor disagree	Slightly agree	moderately agree	strongly agree

Statement 3

My organization's values and culture provide a good fit with the things that I value in life .

1	2	3	4	5	6	7
strongly disagree	moderately disagree	slightly disagree	neither agree nor disagree	Slightly agree	moderately agree	strongly agree

Appendix 2

Employee Brand Perception (EBP) questionnaire

Dear franchisee/employee ,

This questionnaire contains the brand values of Kfar Hasha'asuim according to the management view . You are requested to note your opinion about these brand values by stating in what extent you agree or disagree with each one of them .

You are requested to rank your statement in 1-7 scale (1 represents strongly disagree , 7 represents strongly agree) .

	Brand values	1	2	3	4	5	6	7
1	Emphasizing a single culture throughout the organization							
2	Taking initiative							
3	Being easy going							
4	Enthusiasm for the job							
5	Working long hours							
6	Being highly organized							
7	Being innovative							
8	Being competitive							

Personal data (for a statistical analysis only) :

Are you (please circle) :

- 1 . Franchisee
- 2 . Employee

To a franchisee : For how many years are you Kfar Hasha'ashuim's franchisee ? ____

To an employee : For how many years are you Kfar Hasha'ashuim's employee ? ____

Your age _____

Gender (please circle) :

1 . Male

2 . Female

Appendix 3

Customer Brand Perception (CBP) questionnaire

Dear customer ,

This questionnaire contains the brand values of Kfar Hasha'asuim according to the management view . You are requested to note your opinion about these brand values by stating in what extent you agree or disagree with each one of them .

You are requested to rank your statement in 1-7 scale (1 represents strongly disagree , 7 represents strongly agree) .

	Brand values	1	2	3	4	5	6	7
1	Emphasizing a single culture throughout the organization							
2	Taking initiative							
3	Being easy going							
4	Enthusiasm for the job							
5	Working long hours							
6	Being highly organized							
7	Being innovative							
8	Being competitive							

Personal data (for a statistical analysis only) :

Your age ____

Gender (please circle) :

- 1 . Male
2. Female

Number of children up to the age of ten ____

How many time did you buy until now in Kfar Hasha'ashuim (please circle) ?

1 . Once

2 . Twice

3 . More than twice

Appendix 4Kfar Hasha'ashuim brand values according to Mr. Avi Katz

July 20 , 2004

Dear Mr. Yaniv ,

Re : Kfar Hashaashuim's Brand Values

According to your request , here are Kfar Hashaashuim's brand values which I chose from the OCP list. They should be the brand values of this retail chain , which I would like to be perceived as such by its customers :

- Emphasizing a single culture throughout the organization .
- Taking initiative .
- Being easy going .
- Enthusiasm for the job .
- Working long hours .
- Being highly organized .
- Being innovative .
- Being competitive

Regards,

Avi Katz

Managing Director

Kfar Hashaashuim Ltd

Appendix 5**Person-Organization Fit (POF) – Central tendency and standard deviation (n=101)**

	Mean	Median	Mode	Std. Dev.	Min.	Max.
The things that I value in life are very similar to the things that my organization values .	5.83	6	6	0.63	4	7
My personal values match my organization's values and culture .	5.96	6	6	0.72	4	7
My organization's values and culture provide a good fit with the things that I value in life .	5.82	6	6	0.62	4	7

Appendix 6**Employee Brand Perception (EBP) – Central tendency and standard deviation (n=101)**

	Mean	Median	Mode	Std. Dev.	Min.	Max.
Emphasizing a single culture throughout the organization	5.70	6	6	1.25	1	7
Taking initiative	5.89	6	6	1.01	3	7
Being easy going	5.84	6	6	1.04	3	7
Enthusiasm for the job	6.00	6	6	1.04	3	7
Working long hours	6.13	7	7	1.12	2	7
Being highly organized	6.04	6	6	0.98	3	7
Being innovative	6.00	6	6	0.95	4	7
Being competitive	6.08	6	6	0.90	3	7

Appendix 7**Customer Brand Perception (CBP) – Central tendency and standard deviation (n=121)**

	Mean	Median	Mode	Std. Dev.	Min.	Max.
Emphasizing a single culture throughout the organization	5.77	6	6	1.22	1	7
Taking initiative	5.93	6	6	0.99	2	7
Being easy going	6.00	6	7	1.00	2	7
Enthusiasm for the job	6.19	6	7	0.87	3	7
Working long hours	6.26	6	6	0.84	2	7
Being highly organized	6.19	6	6	0.78	3	7
Being innovative	6.26	6	6	0.84	2	7
Being competitive	6.25	6	7	0.79	4	7

