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## Functional or Meaningless?

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EXTENDED  
REVISED  
ABSTRACTS

# 10<sup>th</sup> GLOBAL BRAND CONFERENCE

APRIL 27-29, 2015  
TURKU, FINLAND

of the AM's Brand, Corporate Identity and Reputation SIG



Turun yliopisto  
University of Turku



## Functional or meaningless?: A debate on the use of initials in brand names and designs

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### Purpose

Initials are used extensively in branding to shorten long company names and/or incorporate them in logos. Current literature often highlights the need for brand names and logos to be memorable, distinctive, able to succinctly convey meaning, and easy to pronounce; how well do initials serve these purposes?

This paper suggests a systematic approach to such questions, and describes a study of the advantages and disadvantages of the use of initials in brand names and logos. We review brand management and design literature and host a debate launched on social media, in order to identify cases in which initials in branding are considered successful or, on the contrary, constitute bad practice and should be avoided. The opinions of marketing, branding and design experts are incorporated into our findings, resulting in a series of practical suggestions for an industry-wide efficient application of acronyms in contemporary branding. Our research draws from the specialist opinion and specific case studies, and delivers a set of guidelines with practical implications for brand name selection and logo design.

### Theoretical background

Name and logo are generally considered to be the main components of corporate or brand identity (Henderson and Cote, 2003; Pittard *et al*, 2007; Van den Bosch *et al*, 2005), since they are the most pervasive elements in corporate and brand communications, and provide instant recognition to the brand (Schechter, 1993; Henderson and Cote, 1998).

Brand name and design are indeed so important that some authors even argue that these are the most important marketing decisions a company can make (Hillenbrand *et al*, 2013; Kohli *et al*, 2004; Robertson, 1989). Furthermore, it is suggested that brand name is an essential brand asset that can play a critical role in the creation of customer based-brand equity (Keller, 1993). Thus, it is critical for marketers to properly understand the principles that guide brand name design.

A fundamental aspect of a brand name is its memorability. In general to enhance brand recall, the brand name should be simple: easy to say, spell, read and understand (Robertson, 1989). Additionally, the brand name should be familiar and meaningful; that is, it should have the capacity to generate a visual referent in the consumer's mind (Athaide and Klink, 2012; Keller *et al*, 1998; Kohli *et al*, 2005; Robertson, 1989). Meaningful brand names are names that convey relevant information about the product, or an important brand attribute or benefit, or establish a connection between the brand and the product category (Keller *et al*, 1998). Empirical studies demonstrate that words that are rich in meaning have a recall advantage over low-imagery words (Robertson, 1985). Furthermore, brand names that elicit strong, positive emotions can be more easily recalled (e.g. Caress) (Robertson, 1989). Previous research also points out that brand names should be distinctive (Robertson, 1989). Indeed, Charmesson (1985) considers this the single most important brand name characteristic, due to legal, memory and positioning advantages.

The brand name can play a key role in communicating a set of favourable, strong and unique brand associations (Keller, 2003), and meaningful brand names provide immediate favourable associations (Keller *et al*, 1998). Furthermore, empirical studies suggest that meaningful brand names are generally preferred over non-meaningful brand names and rate

higher in overall liking (Kohli and Suri, 2000). Non-meaningful brand names may be evaluated less favourably even after repeated exposure, although research shows that repeated exposure benefits non-meaningful brand names more (Kohli *et al.*, 2005). The dilemma faced by marketers is that meaningful names are limited to the products and product categories for which they have meaning.

At this point, it is important to note that we may distinguish between names (personal names; words belonging to the vocabulary; names without meanings) and initials. Initials usually result from the contraction of a social name/designation which is too long or too difficult to pronounce. According to previous research, initials tend to be more difficult to pronounce, and thus harder to memorize (Robertson, 1989). Moreover, initials do not transmit a message, since they are not inherently meaningful, and thus are not particularly motivating or memorable (Keller *et al.*, 1995). Therefore, it is important that the organization's name is well-known before the company uses an initial, so that consumers already have a referent for the brand name.

Kapferer (1985) says that companies should avoid the "initial letter disease", which is one of the most serious "diseases" of brand names. With the adoption of an initial or of a generic term, it is much more difficult for the name to differentiate the brand (del Río *et al.*, 2001; Petty, 2008; Middleton, 2004). Initials should also be avoided, because our memory cannot store, without a significant effort, sets of letters without apparent meaning, as previously explained. In fact, initials are generally not meaningful, especially abbreviatory and simple initials. Surely initials have some advantages, as they make it easier for consumers to read and pronounce a long name. However, brands that use initials will need more time and support to create brand awareness and transmit a set of desired associations (Keller *et al.*, 1998).

Another critical aspect is how the brand name is supported by the other brand identity signs and in particular by the brand logo. Logos are the primary visual representation of a brand's image (Henderson and Cote, 1998; MacInnis *et al.*, 1999), they enhance brand identification and recall (Keller, 2003) and they can shape brand's reputation (Van den Bosh *et al.*, 2005).

Previous research into logo strategy has underlined the advantages of using pictorial logos. Schechter (1993) demonstrated that logos suggestive of a recognizable object can add the most value to the brands they represent. Henderson and Cote (1998) also found that logos representative of objects that have familiar and widely recognized meanings are more effective at producing correct recognition and positive affect than more abstract logos. Empirical research further shows that figurative identity signs can enhance brand memorization, contribute to the formation of brand associations and encourage affective reactions (Henderson and Cote, 1998; Hynes, 2009).

The choice of a figurative logo is even more important when the brand uses a non-meaningful, abstract name, such as an initial. Companies frequently decide whether to employ their brand names only (e.g. H&M) or in combination with separate visual symbols. A separate visual logo may compensate the adoption of a more abstract name, and play a critical role in the transmission of the brand's symbolic and functional benefits and in the strengthening of consumer's commitment to the brand (Park *et al.*, 2013).

## **Methodology**

Our literature review mainly focused on the fields of marketing and design. More specifically, we reviewed the literature on brand names and design from a brand management perspective and logo design from a design perspective.

The secondary bibliographic data collected was used as the basis for defining key questions and creating an online debate among experts, i.e. practitioners and academics that specialise

in branding or maintain professionally a very close link with it, and that actively participate in social media groups and discussions. By using social media and approaching brand specialists that engage with them, we were able to develop a holistic and current perspective of the topic. In addition, by approaching academics and practitioners we addressed key aspects suitable for both areas. Specifically, we asked questions such as, *is the use of initials in brand names and designs functional or meaningless; are you in favour of the use of initials in branding; what are the factors of success and failure in the selection of initials for brand names and logos*. These and other questions were circulated within branding-specialist groups on LinkedIn and Facebook. Expert views were captured and compared in order to develop a list of the most relevant advantages and disadvantages associated with the use of initials.

Finally, the results were validated via interviews with two marketing and two design experts. The findings of the initial search were shared with these experts, in order to allow us to review our conclusions before we finalised them.

### **Findings**

In this extended abstract, we present an initial analysis of the results. Although intuitively the extensive use of initials seemed inappropriate at the beginning, it came as a surprise to us that there is a great deal of strong opinions against initials. This is due to the contradiction between literature recommendations and the wide usage of initials. If 80% of the specialists agree that initials are difficult to remember, incapable of conveying an intended meaning and easily confused, then why are acronyms used so broadly? It was particularly interesting to discover and produce some evidence of this bad branding practice so dominant at present.

More specifically, we found that:

*(When initials should be avoided)*

- Initials are not easy to recognise if the brand they represent has not been experienced before, since there are no associations to be transmitted through the mere use of letters (in that sense initials are meaningless);
- Successful brand names and logos capture attention, evoke curiosity and contribute to brand awareness. Initials struggle to serve such purposes;
- Names and logos which are memorable contribute to brand recall; there are significant doubts if initials can be easy to remember;
- Brand names must be easy to pronounce and understand; initials do not facilitate these aspects;
- The repetitive use and pronunciation of initial names can lead to brand inconsistency, because people forget that they are no more than literal abbreviations of the company's name;
- Initials cannot reflect brand values, and therefore cannot be used strategically in branding;
- Initials favour anonymity over identity (individual characteristics);
- Initials may be avoided in the case of start-ups;
- Initial logos are often very similar, and are therefore considered ineffective in the creation of a differentiated positioning;
- A separate graphical logo (or visual symbol) is considered much more effective than a logo based on initials; the former is memorable, likable, able to convey meaning,

symbolism, and messages, and has high imagery value, whereas acronyms do not.

*(When initials could be used successfully)*

- Initials can significantly simplify a very long or difficult company name; in this case a pronounceable acronym may be recommended;
- Initials may be an effective re-branding technique for established brands and companies that have been around for a long time;
- Initials are more flexible to better adapt to brand repositioning or brand extensions;
- Initials may be effective if they form part of an holistic branding approach, wherein they are used as an integral part of other brand elements;
- Initials may be acceptable when combined with the actual names in the context of logo (when a visual symbol complements the brand name);
- Initials can sometimes evoke to real words (e.g. France Connection UK – FCUK), which convey meaning, and therefore can be used to improve marketing campaigns.
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### **Theoretical and Practical Implications**

We believe that our research adds to the existing literature on brand name selection and good logo design. It describes the present reality of how initials are used and sets up the foundations for reflection, theory and good practice.

The main contribution of this study is to provide guidelines for the use of initials in brand name and logo design. The preliminary results confirm the disadvantages of choosing an initial for the name, reinforcing previous research (Kohli *et al*, 2005; Robertson, 1989). Although we have drawn from a theoretical framework, as well as its implications, our focus remains on making a contribution to practice. The surprising extensive use of initials in practice, despite that they are actually considered by specialists as inefficient for branding, highlighted the need for an industry-wide overhaul. We wish to disseminate the evidence that we produced among practitioners, and to contribute to further debates, so as to incite a positive shift towards a more effective deployment of initials in brand names and logo design.

### **Limitations**

Due to time limitations, our research did not incorporate consumer opinion. We consider this research no more than a preliminary step towards a bigger project; its continuation will include quantitative analysis, in addition to our current qualitative approach. We hope to explore the topic from different sectors, and to establish whether initials operate in different ways in specific market sectors. We also wish to approach various demographics of consumers, to capture their views and to establish cases of successful initial usage, and the reasons certain individuals may like them.

### **Originality/value**

As far as we are aware, this is the first systematic approach to the use of initials in brand names and logo design together. During our literature review we did not encounter another article with similar characteristics or one that furnished a practical guide and clear analysis of relative advantages and disadvantages. In addition, we believe that our approach constitutes an integrative one to marketing-AND-design, as well as to brand names-AND-logos. In other words, although there is some marketing literature about brand names and logos, these aspects are considered separately, not as indivisible brand elements (which is our point of view). In addition, there is extended literature about what a “good name” is; however, there are few references to the practical use of initials.

## Keywords

initials, brand names, brand logos, design

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### **Blogs/webs**

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