

DECLARATION

TO WHOM IT MAY CONCERN

The work of this dissertation entitled “An Exploratory Study of the Use of Brand Strategy in the Irish Medical Technology Sector” is the work of Deirdre Kilgannon carried out under the supervision of Suzanne Ryan and does not include work from any other party, unless otherwise acknowledged.

Signed:

Deirdre Kilgannon

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ABSTRACT

Branding is used with much force as a marketing tool in consumer markets but it is only used mildly in the Medical Technology industry (HBS Consulting 2011).

According to HBS consulting (2011) many medical technology companies are “unaware of how to create an effective branding strategy or already have branding structures in place that are so disorganised” that they are ineffective. One major problem with this industry according to HBS Consulting (2011) is that many companies do not understand what branding is and “many are of the opinion that a brand is merely a name associated with a product or the company itself”.

According to the Irish Exporters Association (2012) exports from the Medical Technology sector in Ireland came to approximately €6 billion in 2011; as exporting is one of the primary activities of Medical Technology companies based in Ireland it is therefore extremely important for these companies to build a strong brand overseas to compete with competition abroad.

Branding is central to creating customer value, and it is a key tool for creating and maintaining competitive advantage yet it is often overlooked in many companies (Holt 2003). The development of a brand is not cheap but the returns can be great (Temporal 2000).

The following research is an exploratory study into the use of brand strategies in the Medical Technology Industry in Ireland. The aim of the study is to explore if companies in the Medical Technology Industry in Ireland are familiar with and understand what branding means. It also aims to ascertain if brand strategies are used in Medical Technology companies in Ireland. Furthermore the study intends to examine the differences in the practices of the Medical Technology companies that use brand strategies and the Medical Technology companies that do not use brand strategies.

A mixed methodology approach was used for the research in order to explore thoroughly the aims of the study. Quantitative research was used in the form of a

questionnaire, a total of 178 questionnaires were sent to Medical Technology companies in the Republic of Ireland. Northern Ireland was excluded from the study as Medical Technology companies in Northern Ireland are part of the UK Medical Technology Industry. Of the 178 questionnaires that were distributed, 101 responses were received. The responses were analysed and were broken into two groups, group one was Medical Technology companies that say they do have a brand strategy in place and group two was Medical Technology companies that say they do not have a brand strategy in place. Qualitative research in the form of in-depth telephone interviews were conducted with four companies that said they do have a brand strategy in place and four companies that said they do not have a brand strategy in place in order to compare the practices of these companies.

The study concludes that while the majority of companies in the Irish Medical Technology Sector are familiar with the term branding, not all of them fully understand what the term branding means. The study also demonstrated that the majority of companies in the Irish Medical Technology Sector do not have a brand strategy in place. Furthermore, the study highlights that the majority of companies that have a brand strategy in place, are not conducting their branding activities correctly or are only practicing parts of best practice branding. The study also found that there is a limited amount of support and awareness of the benefits of building a brand strategy, available to Medical Technology companies in Ireland.

According to the IMDA (2012), the Medical Technology Industry in Ireland is changing due to the ever increasing need to develop new technologies and keep up with new innovations. For that reason the Industry is becoming more and more competitive. Therefore, Irish Medical Technology companies need to consider branding as a key strategic tool to help them compete in the Sector.

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LIST OF ABBREVIATIONS

| | |
|------|---|
| B2B | Business to Business |
| B2C | Business to Consumer |
| CEO | Chief Executive Officer |
| EU | European Union |
| FMCG | Fast Moving Consumer Goods |
| IBEC | International Basic Economy Corporation |
| IMDA | Irish Medical Device Association |
| MD | Managing Director |
| MS | Microsoft |
| MT | Medical Technology |
| NI | Northern Ireland |
| SME | Small to Medium Enterprise |
| UK | United Kingdom |
| US | United States |
| USA | United States of America |

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Chapter One

Introduction

1.1 Introduction

This chapter details the background to the research topic that is under study; namely “An Exploratory Study of the use of Brand Strategy in the Irish Medical Technology Sector”. The chapter will begin by discussing the rationale and justification as to why this area requires further research. Subsequently, the research problem and objectives of the study will be outlined in this chapter along with the proposed time scale, plan and structure of the project. The study that is being carried out is an exploratory one as there has not been any previous information found on the area of branding specific to the Irish Medical Technology Sector.

It is important to understand the categories of companies which fall under the term “Medical Technology”, according to Eucomed (2012) Medical Technology can be considered as any technology used for life saving purposes in people that are suffering from a range of medical conditions. Medical Technology includes everyday objects such as bandages, syringes, glasses, wheelchairs or hearing aids. At the higher tech end of the scale, Medical Technology includes implantable devices such as pacemakers or heart valves.

According to Eucomed (2012) Medical Technology may be defined as:

"Any instrument, apparatus, appliance, software, material or other article, whether used alone or in combination, including the software intended by its manufacturer to be used specifically for diagnostic and/or therapeutic purposes and necessary for its proper application, intended by the manufacturer to be used for human beings."

Medical Technology companies are defined by IMDA (2012) as companies who primarily design and/or manufacture Medical Technology products and/or solutions.

1.2 Rationale

This research study is an exploratory study which considers the awareness and use of brand strategies in the Irish Medical Technology Sector. According to Aaker et al

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(2010) an exploratory research is “either vague or ill defined, or does not exist at all”. In this case no research exists relating specifically to branding in the Medical Technology Sector in Ireland. Therefore this is a new area of research.

This study aims to explore if companies in the Medical Technology Sector in Ireland are familiar with and understand what branding means. The study also seeks to ascertain if brand strategies are used in Medical Technology companies in Ireland. Furthermore the study intends to identify the differences in the practices of the Medical Technology companies that use brand strategies and the Medical Technology companies that do not use brand strategies.

Much research has been conducted on branding with specific focus on consumer markets, according to Kuhn et al (2008),

“While the power of branding is widely acknowledged in consumer markets, the nature and importance of branding in industrial markets remains under-researched.”

HBS Consulting (2011) also state that branding is used with much force as a marketing tool in consumer markets but it is only used mildly in the Medical Technology Industry. According to HBS Consulting (2011), many Medical Technology companies are unaware of how to create an effective branding strategy or have branding structures in place that are so disorganised that they are ineffective. One major problem with this industry according to HBS Consulting (2011) is that many firms do not understand what branding is and *“many are of the opinion that a brand is merely a name associated with a product or the company itself”*. This indicates that there is a need for further research to be carried out on the area of branding in the Irish Medical Technology Sector.

The researcher chose the topic of branding in the Medical Technology Sector because it is of personal and professional relevance and is of keen interest. The main rationale for this study however, is because a research gap exists and requires further exploration.

As already stated, the focus of the research is on the Irish Medical Technology Sector, this sector is defined by the Irish Medical Device Association as companies involved

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primarily in the design or manufacture of medical technology products and/or services.

According to the IMDA (2012) there are currently 253 Medical Technology companies based in Ireland. Out of these companies approximately 50% are indigenous Irish companies. The Medical Technology Sector is one of the few sectors in Ireland that continues to grow despite the economic recession. However trends are changing in the Medical Technology Sector due to increased competition, emerging markets and the need to demonstrate the cost and benefit of products to name a few. For these reasons the continued success of the sector will depend on Medical Technology companies being able to adapt and change to meet the industry trends (IMDA (2012)). These emerging trends indicate that it is timely for Medical Technology companies to look at branding as a method to improve their competitive position.

According to Holt (2003) branding is central to creating customer value and it is a key tool for creating and maintaining competitive advantage. This study aims to highlight the importance of branding to Irish Medical Technology companies and will potentially help these companies improve their branding activities.

1.3 Justification for research

The lack of research into the area of branding in the Medical Technology sector in Ireland is a major justification for this study to be carried out. There is much literature available on the area of branding with particular focus on product branding however there is no literature available with specific focus on the Medical Technology Sector (HBS Consulting (2011)). Temporal (2000) states that one of the reasons why technology companies have not given branding a high priority, is that technology product and service markets have not been very cluttered until the last decade of the twentieth century and these companies are only now realising that branding could play a big role in their company.

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Temporal (2000) says that customers will reluctantly buy from companies that do not have a good brand image, therefore it is important for Medical Technology companies to develop a strong brand. According to Temporal (2000) strong brands have the ability to command premium prices and increase the value of their business.

Temporal (2000) states that only a strong brand can help hi-tech companies survive, as Medical Technology companies are hi-tech companies they must develop a strong brand in order to survive in a market that has become very competitive. This research can help Medical Technology companies realise the benefits of developing a strong brand.

Secondly, branding is a very important aspect of business strategy according to Holt (2003), and yet many companies do not take a disciplined approach to building a brand strategy. Kotler and Pfoertsch (2007) say that a frequently mentioned branding myth is the assumption that a “brand” is simply a name and a logo, it is important to explore if this myth is believed amongst Medical Technology Companies in Ireland. According to (Dunn and Davis, 2004; Knapp, 2000 as cited in Kotler and Pfoertsch 2007) a brand is a promise, it is everything you see, hear, read, feel and think about a product, service or company. It is important that Medical Technology companies in Ireland are aware of the importance of branding. Kotler and Pfoertsch (2007) state that companies can benefit greatly from having a great brand as it can provide them with the power to command a premium price among customers and a “premium stock price among investors”.

Furthermore, the fact that the Irish Medical Technology sector is one of great importance to Ireland due to exports remaining extremely high despite the economic recession IMDA (2012) is another reason to explore if these companies are using branding as part of their business strategy and if they are doing it correctly.

According to IMDA (2012) there are currently 15 of the world's top 20 Medical Technologies companies with a presence in Ireland. The Irish Exporters Association (2012) reports that exports from the Medical Technology sector in Ireland came to approximately €6 billion in 2011, therefore this is an extremely important sector to the overall economic well being of Ireland and it's recovery during the financial downturn.

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According to HBS Consulting (2011) companies in the Medical Technology sector have managed to some degree to get away without the need for branding due to factors such as an aging population meaning that there is a high demand for medical products, as well as increasing demand for new medical technologies and increases in healthcare spending. However, according to the IMDA (2011), trends are starting to shift. There has been a decrease in healthcare spending worldwide due to the economic recession, and an increase in competition in this sector since the economic downturn. Therefore, as a result of this increasing competition and advances in technologies there is now a greater need than ever for Medical Technology companies to implement branding strategies.

This research topic is of strong relevance at present and will be extremely beneficial to Medical Technology companies in Ireland who are unfamiliar with the area of branding and are trying to build a brand for their company.

1.4 Research Problem

Is the concept of branding understood and used effectively in the Irish Medical Technology Sector?

1.5 Objectives:

1. To identify the overall awareness and understanding of the concept of branding in the Irish Medical Technology Sector.
2. To explore if brand strategies do or do not exist in the Irish Medical Technology Sector.
3. To evaluate and compare the practices of Medical Technology Companies with a brand strategy and those without a brand strategy.

1.6 Outline Plan and Structure

This chapter provides an understanding and background into the topic under research, the rationale for choosing this topic and the objectives of the research.

A literature review was carried out to build on the authors knowledge, the foundation literature of this research project is based on branding and brand strategy. The study also looks at branding in Medical Technology companies in Ireland and how this compares to best practice theory. The author will look at the overall area of brand strategy, including the topics of branding in SMEs, brand equity and internal branding as part of brand strategy theory.

Following on from this an in depth discussion of the methodology and sampling technique to be used will be given in the Methodology chapter. The researcher plans to use a mixed methodology of both quantitative and qualitative research. Considering the fact that both approaches have advantages and limitations, using this mixed approach will help to lessen sampling error and provide more accurate findings. Quantitative online questionnaires will be sent to all CEO's and/or marketing managers in every Medical Technology company in the Republic of Ireland.

There will be 8 – 10 Medical Technology companies targeted for in qualitative in depth telephone interviews. The aim is to conduct interviews with companies that have a successful brand already established and use branding as part of their overall company strategy and also companies that do not have a successful brand already developed and does not use branding as part of their overall company strategy. The companies targeted will be identified from the results of the online questionnaire. The aim of the questionnaire is to establish the overall understanding of branding in the

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Medical Technology sector in Ireland and what branding techniques are in place in these companies.

Once the overall understanding of branding in these companies is identified, six companies with a brand strategy in place will be targeted for an interview as well as six companies without a brand strategy. From the targeted companies, it is anticipated that four interviews with companies with a brand strategy in place and four interviews with companies without a brand strategy in place will be achieved. The aim is to carry out the in depth interviews with the CEO of the company or the Marketing manager of the company if there is one present.

All research findings will then be analysed and compiled in the findings and analysis chapter. This chapter will provide an in-depth analysis of the research findings in relation to the outlined objectives of the study. Key trends and issues will emerge and these will be used to develop conclusions on each objective.

Finally, conclusions and recommendations will be provided to the objectives outlined in this introduction chapter. The final chapter aims to add meaningful and relevant conclusions to the research already available and suggest any further areas that need to be researched. The aim of these conclusions and recommendations will be to identify the importance of brand strategy and to provide useful information for Medical Technology companies aspiring to build their brand at home and abroad.

1.7 Time Scale

| Activities | March | April | May | June | July | Aug | Sept |
|---|-------|-------|-----|------|------|-----|------|
| Hand up final research proposal | ■ | | | | | | |
| Meetings with Supervisor | | ■ | ■ | ■ | | | |
| Intro Chapter & Methodology | | | ■ | | | | |
| Questions for quantitative research | | | ■ | | | | |
| Literature Review | | | | ■ | | | |
| Carry out quantitative Research | | | | | ■ | | |
| Carry out Qualitative Research | | | | | | ■ | |
| Analysis Data and produce graphs and analysis of findings | | | | | | ■ | |
| Compare qualitative and quantitative research | | | | | | ■ | |
| Analysis work and write up the rest of the Thesis | | | | | | ■ | |
| Submission of first draft to supervisor | | | | | | | ■ |
| Feedback and correction of draft | | | | | | | ■ |
| Submission of final copy of thesis. | | | | | | | ■ |

Figure 1.0 Time Scale of Research

1.8 Conclusion

This chapter gave a background into the research topic and the rationale behind choosing this topic for this research study. This study is an exploratory study into the use of brand strategies in the Medical Technology sector in Ireland. There has been no prior research found that relates specifically to branding in the Irish Medical Technology sector. Therefore, there is a gap in literature on the area of branding in this sector and there is clearly a need to carry out this research. The research problem and objectives of the research were clearly defined as part of this chapter. A detailed plan and structure for completion of the study was discussed followed by an outline of the timescale of the study.

Chapter Two

Literature Review

2.1 Introduction

This chapter provides a review of the foundation and immediate literature that surround the research problem. The study being conducted is an exploratory study into the use of brand strategy in Medical Technology sector in Ireland. The foundation literature to be discussed includes the Medical Technology Industry in Europe, SME Branding, Brand Equity, Service Brand Equity and Internal Branding. The immediate literature that will be discussed includes Branding, Brand Strategy and Branding in the Medical Technology sector in Ireland. Gaps in literature will be identified as well as the need for empirical research.

2.2 Review of the Foundation Literature

2.2.1 The European Medical Technology Sector

The European Medical technology Sector is made up of all Medical technology companies within the EU including Ireland, according to Eucomed (2011) Medical Technology companies are a major contributor to the EU economy, sales revenue in the European Medical Technology sector is over €95 billion every year, and life expectancy in EU countries is improving steadily, therefore making the Medical Technology sector in Europe an industry that is of great importance and is likely to keep growing. Eucomed (2011) states that Medical Technology is a huge driver for Europe's economic well-being; the industry contributes greatly to employment and export figures yearly, figures from Eucomed (2011) shows that the sector employs almost 500,000 people.

As with the Irish Medical Technology sector, there is also a research gap in relation to branding in the European Medical Technology sector. Very little literature was found specific to branding in the Medical Technology sector in Europe. HBS Consulting

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(2011) states that there are two major reasons why branding is not fully recognised in the Medical Technology sector both in Europe and globally. The first reason is that Medical Technology companies believe that their products or services are too high tech to need a brand, and secondly they believe that the customers that buy their products or services are too sophisticated to be influenced by branding. These two reasons, according to HBS Consulting (2011) are “urban myths” and Medical Technology companies need to start understanding and implementing branding strategies in order to compete in what is becoming a very competitive industry.

In total there are approximately 22,500 Medical Technology companies in Europe, out of these companies approximately 80% are SMEs Eucomed (2011). It is therefore unsurprising that branding is not researched in this sector and why branding may not be widely used in the Medical Technology sector, according to Horan et al (2007) SMEs have a lack of knowledge and experience when it comes to implementing branding, and they generally feel that there is no need for branding strategies.

2.2.2 Branding in SMEs

As discussed, Eucomed (2011) stated that out of the 22,500 Medical Technology companies in Europe, approximately 80% of them are SME's. The sector depends on a healthy stream of SMEs to develop new ideas and create new technologies.

According to IMDA (2012) over 50% of the Medical Technology companies in Ireland are SME's. Therefore it is important to look at branding from an SME point of view.

According to Eucomed (2011), the Medical Technology Industry has got huge potential, however, changes need to be made to improve the environment especially for SME Medical Technology companies to enable them to grow. SME Medical Technology companies are a “central part of the solution to the economic difficulties of today and the impending health crisis of tomorrow” according to Eucomed (2011). As Medical Technology SME's are so important to the economy, it is extremely

important for these companies to take every measure possible to improve their position in the market, and branding is a central to these SME's achieving this.

Budgetary constraints are a key factor as to why there may be a lack of or minimum use of brand strategies in SME's (Horan et al, 2007; Aaker, 2004; Keller, 2003). Other reasons why SME's might refrain from implementing brand strategies is due to lack of time or knowledge, lack of experience and "a general perception that the company does not need a brand strategy" (Horan et al 2007). SME's may recognise the importance of branding but because of the budgetary constraints they cannot implement it in their company until "business picks up or grows" and if they have time to do it (Wong and Merrilees 2005, Horan et al 2007). Another possibility why SME's might not implement branding is due to the unstructured nature of SME's, they may be more likely to make decisions in a "haphazard and chaotic" fashion (Horan et al 2007).

According to Wong and Merrilees (2005), in some SME companies, branding gets very little or no attention as they may not even be aware of branding as a concept. As over 50% of Medical Technology companies in Ireland are SME's, the importance of branding needs to be communicated to these Medical Technology companies. It is evident that SME's are not giving branding the priority it should be given in order for a strong brand image to be created. According to Krake (2005) SME's tend to focus on sales first before marketing as that is what will generate short term returns. Their views on branding are limited to advertising plus the brand name and / or logo and they believe that branding is only for the big companies who have the resources to do it Wong and Merrilees (2005). This view could be limiting Medical Technology SME's from growing and from competing in what is becoming a very competitive market place.

According to Horan et al (2007), it is worthwhile for SME's to invest in branding, it is essential that SME's especially service SME's are encouraged to develop a brand in order to bring positive brand experiences to their customers. However, SME branding is scarcely mentioned in business literature as a separate entity and there is little research available on branding in SMEs (Krake 2005; Merrilees 2007) and despite the high number of Medical Technology SME's in the Industry there is no literature

available on SME branding specific to the Medical Technology sector. According to Krake (2005), there is a huge difference in the branding capabilities of SME companies compared to large companies who have a lot more money and resources to invest in their brand than SME's do. In Ireland 50% of Medical Technology companies are large companies, of these companies approximately 15 of them are some of the world's largest and most successful Medical Technology companies IMDA (2012). It is therefore, unrealistic for SME Medical Technology companies to be able to implement branding strategies on the same scale as these large multi-national companies, it is however possible for these SME's to develop a branding strategy that fits their particular company and helps them to grow and compete in the industry.

If SME Medical Technology companies do not implement branding, it will be difficult for them to be able to assess the value of and the financial rewards that could be generated from their brands.

2.2.3 Brand Equity

In branding, brand equity is a prominent part of assessing the value and financial rewards that could be leveraged from the brand. At present it is thought that brand equity is not something most Medical Technology firms are aware of, mainly down to the fact that most may not have a brand strategy in place. According to Aaker (1991),

“Brand equity is a set of brand assets and liabilities linked to a brand, its name and symbol, which add to or subtract from the value provided by a product or service to a firm and/or to that firms customers”.

It is very difficult for companies to calculate brand equity, according to Keller (2001), one way to understand brand equity is to use what he calls the Customer Based Brand Equity Model; this model has four key steps to building a strong brand, which include creating a brand identity, establishing the brands meaning, eliciting proper customer response to the brands identity and meanings and creating long lasting relationships out of these responses.

There are six brand building blocks used to accompany these four steps, these six building blocks are assembled as a brand pyramid, according to Keller, creating significant brand equity can only be done once a company reaches the top of the pyramid. Figure 2.0 below shows this pyramid and the four steps used in building a strong brand.

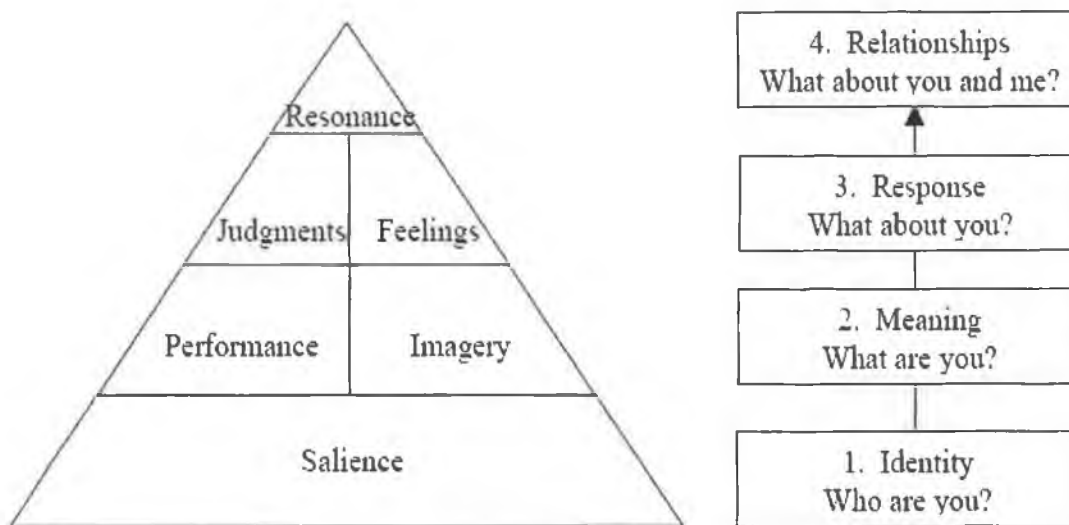


Figure 2.0: Keller's Customer Based Brand Equity Model:

As pointed out by Keller (2000) the first step in developing a strong brand is to develop a brand Identity, this is something that many Medical Technology companies may be unaware of. According to Joachimsthaler & Aaker (1997), “a clear and effective brand identity, is one in which there is understanding and buy-in throughout the organisation, and should be linked to the business’s vision and its organisational culture and values.” Therefore, it is necessary that branding has buy-in from everybody in the organisation and in order for branding to work effectively it must be understood and communicated from the top of the organisation according to Joachimsthaler & Aaker (1997),

In order to build brand Equity it is necessary to have an effective brand strategy in place, at the end of the day brand equity is all about how much money can be made from the brand and brand strategy plays a big part in building brand equity. While Keller (2000) looks at brand Equity from a customer point of view it is also important

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to look at other factors affecting the brand such as market factors. Aaker (1991) talks about building brand equity using five different measures; he calls this the “Brand Equity Ten”, which can be seen in table 2. - Below:

| Loyalty Measures | |
|--|-------------------------------|
| 1 | Price Premium |
| 2 | Satisfaction/Loyalty |
| Perceived Quality/Leadership Measures | |
| 3 | Perceived Quality |
| 4 | Leadership |
| Associations/Differentiation Measures | |
| 5 | Perceived Value |
| 6 | Brand Personality |
| 7 | Organisational Measures |
| Awareness Measures | |
| 8 | Brand Awareness |
| Market behaviour Measures | |
| 9 | Market Share |
| 10 | Market Price and Distribution |

Table 2.0 Brand Equity Measures (Aaker 1991)

Aaker (1991) takes into account market factors such as market share and market price as these factors will affect the brand in the market and will help to monitor the brand in comparison to competitor brands.

Both Keller (2000) and Aaker (1991) look at Brand Equity from a product point of view, while the Medical Technology sector in Ireland is made up of both service

companies and product companies it is important to look at brand Equity from a service point of view as well as a product point of view.

2.2.4 Service Brand Equity

Building brand equity in product companies is somewhat different to building brand equity in service companies, according to Berry (2000) human interaction is the most dominant factor in building brand equity in service companies. Berrys (2000) theory states that there are four cornerstones to building brand equity in service companies, the first one is “dare to be different”, the second is to “determine your own faith”, thirdly companies need to “make an emotional connection” with customers and lastly companies need to “internalize the brand”.

Berry (2000) believes that service companies build brand equity by providing a service that customers truly value and perform it better than any of their competitors.

According to Clatworthy (2012) having a strong brand plays a very important role for service companies as it will help customers to understand the intangible nature of the service and it is very important for service brands to consistently deliver a customer experience that is consistent with the brand promises. From the point of view of Medical technology service companies what Clatworthy (2012) is saying is very important as these companies need to consistently deliver what they say they are going to deliver in terms of quality and reliability as the industry they are in is extremely technical, service is very important.

Another important factor for service brands according to Clatworthy (2012) is the attitude and behaviour of the staff that are delivering the service, as they are the people who represent the brand to the customer. It is also very important to align all of the service touch points to the brand so that there is consistency in the service offering. It is therefore very important for service brands and all brands to practice internal branding.

2.2.5 Internal Branding

As stated by Berry (2000) a part of building brand equity is to “internalize the brand”, this means to market the brand internally in the company. Internal branding is a big part of brand strategy and something that should not be overlooked when companies are building their brand. According to Mitchell (2002), most companies do internal marketing poorly if they do it at all. Internal branding is not seen as something that needs to be done, especially in Medical Technology companies in Ireland, marketing is thought of as something that is done externally to customers and not something that needs to be done internally to employees. Mitchell (2002) states that internal marketing is extremely important because the internal people in the company are the very people that can make the brand come alive for customers. If the employees of a company do not believe in the company brand then it will be more difficult to make customers believe in the brand.

Mitchell (2002) states that there are three principles to internal branding. These three principles involve, choosing your moment correctly, linking your internal and external marketing, and bringing the brand alive for employees. It is important for companies to be careful when trying to brand internally, they need to pick the right moment to do so, Mitchell (2002) says that times of change in the company is a good time to introduce an internal branding campaign. As Ireland is currently in an economic recession and most companies are going through some form of change, now might be a suitable time for Medical Technology companies to introduce an internal branding campaign as part of their brand strategy.

Medical Technology companies generally design and manufacture very complex life saving products, it is important for these companies to promote internally the importance and complexity of the work that they do so all of their employees from the cleaner to the CEO understands the nature of the work the company does and the high degree of effort and compliance that goes into it, this is all part of building the brand internally. Kotler and Pfoertsch (2007) states that branding should always start at the top of a business. The leaders of Medical Technology companies need to take control and support and drive the branding efforts from the top

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In addition Mitchell (2002) states that the brand needs to come alive internally for employees, they need to be able to make an emotional connection with the company brand, if employees connect with the company brand emotionally they will be better able to serve the companies customers and therefore improve the overall performance of the company. Mitchell (2002) states that when employees care about the brand they are more motivated to work harder and their loyalty to the company will increase. Employees have a crucial role to play since they are potential brand agents both within the organization and beyond Emerald (2007).

Internal branding is a very important step in building brand strategy, Davis (2005) states that internal branding is extremely important and employee's needs to hear, believe and live the brand everyday in the company. Internal branding needs to be a step that Medical Technology companies take to build an effective brand strategy for their companies.

2.3 Review of the Immediate/Core Literature

2.3.1 Branding

It is vital to understand the true meaning of what branding is, according to Holt (2003) the verb "to brand" refers to all of the activities that shape customers perceptions, particularly the firms' activities. Holt (2003) states that branding is central to creating customer value, and it is a key tool for creating and maintaining competitive advantage. According to Nilson (1998) branding dates back a long time, the first example of branding refers to the manufacture of oil lamps in the Greek islands long before the birth of Christ. It was impossible to distinguish between a good or bad lamp in those days so one manufacturer put a mark on the lamps to distinguish them from others and show that their lamps were better quality and longer lasting. Nilson (1998) states that the word brand means "to burn", the word originated from the Scandinavian word for burning which is "bränna" and a fire in Swedish translates to

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the word “brand”, according to Nilson (1998) to brand is to put one’s mark on ones property.

Kotler and Pfoertsch (2007) say that a frequently mentioned branding myth is the assumption that a “brand” is simply a name and a logo, branding is a lot more than just putting a brand name or a logo on a product or service. According to (Dunn and Davis, 2004; Knapp, 2000) a brand is a promise, it is everything you see, hear, read, feel and think about a product, service or company.

The importance of Branding is often overlooked in many companies, according to Holt (2003), “Branding has become one of the most important aspects of business strategy, yet it is also one of the most misunderstood”. What Holt has stated is very applicable to the Medical Technology sector as the hypothesis is that branding is very misunderstood in this Industry.

Temporal (2000) states that one of the reasons why technology companies have not given branding a high priority, is that technology product and service markets have not been very cluttered until the last decade of the twentieth century and these companies are only now realising that branding could play a big role in their company. Temporal (2000) says that customers will reluctantly buy from companies that do not have a good brand image, and this is very much the case in technology markets where trust is important.

The development of a brand is not cheap but according to Temporal (2000) the returns can be great, strong brands have the ability to command premium prices and increase the value of their business. Many Medical Technology companies pride themselves on having a very good quality product or service but according to Temporal (2000) it is the companies’ brand that will make them stand out from the crowd especially in very competitive markets. Temporal (2000) states that only a strong brand can help hi-tech companies survive, as Medical technology companies are hi-tech companies they must develop a brand in order to survive in a market that has become very competitive.

Holt (2003) describes brands as having a culture, and the culture is formed through the experiences that the customer has with the brand, Holt (2003) refers to these

experiences as “markers” which over time are filled with meaning as the customer has more experiences with the brand. According to Holt (2003) brand cultures have four authors, these four authors are the “company” who creates the touch points for the brand, the second author is “popular culture” which refers to when brands are used as props or entertainment on TV or other media, the third author of a brand culture is the “customer”, as a customer interacts with the brand they create stories about the brand that they share with other people, the fourth author of a brands culture according to Holt (2003) is “influencers”, these are “non customers” who share their opinions about the brand influencing the perception of the brand. These four brand culture authors can interact making it difficult for companies to control the perception of their brands.

Branding is such a powerful tool and according to Holt (2003), the collective nature of the perceptions of a brand is what makes it so powerful, people can relate to brands through “stories, images and associations” creating meaning and emotions for customers. The power of brands is very important especially in competitive markets, as the Medical Technology Industry is becoming more and more competitive (IMDA 2012) it is important for Medical Technology companies to use the power of branding to help them create competitive advantage.

Holt (2003) refers to people as “cognitive misers” meaning that once people find a brand that they are happy with and all of the brand associations meet their expectations, it is rare for them to change brands unless they have a negative association with the brand. The reason for this is because people are overloaded with information and they seek ways to “minimize the thinking and searching needed to make good decisions”, therefore, if a person feels content with a brand then they are unlikely to seek out new brands unless they need to. This point further emphasises the power of brands and the importance of developing brand strategies.

As there is so much information available to customers, it is easier for customers to research the market before they select a product or service that they want to buy, therefore making competition more accessible, therefore it is extremely important for Medical Technology companies to build up a strong brand to help them stand out from the competition. Kotler and Pfoertsch (2007) states that the internet brings the

full array of choices to every purchaser anywhere in the world with just one mouse click and without a trusted brand, purchasers would be overwhelmed by an overload of information. This further emphasises how important it is for Medical Technology companies to develop a strong branding strategies in order to stand out.

2.3.2 Brand Strategy

The purpose of a brand strategy is to provide a plan for the systematic development of a strong coherent brand in order to enhance revenue and profits (Ryan 2012). The strategy should be driven by the principles of differentiation and sustained customer appeal and the brand strategy should influence the total operation of the company and should ensure consistent brand behaviour in the marketplace and consistent brand experiences of the customer. (Ryan 2012).

Building a successful brand is not easy and according to Ryan (2012) it never happens by accident, and yet many companies do not take a disciplined approach to building a brand strategy. According to Ward et al (1999), in high tech markets, many managers make the mistake of believing branding is not important due to the supposedly “rational purchase decision” that goes into buying the product or service. This assumption would indicate that managers in high tech companies such as Medical Technology companies may believe that there is no need for branding as they believe that the purchase decisions of their potential customers is based on rational decisions rather than on impulse as may be the case in the business to consumer markets.

According to Keller (2000) the top brands in the world excel at ten different traits and these traits are what make them top brands. These ten traits can be seen in table 2.1 below:

| | |
|---|--|
| 1 | The brand excels at delivering the benefits customers truly desire |
| 2 | The brand stays relevant |

| | |
|----|---|
| 3 | The pricing strategy is based on customers' perception of value |
| 4 | The brand is properly positioned |
| 5 | The brand is consistent |
| 6 | The brand portfolio and hierarchy make sense |
| 7 | The brand makes use of and coordinates a full repertoire of marketing activities to build equity. |
| 8 | The brands manager understands what the brand means to consumers |
| 9 | The brand is given proper support, and that support is sustained over the long run |
| 10 | The company monitors sources of brand equity |

Table 2.1 Ten traits of the best brands in the world (Keller 2000)

Companies in the Medical Technology sector in Ireland can learn from these ten traits and apply them to their own company to help build a brand strategy.

According to Keller (2000) there is a process to building a brand strategy, this process begins with completing a brand audit to look at the company's competitive situation, to look at the company's brand inventory and also to assess the company's points of parity and points of difference in relation to their biggest competitors. The second step in building a brand strategy according to Keller (2000) is to look at the brand equity, the companies positioning in the market and also the brands current personality. The third part to building a brand strategy and probably the most important part is the brand execution, this involves putting into effect all of the brand elements and putting in place an effective communications strategy both internally and externally as well as building loyalty with customers whether through community building or effective customer relationship management.

Brand positioning is a big part of the brand strategy, companies need to get their positioning right in the market before they can build their brand and move their company forward (Keller 2000). According to Keller (2000) there are four components to building a competitive position in the market. These four components include a competitive frame of reference in terms of the target market and the nature of the competition, that the company's points of difference are strong, favourable and have unique brand associations. Also, that the company's points of parity in terms of brand associations can negate any existing or potential points of difference by competitors and that the company has a brand mantra that summarizes the essence of the brand and their key points of differentiation in 3 – 5 words. (Keller 2000)

According to Holt (2003), brand strategies can be tailored for each company depending on their corporate goals. Holt (2003) states that there are four steps that need to be taken to develop a brand strategy, the first step is to identify the goals that branding can address, the second step is to map the existing brand culture, the third step is to analyse the competition and the environment to identify branding opportunities and the fourth step of brand strategy building according to Holt (2003) is to design the strategy. Holt's method of building brand strategy is similar to Keller (2000) method of building brand strategy, in that the background work such as goal identification or auditing needs to be done, along with analysis of the competition before the strategy or brand execution is put into place. What both Holt and Keller have shown is that brand strategies are a long term process and cannot be developed overnight, much planning and work needs to go into developing a brand strategy. Holt (2003) states that a brand strategy is "Only as good as the care and creativity taken in implementation".

Building an effective brand strategy can lead to increased equity and an overall more successful business, but it is also important for companies to understand and decide what kind of brand they want to build. According to Chernatony (1996) there are four difference types of brand that companies can build and it is important for every company to know which category they fit into. The four categories of brand according to Chernatony are Power brands – which are brands that inspire trust through excellence in product or service performance. Identity brands – these are brands that

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show character recognition through associations with the brands personality, these brands connect with their target customers emotionally and develop loyalty. There are also Explorer brands – which are brands that enable customers to challenge themselves and suggest possibilities and Icon brands which are iconic brands that are the type of brands that will be remembered forever, these types of brands create myths that consumers dream about sharing. These brand taxonomies allow companies to identify the nature of their brand and as a result select the correct brand strategy in accordance with the type of brand they have.

A brand strategy stands for a promise that companies can offer their customers. In Medical Technology companies' quality is a very important aspect of the products and services, therefore, Medical Technology companies need to be able to show their customers that they can provide that quality; they can do this through their brand strategy. Kotler and Pfoertsch (2007) state that companies can benefit greatly from having a great brand as it can provide them with the power to command a premium price among customers and a “premium stock price among investors”. It is the CEO's responsibility to oversee all steps of the brand development and implementation, and the brand strategy is more likely to succeed if it has buy in and support from the top. In addition building a brand strategy requires several key changes in organisations, and it is the CEO who must lead the way in implementing these changes. (Dunn and Davis 2004)

According to Chernatony & McDonald (2003) brand planning is a very important activity, by not preparing well documented strategic plans; companies could be creating their own obstacles to success. According to Chernatony & McDonald (2003) brand strategy development must involve all levels of marketing management and stands a better chance if all internal departments and external agencies are involved. Brands are the strongest and most stable values that a company can continue to count on over the years (Aaker and Alvarez del Blanco, 1995). Therefore it is extremely important that Medical technology companies develop their brands into strong reliable assets that they can rely on especially during times of increased competition or during a recession like at the current time. Kotler and Pfoertsch (2007)

state that weak brands suffer more in difficult times and do not recover as quickly as strong brands.

It is thought that some companies do not see the financial rewards that can be gained from implementing a brand strategy, Calderón, et al (1997) says it has become very costly and complex to develop new brands or manage existing ones so this may be the reason why many companies do not implement branding strategies. It is also thought that even the companies that do implement branding strategies may not be implementing them correctly, according to Calderón, et al (1997) brands are rarely managed and coordinated coherently with a long term strategic vision. According to Martin van Mesdag (1997) a brand is to a business similar to how a personality is to a person, brands have a “man-made personality” and will only survive if the people that are responsible for the brand think long term, remain consistent and cater for the needs of who the brand caters for. The ability to think long term is very important in brand strategies; it is thought that Medical Technology companies may not have a brand strategy in place because it is difficult to see any short term returns after implementation. According to Kotler and Pfoertsch (2007) nobody can guarantee that a business will see immediate results after implementing a brand strategy but the overall aim of a brand strategy is to produce long term non tangible assets and not to boost short term sales.

According to Holt (2003) there are four measures that companies can use to assess if their brand strategies are working, these four measures are behaviours, this takes into account the customers behaviour towards that brand, companies can monitor if behaviours towards their brands have changed since the implementation of the branding strategy. The second measure that companies can use is attitudes; this can be measured through market research. The third measure that companies can use to monitor the effectiveness of a branding strategy is relationships, if customers are relying heavily on the brand their relationship with the brand develops. The fourth measure of brand strategies according to Holt (2003) is Equity; here the company can measure in monetary terms if profits have increased since the implementation of the branding strategy.

Figure 2.1 below shows the four measures of a brand strategy according to Holt (2003)

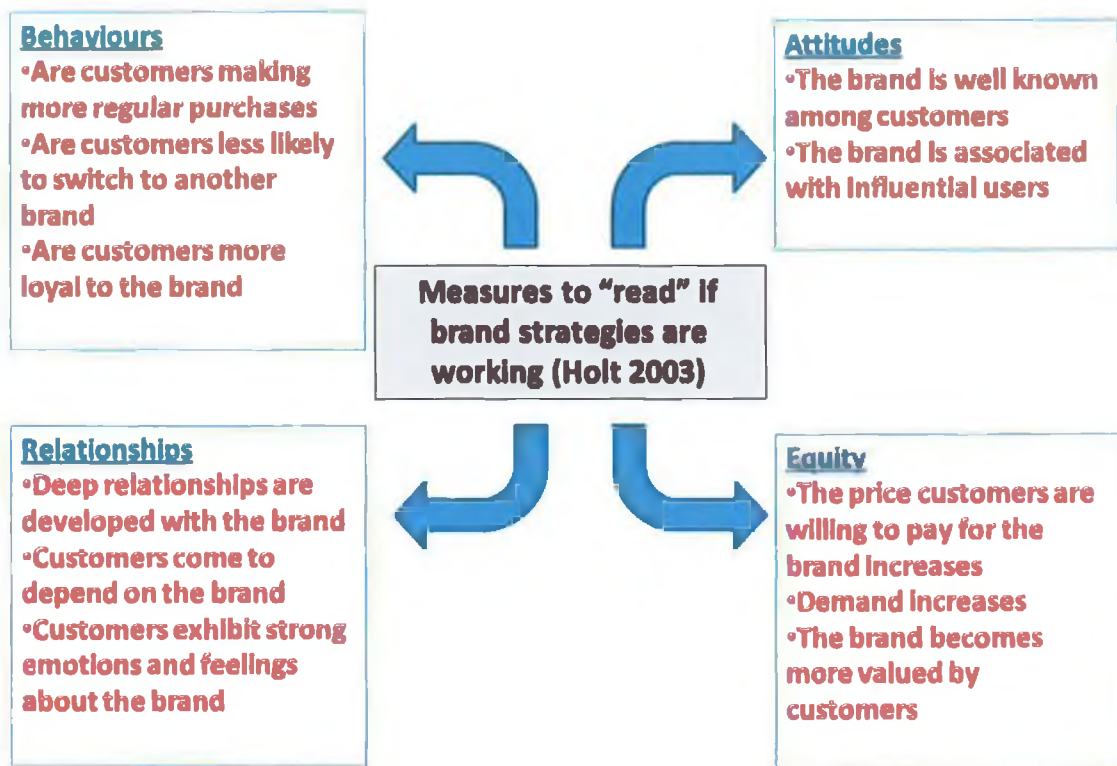


Figure 2.1 Measures to "read" if brand strategies are working (Holt 2003)

These brand strategy measures need to be continuously monitor and brand strategies are not something that should only be implemented once, strategies need to be continuously reviewed as the past performance of a brand strategy offers no guarantee of future success and even well-established brands need to work at keeping their position in the market (Emerald 2007).

According to Kotler and Pfoertsch (2007) branding and brand management will become increasingly important and will be one of the only sustainable competitive advantages a company will have, marketing and brand management will be critical to a company's success in the future.

2.3.3 Branding in the Medical Technology Sector in Ireland

According to the IMDA (Irish Medical Device Association), the Medical Technology sector in Ireland has become a bastion of strength compared to other sectors in Ireland over the last number of years, and is one of the few sectors that have weathered the economic downturn. As a result of being strong during the recession, Medical Technology companies in Ireland have become more competitive but the future of the Medical Technology sector is not without its challenges according to IMDA. These challenges include cuts in healthcare expenditure and the ever increasing pressure on Irish Medical Technology companies to build their reputation for producing high-end, clinically superior products and solutions in comparison to their international counterparts. Considering the pressures on Medical Technology companies in Ireland to build on their reputation it is very surprising to discover that there has been very little research found on branding in the Medical Technology Industry in Ireland.

According to HBS consulting (2011) who agrees that branding is under used if used at all in the Medical Technology industry, the reasons for branding not being used in this sector is due to these companies believing that their products or services are so technologically advanced that it is this factor that sells their products or service and they believe that their customers are so sophisticated that they will be impervious to branding. This supports Ward et al (1999), who state that the belief in companies who are in a high tech market is that they feel there is no need for branding as they believe the purchase decision is pre determined and not based on impulse like in the business to consumer market.

Companies in this sector have managed to some degree to get away without the need for branding due to factors such as an aging population meaning that there is a high demand for medical products, as well as increasing demand for new medical technologies and increases in healthcare spending. However, according to the IMDA (2011), trends are starting to shift, there has been a decrease in healthcare spending worldwide due to the economic recession, and there is an increase in competition in this sector since the recession has hit, as now automotive or consumer goods

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manufacturers are getting involved in the medical industry to benefit from the good market conditions.

As a result of this increasing competition and advances in technologies there is now a greater need than ever for Medical Technology companies to use branding to help communicate quality and the added value they can offer their customers. According to HBS Consulting (2011), one of the major problems within the Medical Technology sector when it comes to branding is that most of the companies already believe that they have a branding strategy in place when in fact they do not. The reason for this is because most companies in this sector fail to understand what a brand actually is. This misconception of branding could be harming these companies as well as weakening their competitive powers in their market.

While branding within Medical Technology companies is understudied and relatively new, according to IMDA (2009) attempts have been made to brand the Medical Technology Industry in Ireland as a separate brand on its own. Attempts were made in 2009 to develop a brand for the Medical technology Industry, this branding activity was carried out by a marketing agency working on behalf of IMDA and IBEC. At the time the Medical Technology industry was defined as companies that fall within the overarching categories of Life Sciences and Biotechnology or Health technology. A brand Platform report was created for the Medical technology sector in Ireland, part of this report the brand vision of the Medical Technology Sector in Ireland was described as:

'Ireland will have a deserved reputation as a med tech world leader, with a thriving community of foreign and indigenous organisations; it will be the place to do business in this sector, and will be a pillar of the Irish economy.'

There were four brand goals identified for the Medical Technology Sector at the time and these goals were differentiation, Cohesion, Recognition and Growth.

According to IMDA (2009) the Medical Technology brand is a cluster brand containing groups of different segments of companies such as contract design and manufacturing companies, orthopaedic companies, ophthalmic companies and more,

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some of which may be competing against each other within the cluster. IMDA (2009) states that whilst the nature of a cluster brand brings with it challenges in terms of implementation and activation, the essence of the brand must be true to the individual stakeholders and owned by them. Therefore all individual Medical Technology companies must be responsible for their own brand within the brand that is the Medical Technology Sector. The IMDA brand report showed that the essence of the Medical Technology brand is centred on learning, indicating Ireland's heritage as a place of learning and knowledge, the second aspect of the Medical Technologies brand essence according to the Sector brand platform report was "doing", indicating the sectors "can-do" attitude and strong manufacturing base, and the third aspect of the Medical technology brand essence according to IMDA (2009) is "dreaming", which indicates the sectors imaginative spirit and heritage of innovation. These characteristics of the brand essence of the Medical Technology Brand in Ireland can give each individual Medical Technology company in Ireland a foundation to work on when developing their own brand.

IMDA, along with Enterprise Ireland put strong focus on the Medical Technology brand in Ireland, Enterprise Ireland hold a Medical Technology exhibition every second year in Ireland called "medinireland", Enterprise Ireland (2011) states that Med in Ireland is the largest medical technologies event to be held in Ireland and the only forum where the full spectrum of Medical Technology companies, customers, researchers, and clinicians can come together. Med in Ireland 2011 assisted Irish companies win new business and forge new strategic partnerships with visiting guests and others. This event that is held bi-annually has profiled the Irish Medical Technology sector as a globally recognised centre of excellence in medical device and diagnostic technologies Enterprise Ireland (2011). Irish Medical Technology companies can use this strong recognition as a basis when developing their own company brand strategies.

2.4 Identification of Key Issues/Gaps

The key issue/gap in this research is the lack of literature available on branding specific to the Medical Technology sector in Ireland. Despite the fact that the Medical Technology sector is one of the few sectors that is continuing to grow and increase exports despite the economic recession, there is still very little information available on any form of marketing in this industry and in particular on branding in this industry. Most of the literature available on branding is specific to the FMCG (fast moving consumer good) sector and not very specific to more complex high technology and innovation focused sectors like the Medical Technology sector.

The second issue/gap in research is around the hypothesis that there is a lack of awareness and understanding of branding in the Medical Technology sector in Ireland. There is no research to confirm that this is actually the case, HBS consulting (2011) reports that companies in this sector do not fully understand the meaning of the term branding and this is why there is a lack of branding used in the industry. However, it is imperative to evaluate this hypothesis and find out if branding is misunderstood in this industry and if there is a lack of willingness on the part of these companies to participate because they do not fully understand the benefits a brand strategy can have on their business

2.5 Identification of the need for Empirical Research

It is thought that brand strategy is not something that is practiced in many Medical Technology companies in Ireland, Holt (2003) stated that branding is central to creating customer value and sustaining competitive advantage, therefore it is very important to make Medical Technology companies aware of the importance of creating a brand strategy.

In an industry that is becoming more and more competitive due to developing technologies and emerging markets, it is becoming very important for Medical

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Technology companies to sustain and create competitive advantage in order to compete both at home and in export markets. A large proportion of the Medical Technology companies in Ireland are small SMEs who may not have much of an understanding of marketing and in particular branding. Therefore, this study is an important study that will be beneficial to Medical Technology companies in Ireland.

The lack of research available on branding in this industry is very alarming, this is an industry that is very specific in nature and one that is very important to the overall stability and growth of the Irish economy, therefore, this study will help bridge this gap and give companies in the Medical Technology sector an understanding of the benefits they can achieve by implementing a branding strategy into their company.

2.6 How the Specific Research will be addressed

The mixed method of both qualitative and quantitative research will be used to address this specific research. The research problem and research objectives as outlined in chapter one will be addressed as part of the research. A mixed approach is used to get the most insightful and best quality feedback from the research. One of the main advantages of using a mixed methodology approach is that quantitative research gives the foundation of research needed while according to Carson et al (2001) qualitative research will then allow the research to be developed and will help to build upon earlier understanding gathered in the quantitative research.

The quantitative research which will take the form of a questionnaire to all Medical Technology companies in the republic of Ireland will be the starting point of the research. A total of 178 questionnaires will be sent to companies in the Medical Technology Industry in the Republic of Ireland. The results of the responses to the questionnaire will act as the foundation of the research, and the aim is to find out the overall understanding and usage of branding in the Medical Technology industry in Ireland. In addition, the results of the quantitative research will help to compare the

practices in the companies that say they have a brand strategy in place to the practices of the companies that say they do not have a brand strategy in place.

Once the quantitative research has been completed, qualitative research will be conducted in the form of in-depth telephone interviews with a selected number of companies that took part in the quantitative research. A number of companies that showed signs of implementing branding strategies and a number of companies that showed no signs of implementing branding strategies will be targeted to take part in the in-depth telephone interviews.

The aim of the qualitative in-depth telephone interviews is to dig deeper into the companies that say they have a brand strategy in place to ascertain if their brand strategy is in line with best practice theory. The qualitative research will also investigate why some companies may not have a brand strategy in place and if these companies are aware of the benefits of implementing a branding strategy.

All quantitative research will be carried out online through Google surveys, a follow up call will be made where appropriate to confirm that the recipient has received the questionnaire and that they are happy to fill it out. All of the qualitative research will be carried out over the telephone at an appropriate time that suits the in-depth telephone interview participants.

All of the research will be compiled and analyzed using Microsoft Excel and the results will be displayed using visual charts to show the findings in a simple format.

2.7 Conclusion

This chapter provided a review of the foundation literature namely branding, brand strategy and branding in the Medical Technology Industry in Ireland. The immediate literature that is associated with the research problem was also reviewed in this chapter; this research included the Medical Technology Industry in Europe, SME branding, brand equity, service brand equity and internal branding.

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The importance of branding and implementing a branding strategy was discovered as part of this literature review. The obstacles faced by SMEs in relation to branding was also discovered as well as the importance of brand equity and the role that internal branding plays in building a successful brand. It was also discovered that there is a major lack of research and use of branding in the Medical Technology sector in Ireland and the need for further research was addressed.

Finally, a brief outline of how this research will be conducted was provided stating that both quantitative and qualitative research will be used to explore the three objectives of the study as stated in chapter one. The following chapter which is the methodology chapter will look at the proposed methodology for the research in more detail.

Chapter Three

Methodology

3.1 Introduction

This chapter provides an analysis of the research methods that was used for this study. It also justifies the use of a mixed methodology approach, using both quantitative and qualitative research. Quantitative research was carried out in the form of an online questionnaire to the managing director or marketing manager in the Medical Technology companies sampled. Qualitative research in the form of in-depth telephone interviews with Medical Technology companies who have a brand strategy and those who do not have a brand strategy was also conducted. Justification will be given for each research method and an understanding of how the research methods proposed will solve each objective will be explained. Ethical concerns and any limitations to the research will also be looked at during this chapter.

3.2 Justification for the paradigm and methods

A mix of primary and secondary data was used throughout the research. Secondary research was obtained through academic articles and from industry agencies such as Enterprise Ireland, IBEC and the Irish Medical Device Association. A list of all of the Medical Technology companies in Ireland was obtained from IMDA and was used as the sample for this research. Primary research was conducted using both Quantitative and Qualitative research techniques.

Quantitative Research was conducted in the form of an internet based online questionnaire through Google Surveys. According to Wilson and Laskey (2003), internet based questionnaires have many benefits and they are becoming the preferred method of quantitative research. The benefits of internet based questionnaires according to Wilson and Laskey (2003) is firstly, the ease of use of creating and administering internet questionnaires, as the questionnaire can be created online and responses can be monitored online, this decreases the time that is spent compared to mail questionnaires. The second benefit of internet based questionnaires is that they

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are more cost effective, as they can be sent to a large number of people without having to pay for postal costs. Thirdly, according to Wilson and Laskey (2003), internet questionnaires decrease sampling difficulties as the number of people with internet access has increased dramatically and it is easier to get access to questionnaire respondents on line. Furthermore, Wilson and Laskey (2003) state that the response rate and the response quality of internet based questionnaires are much quicker and generate a much better quality response than mail questionnaires. Therefore, it was felt that an internet based questionnaire was the best method of quantitative research to use.

After the quantitative study was carried out, qualitative data was required to validate particular measures and to clarify and illustrate the meaning of the findings captured in the quantitative research. According to Hanson and Grimmer (2007) the aim of qualitative research is to “produce insight rather than measure, to explore rather than pin-down”. According to Harrison and Reilly (2011), the aim of Qualitative research is that it answers research questions that address “how” and “why” whereas quantitative research typically addresses “how often” and “how many”. Amaratunga et al (2002) states that qualitative research allows the researcher to see which events led to which consequences and helps to come up with explanations for certain events. Therefore, the qualitative research helps to build on the information captured in the quantitative research and dig deeper to find out the “why” and “how” of the research objectives.

In-depth telephone interviews were used for the qualitative research; the interviews were conducted with senior executives who have very busy schedules. It was felt that telephone interviews would be less time consuming for the interview participants and a wider geographical region would be able to be covered to gain access to individuals who may otherwise prefer not to participate in the research. According to Novick (2008) the telephone interview is an accepted and well-studied approach for qualitative data collection; it is a principal survey method (Aday, 1996) and the most widely used survey modality in industrialized nations (Bernard, 2002).

According to Amaratunga et al (2002), interviews are a “highly flexible” method of qualitative research and are capable of producing data of great depth.

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Ameratunga et al (2002) also state that

“The goals of any qualitative research interview are to see the research topic from the perspective of the interviewee and to understand how and why they come to have this particular perspective”

A mixed research approach was used in this study so as to get a more in-depth look at what companies in the Medical Technology sector in Ireland are doing in relation to branding. Harrison and Reilly (2011), suggest that a mix of quantitative and qualitative methods can be beneficial for obtaining new empirical insights. One of the main advantages of using a mixed methodology approach is that quantitative research gives the foundation of research needed while according to Carson et al (2001) qualitative research will then allow the researcher to develop and build upon earlier understanding gathered in the quantitative research. Taking into context this topic and the industry being researched, it was felt that a mixed research approach was appropriate for this study, according to Powell et al., (2008), p. 306 as cited in Harrison and Reilly (2011):

“A Mixed methods research allows the researcher to be “more flexible, integrative, and holistic in their investigative techniques, as they strive to address a range of complex research questions that arise”

As this study is an exploratory study, the aims of both the quantitative research and the qualitative research is to find out if the hypothesis that branding is under used and misunderstood in the Medical Technology sector is correct and what the reasons are for this.

3.2.1 Quantitative Research:

Online internet based questionnaires were conducted on the full list of contacts in the Medical Technology industry in the Republic of Ireland, Northern Ireland was excluded from the research as companies in the north of Ireland fall under UK Medical Technology Companies and are not relevant to the particular research being conducted. There were 178 Medical Technology companies in the Republic of Ireland targeted as part of the quantitative online questionnaires. These 178 companies are broken into eight different categories as shown in figure 3.0 below;

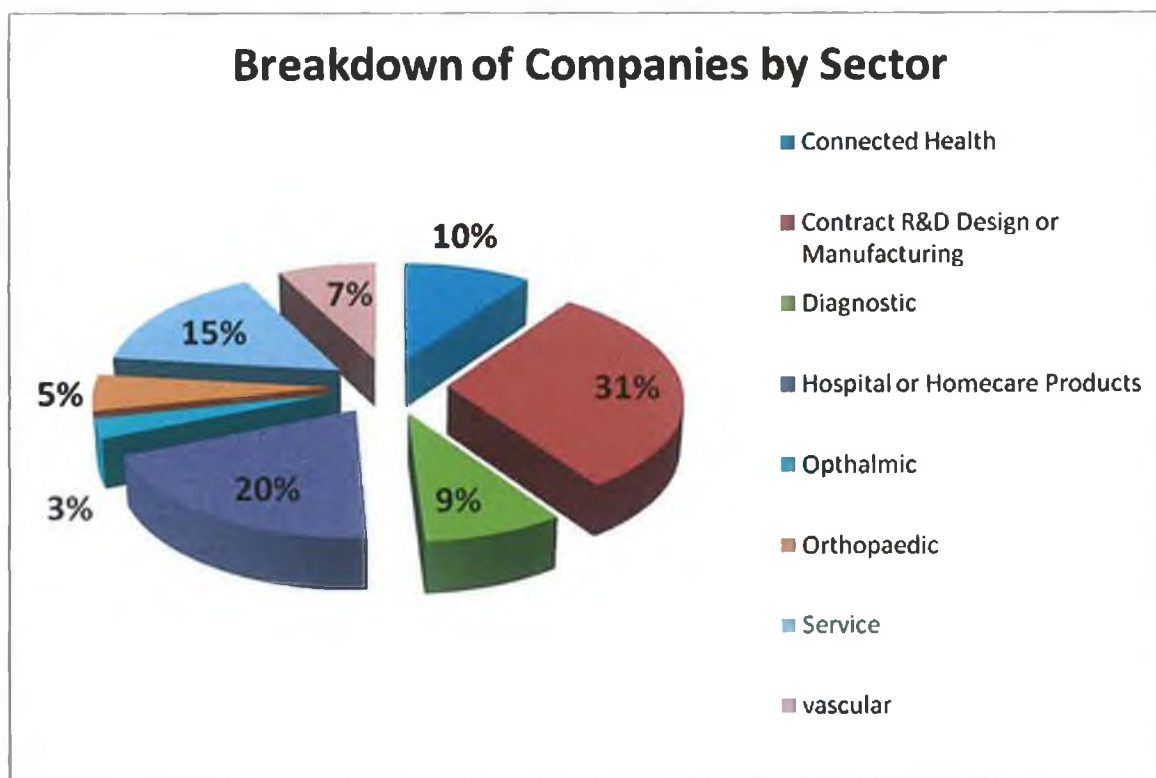


Figure 3.0 – Breakdown of Companies in the MT Industry by Sector

Contact details of these companies were obtained through online and telephone research and through data sources such as Enterprise Ireland and the Irish Medical Device Association.

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Questionnaires were carried out as online as self completion questionnaires using Google online survey package which allows unlimited questions and unlimited responses per month. These questionnaires were sent to the Marketing Managers of the companies in question, where there were no Marketing Managers employed in these companies the survey was sent to the Managing Director or most senior executive of the company. The objective of the online questionnaires was to ascertain the awareness and understanding of branding among these companies. It was also used to understand the level of branding activity that is currently being carried out in these companies and to compare the practices of companies that say they have brand strategy in place to companies that say they do not have a brand strategy in place.

The questionnaires were developed in a way that is easy to fill out and not too time consuming. Multiple choice questions were used for the questionnaire, participants were given a choice of answers for all questions, and they were also given the option to contribute their own answer by offering "other" with space to expand as an additional answer to the questions. The questionnaire was designed specific to the problem at hand and was structured in a way that was to the point and not too time consuming for participants. According to Janes (1999), good questions are related to the problem at hand, use the correct type of questions, are clear, unambiguous and precise, are short and to the point and are not negative. The questionnaire flow was simple to understand and straightforward, according to Janes (1999), a good questionnaire should flow in order to make it easier for questionnaire participants to answer.

The first two questions for the survey were general questions such as company name and job title. The next three questions were used to gain insight into the understanding of branding by asking multiple choice questions on the awareness, opinion and importance of branding from the view point of the questionnaire participants. The next question was to find out if the companies being surveyed had a brand strategy in place; this was a yes or no answer.

For the next stage of the questionnaire Kellers (2000) process of how to create a brand strategy was taken into account. According to Keller (2000) there is a process to building a brand strategy, this process begins with completing a brand audit to look at

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the company's competitive situation, to look at the company's brand inventory and also to assess the company's competitive situation in relation to their biggest competitors. The second step in building a brand strategy according to Keller (2000) is to look at the companies positioning in the market and also the brands current personality. The third part to building a brand strategy involves having an effective communications strategy. Participants were asked about the measures they have in place to support their brand, whether they audit their marketing material, about their competitive situation, their positioning and internal communications.

There were sixteen questions in total in the online questionnaire; care was taken not to make the survey too long, according to Janes (1999) the longer the questionnaire is, the less likely people are to complete it. According to Janes (1999)

“It is both an art and a science to design a good survey to get quality data that will help you to know what is going on in your area of interest. A bad survey is nothing more than a waste of time, but a good, well-designed, well-analyzed survey can be an invaluable source of data.”

Therefore, much time and consideration was given to the online questionnaire as it was felt that it would be a very valuable part of collecting the relevant data to answer the research question and objectives.

It was anticipated that not all of the recipients would willingly fill out the questionnaires without some sort of incentive to do so, for that reason an incentive was offered to the participants of the questionnaire. The incentive was the chance to win a free gift if they filled out the survey. The free gift on offer was a one night free stay for two people in the Pier Head Hotel, Mullaghmore, Co. Sligo.

The online survey was sent to all recipients by email, each recipient was then contacted by telephone to follow up with them to make sure they received the survey and to encourage them to fill it out.

3.2.2 Qualitative Research:

In relation to the in-depth telephone interviews, 12 companies were targeted in total for in-depth telephone interviews. Companies were targeted based on their answers to the questionnaire and based on their location, the researcher wanted to get the opinion of participants in the West, South and East of the country so as to get a broader view based on the whole of the republic of Ireland. Out of the 12 companies targeted 67% (8 companies) agreed to participate in the in-depth telephone interviews. These companies were split into two categories, the first category was companies that said they do have a brand strategy in place and the second category was companies that said they do not have a brand strategy in place.

Eight companies in total agreed to participate in the in-depth telephone interviews, the aim was to conduct interviews with companies that have a successful brand already established and uses branding as part of their overall company strategy and also companies that do not have a successful brand already developed and does not use branding as part of their overall company strategy. The companies targeted were identified from the results of the questionnaire. Four interviews with companies who say that they do have a brand strategy in place and four interviews with companies that said they do not have a brand strategy in place were achieved. The aim was to carry out the in-depth interviews with the CEO of the company or the Marketing manager where there was one present.

Telephone interviews were selected instead of face to face interviews due to the time constraints and the geographical locations of the participants for the in depth interviews. Participants were spread out over the whole of the republic of Ireland, as it was necessary to interview participants in the west, east and south of the country in order to get a broader perspective. According to Novick (2008) the telephone interview is an accepted and well-studied approach for qualitative data collection; it is a principal survey method (Aday, 1996) and the most widely used survey modality in industrialized nations (Bernard, 2002). The reported advantages of telephone

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interviews include decreased cost and travel, ability to reach geographically dispersed respondents, and enhanced interviewer safety due to cutting out the need to travel.

The aim of the qualitative in-depth telephone interviews was to build on the knowledge already obtained from the quantitative questionnaires. The qualitative research was used to achieve a better understanding of the practices of the companies that said they had a brand strategy in place and the companies that said they do not have a brand strategy in place. The qualitative research was used along with the quantitative research to answer objective two of the research, which was to explore if brand strategies do or do not exist in Medical Technology companies in Ireland. Qualitative in-depth telephone interviews helped to ascertain if the companies that said they had a brand strategy in place were implementing their strategy correctly according to best practice theory and to find out the reason why some companies may not have a brand strategy in place.

3.3 Research Procedures

The sample frame used contained 178 Medical Technology companies in Ireland. According to sample size calculator, to get a confidence interval of approximately 5, approximately 120 of the 178 companies would need to be sampled in the surveys to get an effective result.

Purposive sampling was used; the aim was to sample only either the Marketing Manager or the Managing Director of the companies in the sample frame. These predetermined members are chosen as they are likely to have an existing knowledge and awareness of what branding is, and as they are senior members of the company they are likely to be the key decision makers when it comes to implementing a branding strategy.

Both quantitative and qualitative research methods were carried out in the republic of Ireland, Northern Ireland was excluded from the research as there was a very limited amount of companies in the Medical Technology Sector found in this area. Also,

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Northern Irish Medical Technology companies fall into the area of UK Medical Technology Companies so it was thought that this area was not applicable to the research being carried out. Purposive sampling was used when choosing respondents for the questionnaires. The only criteria needed for respondents of the questionnaires were that they had to be a company that was part of the Medical Technology Industry in Ireland as stated by IMDA. The other criteria for respondents were that they needed to be either the Managing Director/CEO or Marketing Manager of the companies being researched.

Respondents were sent the questionnaire by email, all respondents were emailed at the same time and a follow up email and telephone call was made a week later to all respondents that had not yet filled out the questionnaire.

The sampling procedure used for the in-depth interviews was again purposive sampling. The researcher selected eight companies in total for in-depth interviews, four companies that specified they had a brand strategy in place and four companies that specified they did not have a brand strategy in place. Companies were selected based on their answers to the quantitative research, the researcher selected companies from the west, east and south of Ireland to take part in the in-depth telephone interviews to ensure a company from all provinces of the republic of Ireland was being considered.

The objective of the in-depth telephone interviews was to get a deeper understanding of the level of branding used in the Medical Technology companies in Ireland that say they use brand strategy and to find out if the branding practices used are in line with best practice as established in the theory researched. The objective of conducting interviews with companies who do not use branding strategy is to establish why they do not use it and if they plan on implementing brand strategies in the future.

3.4 Research Analysis

Both quantitative and qualitative research was used in the study and therefore different analysis methods were required. The results from the questionnaires were compiled and summarized using Microsoft excel. The results were inputted into Microsoft excel and filtering was used to analysis the findings. Visual charts were then compiled in Microsoft excel to help interpret the data.

Secondly, the results from the in-depth interviews were combined and analyzed and the differences and similarities between companies using brand strategies and companies not using brand strategies were noted. The results of both the questionnaires and the in-depth interviews are discussed in detail in the findings and analysis chapter.

The aims of the research method used were to solve the following three objectives:

Objective one: To identify the overall awareness and understanding of the concept of branding in the Medical Technology Industry in Ireland.

Objective one was solved using the questionnaires. The questionnaires asked specific questions in relation to the awareness and understanding of the term branding. Findings were then analysed and the results were compiled using charts.

Objective two: To explore if brand strategies do or do not exist in the Medical Technology Industry in Ireland.

Objective two was solved using both the questionnaires and the in-depth telephone interviews. The question of whether brand strategies exist was answered in the questionnaires, and the researcher used the in-depth interviews to dig deeper into the kind of brand strategies that exist and if they are consistent with best practice theory. The questionnaire was also used to answer why brand strategies do not exist, and the in-depth interviews helped to further explore the reasons why brand strategies do not exist.

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Objective three: To evaluate and compare the practices of Medical Technology Companies using brand strategy and those who do not use brand strategy.

Objective three was solved using the questionnaires. All areas of brand strategy according to Keller (2000) was looked at in the questionnaire, and the answers from companies that have a brand strategy in place and companies who do not have a brand strategy in place were evaluated and compared.

3.5 Ethical Issues

Best practice research ethics were adapted throughout the research process.

Qualitative and Quantitative research results will be kept confidential and any sensitive company information would not be revealed.

Due to the fact that the research which is being carried out is in the same industry that the researcher is working in, there were limitations in the number of companies that could be sampled, for example some competitor companies were unwilling to participate as they felt they were being assessed by a competitor.

Due to the very busy schedules and geographical spread of the research participants, telephone interviews as opposed to face to face interviews were selected as the preferred method of contact when conducting qualitative research. Some theory indicates that telephone interviews are less suitable than face to face interviewing for qualitative research, Novick (2008) says that face to face interviewing facilitates openness and allows the researcher to use visual cues which is not possible when conducting telephone interviews. The researcher felt the although there are benefits of face to face interviewing, telephone interviewing would be a more suitable form of qualitative research and would allow a greater spread of research to be conducted.

3.6 Limitations

Difficulty was encountered in obtaining an accurate list of contact names in the companies being researched, some of the contact information obtained through secondary research sources was outdated, and therefore additional research through telephoning the company to obtain correct contact information was needed. As this was a very time consuming task, delays were encountered when carrying out the quantitative research.

Other limitations that were encountered when conducting qualitative research, was the difficulty to find a suitable time to conduct interviews with senior executives during the summer months due to the fact that these executives were on holidays or taking extended annual leave during this period. The summer months is a difficult time to conduct research with businesses due to the fact that many senior executives take annual leave during this time as business generally tends to be quieter during the summer months. In the Medical Technology Sector many medical technology companies take their annual shutdown during the last week in July and the first week in August, during this time their businesses are shut down.

3.7 Conclusion

This chapter provided the details of the research methods proposed to be used in the research study. The choice was taken to use a mixed methodology approach in the form of both quantitative and qualitative research to help strengthen the research results. A mixed research approach allowed the researcher to gain better results as comparisons could be made between the two types of research obtained, as well as allowing the researcher to gain more in-depth information which added better understanding and insight into the research being conducted.

The research procedure was discussed detailing the sample frame and sampling procedure being used to carry out the research, the researcher made the decision to

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only include Medical technology companies based in the Republic of Ireland as part of the sample frame. Northern Ireland Medical technology companies were excluded from the sample frame, as they fall under the category of UK Medical technology Companies. Purposive sampling was used, only the Managing Directors/CEO's or Marketing Managers of the Medical Technology companies in the Republic of Ireland were contacted.

A research analysis was given detailing how the research procedures would aim to solve the research objectives as discussed in chapter one. Ethical issues and limitations to the research were discussed before concluding the Methodology chapter.

Chapter Four

Findings and Analysis

4.1 Introduction

The purpose of this chapter is to present and analyze the findings that were gathered from both types of research that was carried out, namely online questionnaires and in-depth telephone interviews. Firstly, a profile of the respondents for both research methods will be discussed. Charts are used to illustrate the demographics of the respondents according to location and the job title of the respondents. Charts are also used to illustrate whether the companies sampled were Irish owned or non Irish owned, or whether they were SME's or large companies.

This chapter will then discuss and examine the findings in accordance to the research objectives. A series of tables and charts will be used to illustrate the findings from the research along with an analysis of all of the findings. Finally, a summary of these findings will be given before concluding the chapter.

4.2 Profile of Respondents

Both quantitative and qualitative research methods were carried out in the republic of Ireland, Northern Ireland was excluded from the research as there was a very limited amount of companies in the Medical Technology Sector found in this area. Also, Northern Irish Medical Technology companies fall into the area of UK Medical Technology Companies so it was thought that this area was not applicable to the research being carried out. Purposive sampling was used when choosing respondents for the questionnaires. The only criteria needed for respondents of the questionnaires were that they had to be a company that was part of the Medical Technology Industry in Ireland as stated by IMDA. The other criteria for respondents were that they needed to be either the Managing Director/CEO or Marketing Manager of the companies being researched. Respondents were sent the questionnaire by email, all respondents were emailed at the same time and a follow up email and telephone call was made a week later to all respondents that had not yet filled out the questionnaire.

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The sampling procedure used for the in-depth interviews was again purposive sampling. Eight companies were selected in total for in-depth interviews, four companies that specified they had a brand strategy in place and four companies that specified they did not have a brand strategy in place. Companies were selected based on their answers to the quantitative research; companies were selected from the west, east and south of Ireland to take part in the in-depth telephone interviews to ensure a company from all provinces of the republic of Ireland was being considered. The North of the country was excluded from the research.

The response rate for the questionnaires was quiet good considering that the questionnaire was targeted at senior executives. The percentage response rate was 57%, based on a response from 101 participates out of 178. The remaining 43% (77 questionnaires) did not return a response despite follow-up emails being sent. This may have been down to the time of year or the busy schedule of the participants being contacted.

Figure 4.0 below represents the location of the respondents that completed the questionnaire:

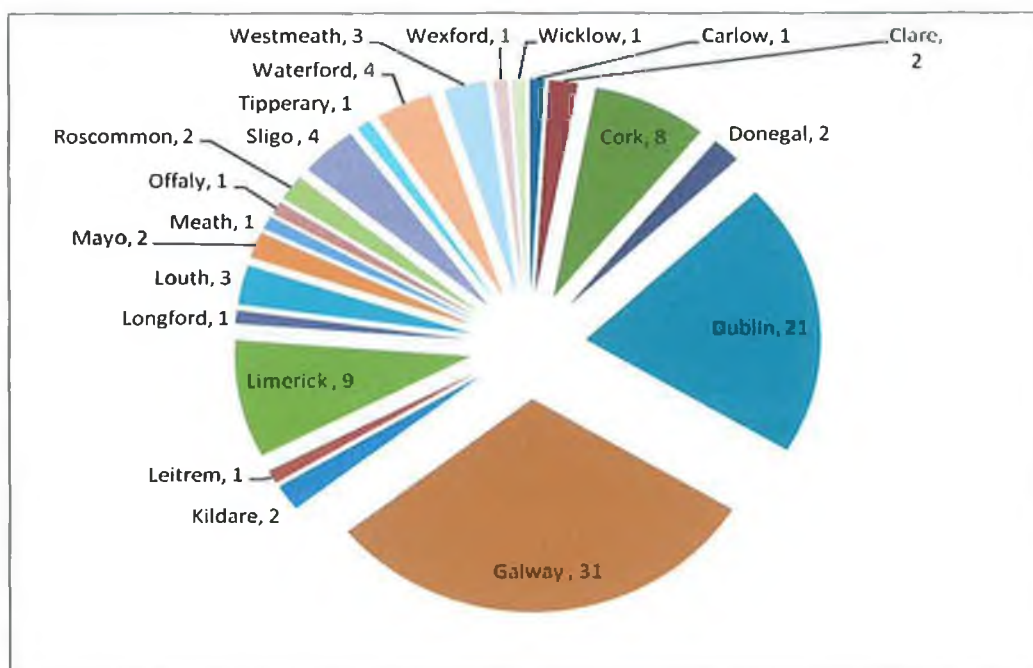
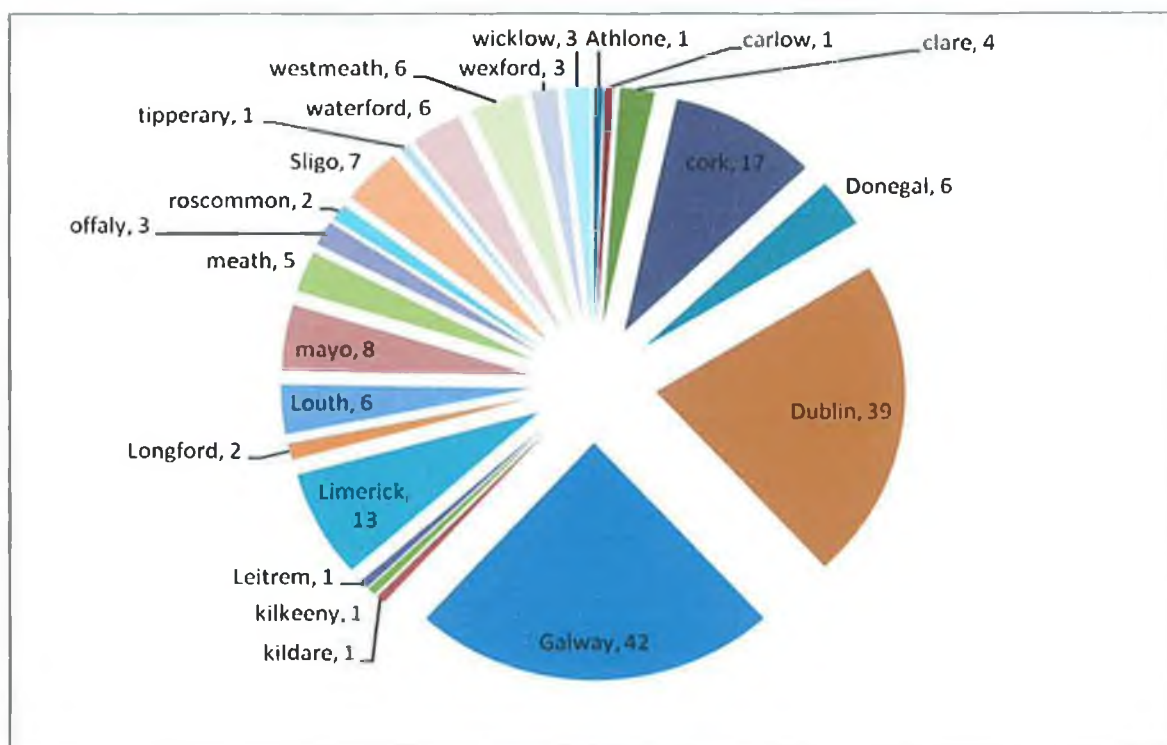


Figure 4.0 – Location of Respondents to the Questionnaire

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The largest response was from Galway Medical Technology companies, this is not surprising as Galway hosts the largest amount of Medical Technology companies in Ireland, according to IMDA (2012) there are approximately forty two Medical Technology companies located in the Galway Region. The second largest response was from Medical Technology companies based in Dublin, in total there were twenty one responses from Medical Technology companies based in Dublin, questionnaires were sent to thirty nine Medical Technology companies in Dublin in total.

Figure 4.1 below shows the breakdown of Medical technology companies in Ireland that were sent the questionnaire to begin with:



Figures 4.1 – Location and Number of Medical Technology Companies that were sent questionnaires.

In relation to the in-depth telephone interviews, 12 companies were targeted in total for in-depth telephone interviews. Companies were targeted based on their answers to the questionnaire and based on their location, the researcher wanted to get the opinion

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of participants in the West, South and East of the country so as to get a broader view based on the whole of the republic of Ireland. Out of the 12 companies targeted 67% (8 companies) agreed to participate in the in-depth telephone interviews. These companies were split into two categories, the first category was companies that said they do have a brand strategy in place and the second category was companies that said they do not have a brand strategy in place.

Out of all of the companies surveyed, 62% were indigenous Irish owned Medical Technology Companies, figure 4.2 below shows the breakdown of Irish owned versus non Irish owned Medical Technology companies that were surveyed in this research.



Figure 4.2 Irish versus non Irish Medical Technology Companies surveyed

Out of all of the Medical Technology companies surveyed 52% of them were SME's (Small to Medium Enterprises), According to Enterprise Ireland (2007), an SME is a company that has more than 50 employees and less than 249 employees with an annual turnover not exceeding 50 million.

Figure 4.3 below shows the breakdown of SMEs versus large Medical Technology companies based in Ireland that were surveyed as part of this research:

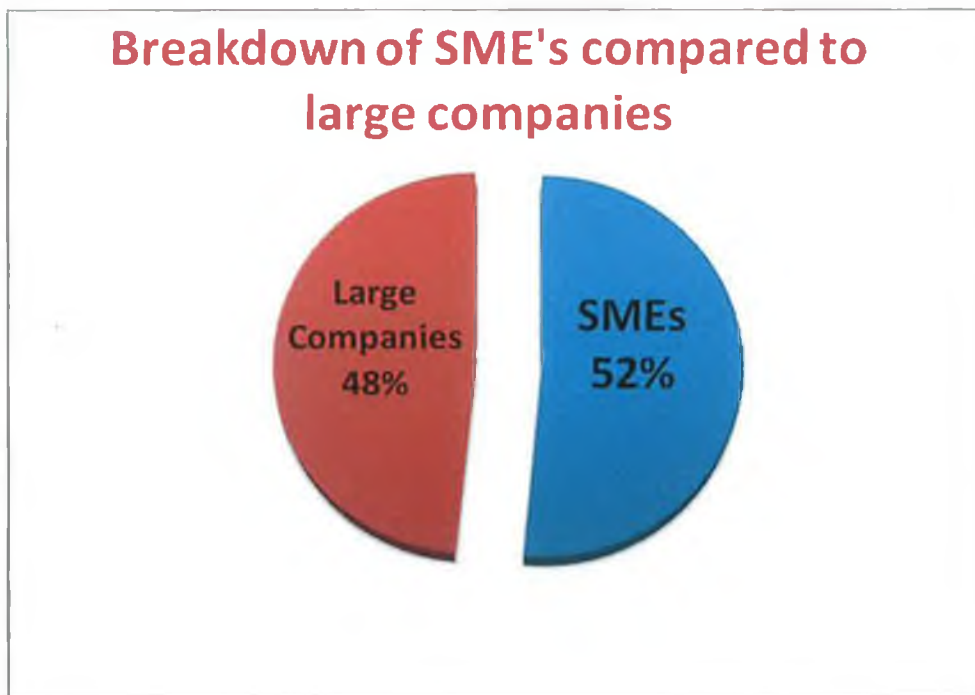


Figure 4.3 SME/Large companies surveyed:

The chart shows that there was an almost equal amount of large companies and SME's that filled out the quantitative questionnaires. In relation to the qualitative research, seven out of the eight companies that were interviewed were SMEs.

Both Managing Directors/CEOs and Marketing Managers were targeted to take part in the questionnaires. Figure 4.4 below shows the breakdown between Managing Directors and Marketing managers of Medical Technology companies who filled out the questionnaires:

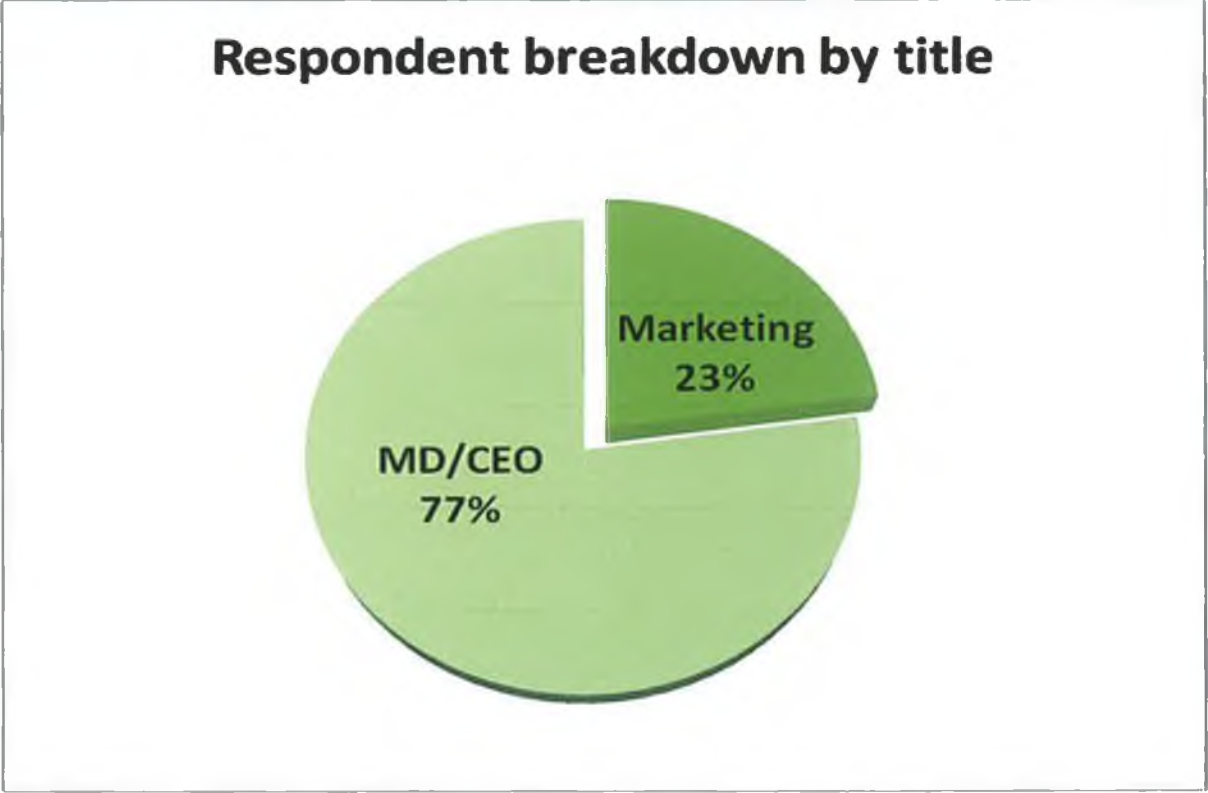


Figure 4.4 Breakdown by title of respondents that filled out the questionnaire

A total of 77% of respondents to the questionnaires were managing directors or CEOs of the companies being targeted. 23% of the respondents of the questionnaires were Marketing managers of the companies being targeted.

4.3 Key Issue 1 - Findings and Analysis

Objective One: To explore the overall awareness and understanding of branding in the Medical Technology Industry in Ireland.

The first objective of this study was to explore the overall awareness and understanding of branding in the Medical technology Industry in Ireland. This objective was solved through quantitative research through the use of online questionnaires.

By awareness the researcher wanted to find out if the companies targeted were familiar with the term branding and if they understood what the term branding means. According to Holt (2003) branding means to improve all of the activities that shape customers perception of the company both internally and externally. It was important for the researcher to find out if the companies being targeted were familiar with the term branding.

The question asked was a multiply choice question, participants were asked to choose either yes, no or "I have heard of it but do not know much about it". The results of this question showed that most of the participants were familiar with the term branding. When asked the question "Are you familiar with the term branding?" 95% of participants said they were familiar with the term.

Figure 4.5 below shows the overall response to this question.

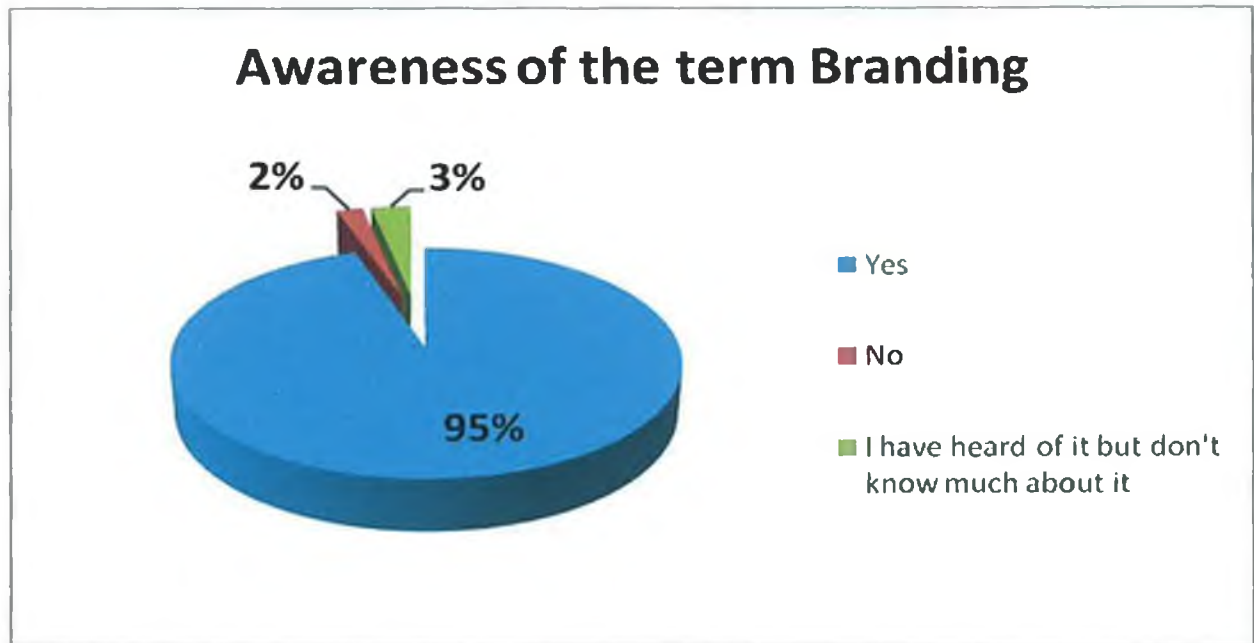


Figure 4.5 – Awareness of the Term branding among questionnaire participants

The findings show that there is a strong awareness of the term branding in the Medical Technology Industry in Ireland. It is not surprising that the term branding is widely recognised, Nelson (1998) states that the term dates back to before the birth of Christ so it is something that has been around for a very long time. Although there is a strong awareness of the term branding, the real purpose of the objective was to find out if the term was understood within the Medical technology Industry in Ireland. Many companies may be aware of the term branding but might not necessarily know what it means, so the next stage was to find out if the questionnaire participants understood what the term means. The importance of Branding is often overlooked in many companies, according to Holt (2003), “Branding has become one of the most important aspects of business strategy, yet it is also one of the most misunderstood”.

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Therefore, the next question asked as part of the online questionnaire was “What in your opinion does the term branding mean?”

Table 4.0 below shows the options that participants were given to choose from when answering this question:

| | |
|----|--|
| 1. | Developing a Logo for you company |
| 2. | Advertising and promoting your company |
| 3. | Improving all of the activities that shape customers perception of your company both internally and externally |
| 4. | Do not know |
| 5. | Other (participants were given the opportunity to provide their own meaning for the term branding) |

Table 4.0 Understanding of the term branding multiple choice answers

Participants were given options to choose from as it was felt this form of choice questions would encourage participants to answer the questions more freely.

Figure 4.6 below illustrates the understanding of the term among the participants of the questionnaire.

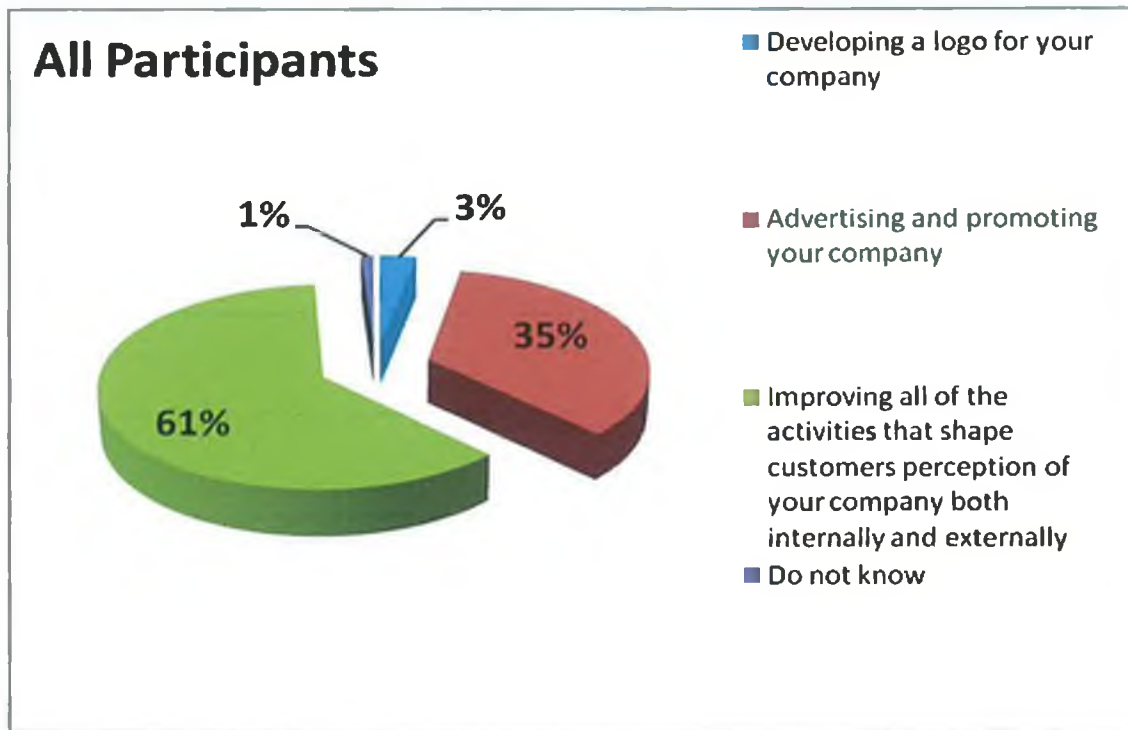


Figure 4.6 – Understanding of the term branding

While the majority of participants (61%) answered correctly to the question by choosing Holts (2003) meaning to the term branding, “Improving all of the activities that shape customers perception of your company both internally and externally”, 35% of repondants choose “Advertising and promoting your company” as the meaning that best describes the term branding. This 35% of participants represents a large porportion of senior executives that do not know what the term branding actually means, this is alarming as according to Holt (2003) branding has become one of the most important aspects of business strategy. Holt (2003) also stated that branding is misunderstood, which is proven to be the case among 39% of respondants from this questionnaire. Kotler and Pfoertsch (2007) states that bearing in mind the impact that brands can have on all stakeholder of a company, brands cannot be built by creating advertising, brands need to be developed strategically. Therefore, it

alarming that these companies believe that advertising and promoting are what best describes branding.

The quantitative research carried out in the form of the online questionnaire was sufficient to establish the overall awareness and understanding of branding in the Medical Technology Industry in the Republic of Ireland. The findings of this objective showed that there is a good overall awareness of the term branding in the Medical Technology Industry in Ireland, however the overall meaning of the term branding is somewhat misunderstood among participants to the questionnaire.

4.4 Key Issue 2 – Findings and Analysis

Objective Two: To explore if brand strategies do or do not exist in the Medical Technology Industry in Ireland.

The second objective of the study was to find out if companies in the Medical Technology Sector in Ireland have or have not got a brand strategy in place. Both quantitative online questionnaires and qualitative in-depth telephone interviews were used to explore objective two of the study.

The online questionnaire was used to establish if companies do or do not have a brand strategy in place. Companies were asked early on in the questionnaire if they had a brand strategy in place, figure 4.7 below shows the response to this question:



Figure 4.7 – Percentage of companies that have and have not got a brand strategy in place.

The results of the questionnaire showed that 64% of participants admitted to not having a brand strategy in place, while 36% of participants said that they do have a brand strategy in place.

The online questionnaire was also used to find out the details of the brand strategy of the participants that said they had a brand strategy in place. Participants that do have a brand strategy were asked what their brand strategy involved?

The following table shows the results:

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| Comments from companies that have a brand strategy in place: |
|---|
| Customer surveys etc |
| creating a consistent perception of our company and its products and services worldwide |
| Our message is based on communicating our expertise and conveying an image of experience and excellence |
| Alignment of all stakeholders around a single unified customer experience. Creation of shareholder value through an industry leading brand asset. |
| Currently overhauling our brand strategy. We are doing an extensive brand audit to determine what our end-users think of our company. It also involves refinement of our Value Proposition and our Positioning Statement. |
| Targeting four key audiences that are critical to the success of the business. |
| Key Personality |
| We started with Value Proposition to Website relaunch and just getting to branding now |
| Building brand awareness |
| all customer contact points, e.g. web, advertising, packaging, logos, customer contact points, customer experience |
| Logo, Presentation at trade shows and publication in peer reviewed journals |
| All aspects of the companys image |
| We focus our activities on well-founded research and base our branding around the ways in which we solve or customers challenges. Factors that are important to a customer in a particular industry form part of branding also, e.g. a high standard of after sales support |

| |
|---|
| promoting and improving the company in the market place |
| implementing a strategy to develop the company image through promotions and sales |
| promoting the company |
| Improving everything that shapes the way the customer or other stakeholders feel about the company brand - includes everything from employee satisfaction to customer satisfaction. |
| developing the company image and promotions |
| Positioning etc |
| Promoting and positioning |
| Recently rebranded and developed a new brand name and position for the company |
| everything from brochures to exhibitions and advertising |
| customer surveys, correct positioning and promotions. |
| all of the activities that goes into promoting and developing long lasting relationships with customers and winning new customers |

Table 4.1 Comments from Companies that have a brand strategy in place

The reasearch indicated that even the compaines that say they have a brand strategy in place may not be implementing their strategy to the full extent of what the brand strategy should be. While aspects such as customer surveys, and positioning are important aspects of a brand strategy there are many other aspects which should also be considered, according to Ryan (2012) there is a process to building a brand strategy.

Figure 4.8 belows shows the process of building a brand strategy:

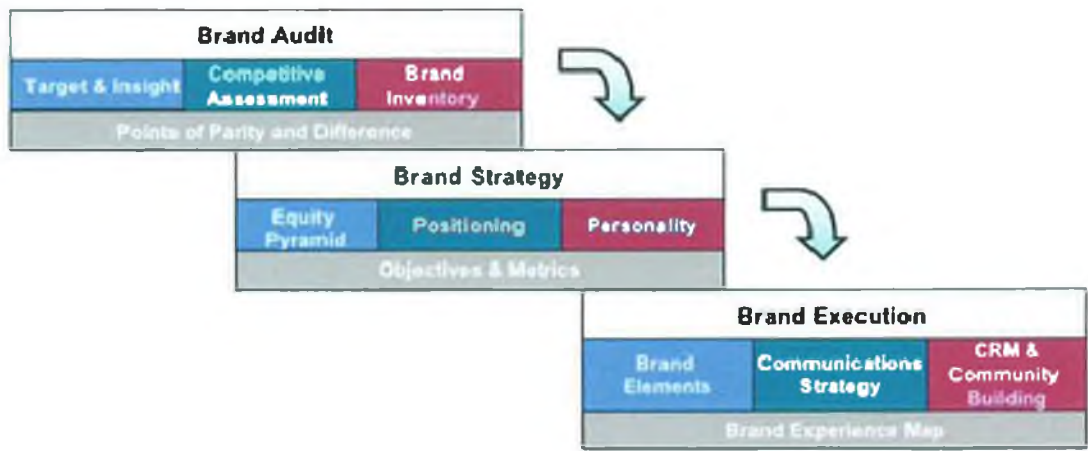


Figure 4.8 – The Process of Building a Brand Strategy (Ryan 2012)

It was felt there was a need to explore further with the companies that say they have a brand strategy in place in order to dig deeper into the kind of strategy they have in place and if that strategy is in line with the process as outlined above.

The next step in exploring objective two, was to carry out qualitative research in the form of In-depth telephone interviews. The in-depth telephone interviews were carried out with four companies that said they have a brand strategy in place. Interviews were arranged with companies in the west, south and east of the country so as to cover the research area as best as possible. Two companies from Galway were interviewed as Galway companies made up the largest proportion of Medical Technology companies, one company in Cork was interviewed and one company in Wicklow was interviewed.

For the purpose of this study these company will be referred to as Company A, Company B, Company C, and Company D, as all companies that were interviewed asked that their identities remain anonymous.

Company A is a small Medical Device company based in Galway, the company is at the early stages of their development and are very early on in their branding strategy. The interview was carried out with the Managing Director of this company who was

very interested and intrigued in the research that was being carried out. This company was asked to elaborate on the brand strategy that they have in place, they explained that their strategy deals with four key audiences that is critical to the success of the business, these four key audiences includes their customers, their employees, their potential customers and the corporate stakeholders in the company. This company had a very good grasp of branding and explained that their brand strategy was a “fundamental part of their business strategy”. This companies brand strategy is very focused on the brand experience that their customes encounter when dealing with their brand. Overall this company showed a high level of understanding of branding and showed that they have a very good brand strategy in place. When asked how they measure the success of their brand strategy, it was stated that they are not far enough along in the process yet to be able to measure the success of the strategy but they did comment that before they started to focus on the strategy their company brand was “below the radar” and now they are seeing signs of interest since they started focusing more on branding. When this company was asked if they felt there was enough training and support available to companies in the Medical Technolgy industry in Ireland in relation to building a brand strategy and on branding in general, they commented that although some effort is made by the appropriate bodies such as IMDA and Enterprise Ireland, not enough training and support is made available and more support should be made available for companies in this sector.

Company B was the second company that was approached for an in depth telephone interview, this company was a large global Medial packaging company with offices based in Galway. This company was not an Irish company and was not an SME. The interview was conducted with the Ireland Marketing manager of the company. The interviewee was asked to elaborate on their branding strategy that they said they have in place, it was stated that it involves protraying the companies innovation, expertise and quality capabilities in the market. Through probing the interviewee it was discovered that although this company has a brand strategy in place it is somewhat disjointed, the interviewee stated that they felt there was a lack of consistency in the brand message being protrayed in Europe and in the brand message that is portrayed in the companies other locations in America. The interviewee felt that the brand strategy is not getting the commitment, time and resources that it needs from the

senior management of the company in America. The fact that the brand strategy of this company does not have full buy in from the top management of the company could be part of the reason why there is a lack of consistency and a disjointed message being portrayed by the company in Europe and in the US. According to Keller (2000) a brand must be given proper support in order to for it to excel, in addition Ulrich and Smallwood (2007) state that in order to develop a leading brand a top down approach must be taken to develop the brand successfully. This company also admitted that internal branding is again not given full commitment, there is a lack of consistency in the message being promoted in the different international locations of the company and confusion exists among employees about the companies brand message.

Company B is a prime example of a company that says they have a brand strategy in place when in reality the brand strategy they have is not fully understood and is not being practiced correctly. This leads back to Holt (2003) point that branding is widely used but very widely misunderstood. It also supports the points made by HBS Consulting (2011) that some companies in the Medical Technology sector have brand strategies in place that are so disorganised that they do not work.

The third company approached for an indepth telephone interview was Company C, this company is an outsource medical manufacturing company based in Cork. The company is an Irish owned SME. The Interview was carried out with the Marketing Manager of the company. When the interviewee was asked to elaborate on the brand strategy that they have in place in their company, they said that their brand strategy is based on “communicating their expertise and conveying an image of experience and excellence”. Their strategy has only recently been developed, up until a few years ago there was no marketing department in the company and this function has only been recognised as being a necessity in the last few years. This company says a lot of their branding strategy at present is based on promotions and developing external marketing communications that portrays the company message in the market. They also have spent some time on Internal branding, they recently developed an internal brand identity document that was circulated among their employees, but as commented by the interviewee, this wasn’t elaborated on much and was not drilled in as much as it should have been. Through probing the interviewee it was soon recognised that although this company say they have a brand strategy in place their

strategy does not involve all of the aspects of brand strategy as pointed out by Ryan (2012), it does include some aspects of external communications and internal branding along with some aspects of brand auditing through identifying the need to update their existing marketing materials such as their website and brochures, it was however lacking any sort of brand positioning and brand execution. It became clear throughout the interview that although they do pay some attention to branding, their strategy is not fully focused and is not consistent with a properly conducted brand strategy as stated by Ryan (2012).

Company D was the fourth company with a brand strategy that was interviewed. This company is a small Irish owned SME, medical product design company based in Wicklow. The interview was carried out with the Managing director of the company. When this company was asked to elaborate on the branding strategy that they say they have in place in their company, it was stated that their strategy has become increasingly more important since the recession has come about as there is now more of a need to differentiate themselves from competitors and go out and find new business. Their strategy involves all aspects of the company's image and focuses on the external marketing communications material of the company. Throughout the interview, it again became clear that, although this company said they had a brand strategy in place they are not practicing all aspects of brand strategy as identified by Ryan (2012). This company seemed to believe that brand strategy should be about promoting their image and increasing sales for the company. Once again it was evident from this interview that the true meaning of what a brand strategy should be was not fully recognised in this company.

Overall, from all of the in-depth interviews carried out with companies that say they have a brand strategy in place only Company A showed significant understanding and evidence that their brand strategy was in line with best practice theory. Company A showed that they audit all of the company's marketing materials, they are very aware of their competitors, they have strong awareness of their positioning in the market and they are in the process of putting in place a communications strategy both internally and externally.

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Table 4.1 below shows an overview of answers from the qualitative in-depth interviews of Company A, Company B, Company C and Company D. This overview compares what each company is doing in terms of brand auditing, competitor awareness, positioning, brand personality and internal communications. It also shows if these companies are SME's, Irish owned, what their brand strategy consists of, who is responsible for their brand strategy and if there is commitment from the top of the organisation when it comes to branding.

| | Company A | Company B | Company C | Company D |
|---|---|--|---|--|
| SME | Yes | No | Yes | Yes |
| Irish Owned | Yes | No | Yes | Yes |
| what their brand strategy involves | Targeting four key audiences that are critical to the success of the business. | Innovation, Expertise, Quality, Commitment | Our message is based on communicating our expertise and conveying an image of experience and excellence | All aspects of the company's image |
| Responsibility | CEO/MD | Everybody in company | Marketing Department | Marketing Department |
| Brand Auditing | Yes | Yes | Yes | Yes |
| Competitive Awareness | Yes - Continuously monitor competitors | Yes - continuously monitor competitors | Yes - continuously monitor competitors | Occasionally look at competitors |
| Positioning | Yes they are aware but it is too early in the development of the company to tell if they are happy or not | Yes they are aware of their positioning but they are not happy | Yes they are aware of their positioning and happy with their position in their chosen market | No not very aware, they are starting to build a presence in the market |

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| | | | | |
|--------------------------------|--|---|---|---|
| Personality | in process of developing a brand mantra and statement | confusion across departments | could be better | could be better |
| Communication | yes continuous promotions and believers in internal branding | disjointed communication across different locations | done but could be better - not enough buy in across company | yes everybody in the company is aligned |
| Commitment from the top | Yes | No | Yes | Yes |

Table 4.2 Overview of Qualitative In-Depth telephone interviews among companies that do have a brand strategy in place

The next stage of exploring objective two was to look at the companies that do not have a brand strategy in place, both the quantitative online questionnaire and qualitative in-depth telephone interviews were used.

The quantitative online questionnaire showed that 64% of participants said that they do not have a brand strategy in place. These questionnaire participants were asked, why they did not have a brand strategy in place, figure 4.8 below shows the result of this question:



Figure 4.9 Why companies do not have a brand strategy in place

57% of participants said that they do not have a brand strategy in place because they do not have the time or resources to implement one. 9% of participants stated that they do not have a brand strategy in place because they do not need one, while 4% of participants said they do not have a brand strategy in place because they do not know what a brand strategy is. 30% of participants selected that they have not seen a need until now to implement a branding strategy. This shows that some of the companies that do not currently have a brand strategy in place at the moment are considering implementing one in the future.

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It was felt more insight was needed into the companies that said they do not have a brand strategy in place, four telephone interviews were set up with companies that said they do not have a brand strategy in place. These 4 companies were located in Galway, Sligo, Waterford and Dublin. For the purpose of this study these 4 companies will be referred to as Company E, Company F, Company G, Company H.

Company E is an Irish owned SME contract medical design and manufacturing company based in Waterford. The interview was conducted with the Managing Director of the company. The company was asked why they do not have a brand strategy in place, it was stated they felt they never needed one, they do not have a formal marketing department in the company so they do not have the time or resources to do anything in branding. They stated that they never needed to go looking for work, they always had work come to them, it was stated that they could see this changing in the future as the market gets more competitive. When asked if a branding strategy might be something they would consider implementing in the future it was stated that they would consider doing something formal in the future as they continue to grow. They believe there is not enough corporate level support available to small business owners in the Medical technology sector in Ireland and some business owners do not see branding as being part of the strategic side of business. They believe this is down to the fact that the benefits of having a branding strategy are not promoted enough through the necessary bodies.

The second interview with companies that do not have a branding strategy in place was conducted with Company F, this company is an Irish owned SME who produces disinfection systems for use in the healthcare market. This company is located in Dublin. The interview was conducted with the marketing manager of the company. The interviewee was asked why they do not have a brand strategy in place, it was stated that they do not have the time or resources to implement a brand strategy for the company. They said their current strategy is more sales focused than marketing focused, they are dedicated to winning new business for the company. This point is in line with Krake 2005 theory that SME's tend to focus on sales first before marketing as that is what will generate short term returns. They said that they do believe branding is important but it is not something that is given enough investment at the

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present time. They also stated that they felt there was no need to conduct internal branding in the company, they felt that every body in the company was fully aware of what they do and they were happy with this.

Company G was the third company without a brand strategy that was interviewed. This company was a small Medical Device irish owned SME based in Galway. The interview was conducted with the managing director of the company. When asked why they do not have a brand strategy, they say that branding is only slightly important for their company and not something they need to focus on at the moment. Their main focus is on generating sales for the company. It became apparent throughout the interview that they were not fully aware of what a brand strategy is, they seemed to think that branding meant generating sales for the company. This company is still very early on in their devleopment and do not deal directly with customers at the moment which may be the reason why they are unfamiliar with branding at the moment. The company is very small and they do not know anything about internal branding and have no plans to do anything in relation to internal branding in the future. This company feels that the biggest challenge facing Medical Technology companies in Ireland is that there is too much competition and it is impossible for small companies starting out to get a head in the industry.

The fourth interview was carried out with Company H. This company is based in Sligo and is contract medical design and manufacturing company. The company is an Irish owned SME company. The interview was conducted with the Managing Director of the company. He was aked why the company did not have a brand strategy in place, it was stated that he believed the company never needed a brand strategy because it was too small to need one, he said as the company is now beginning to grow and is increasing exports, they may now look into implementing a brand strategy. This company stated that they do believe branding is very important but is something they feel is more applicable to large companies as oposed to smaller companies, this point made is consistent with Wong and Merrilees 2005 theory that some SMEs believe that branding is only for the big companies who have the resource to do it. As the interview progressed, it became evident that this company was not fully aware of all aspects of a brand strategy, they said that they felt they only

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occasionally needed to monitor their competitors. They said they were not familiar with what a brand mantra is and they do not have a formal positioning statement established for their company. They also stated that they did not see the benefits in conducting internal branding in the company.

It became very evident while conducting the interviews with participants who do not have a brand strategy in place that there is a huge lack of understanding of what a brand strategy actually is among these companies. It also became very evident that these companies do not feel there is a need for a brand strategy to be put in place as they do not see the benefit in it. It is believed that there is a huge lack of education on the benefit of brand strategies and on branding in general available to small companies in the Medical Technology sector in Ireland.

Table 4.2 below shows an overview of answers from the qualitative in-depth interviews of Company E, Company F, Company G and Company H. This overview compares what each company is doing in terms of brand auditing, competitor awareness, positioning, brand personality and internal communications. It also shows if these companies are SME's, Irish owned, why they say they have no brand strategy in place, who they think should be responsible for branding and if there is commitment from the top of the organisation when it comes to branding.

This over view shows that although these compains have stated that they do not have brand strategy in place, some of them are in fact practicing some aspects of brand strategy without perhaps being aware of it.

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| | Company E | Company F | Company G | Company H |
|------------------------------|--|--|--|--|
| SME | Yes | Yes | Yes | Yes |
| Irish Owned | Yes | Yes | Yes | Yes |
| Why no brand strategy | Have not needed it until this year but we have reached a size where it will be important to business growth in the future. | Do not have the time or resources to implement one | No time or resources, early stages of development | Never needed one, but thinking about implementing now |
| Responsibility | Everybody | Everybody in company | CEO/MD | Marketing Department |
| Brand Auditing | No | Yes | Yes | No |
| Competitive Awareness | Yes - Continuously monitor competitors | Yes - continuously monitor competitors | Yes - continuously monitor competitors | Occasionally look at competitors |
| Positioning | Yes they are aware but it is too early in the development of the company to tell if they are happy or not | Yes they are aware of their positioning but they are not happy | Yes they are aware of their positioning and happy with their position in their chosen market | They are aware of their positioning but they are not happy |
| Personality | in process of developing a brand mantra and statement | is ok but could benefit from some work | could be better | Not familiar with a brand mantra |
| Communication | yes training going on at the moment very important to them, | do not think there is any need to brand internally | believe everybody knows what they do, no need to create formal | never branded internally, have not felt they needed, might do it in the future |

| | | | | |
|--------------------------------|---|-----------------------|---------------------------|-----|
| | external communication are not good, say they do most of what their competitors are doing but they are not showing it | | communications internally | |
| Commitment from the top | Yes | Not recognised enough | Yes | Yes |

Table 4.3 Overview of Qualitative In-Depth telephone interviews among companys that do not have a brand strategy in place

4.5 Key Issue 3 – Findings and Analysis

Objective Three: To evaluate and compare the practices of Medical Technology Companies using brand strategy and those who do not use brand strategy.

The third objective of this exploratory research was to look at the practices of companies using brand strategies and those companies who do not use brand strategies, and compare. Quantitative online questionnaires was used to compare the practices of Medical Technology companies that have a brand strategy in place and the Medical Technology companies that do not have a brand strategy in place

It was felt it was important to look at all areas of a successful brand strategy as stated by Ryan (2012), and explore the opinions and practices of companies in the Medical Technology industry in Ireland in relation to all of these areas. This involves looking at whether these companies audit all of their marketing materials, if they are familiar with all of their competitors and how they compare to them in terms of strengths and weaknesses, if they are aware of and happy with their positioning in their chosen

market, if they have a positioning statement or brand mantra in place and to look at the communications strategy they have in place internally.

It was also important to find out from these companies who they felt should be responsible for the branding strategy of their company. Companies were asked – “Who do you think should be responsible for the branding of your company?”. The researcher looked at the responses to this question from both the point of view of companies who currently have a brand strategy in place and the companies that do not currently have a brand strategy in place.

Figure 4.10 below shows the responses from companies who have a brand strategy in place:



Figure 4.10 Who should be responsible for branding according to companies with a brand strategy in place

63% of respondents said that do have a brand strategy in place felt that everybody in the company should be responsible for branding, while 26% of respondents said it was the Marketing departments responsibility and 11% felt is was the responsibility of the CEO/MD. It was clear that the 63% of respondents that felt it was the

responsibility of everybody in the company to implement the companies branding strategy had a clear understanding of branding and how it should be implemented. It was however alarming that the 26% of respondents that said they have a branding strategy in place felt that the responsibility should lie with the Marketing department.

Out of the respondents that do not have a brand strategy in place, 77% of them answered that the Marketing department should be responsible for the branding on the company. This shows that the companies without a branding strategy are less aware of who should be responsible for the branding of a company, Aaker (1991) states that there should be understanding and buy in from all parts of the organisation in order for branding to work and in particular it should have buy in from the top of the organisation to work, and not just left to the marketing department.

Figure 4.11 below shows who the companies that do not have a brand strategy in place thinks should be responsible for the branding of the company:

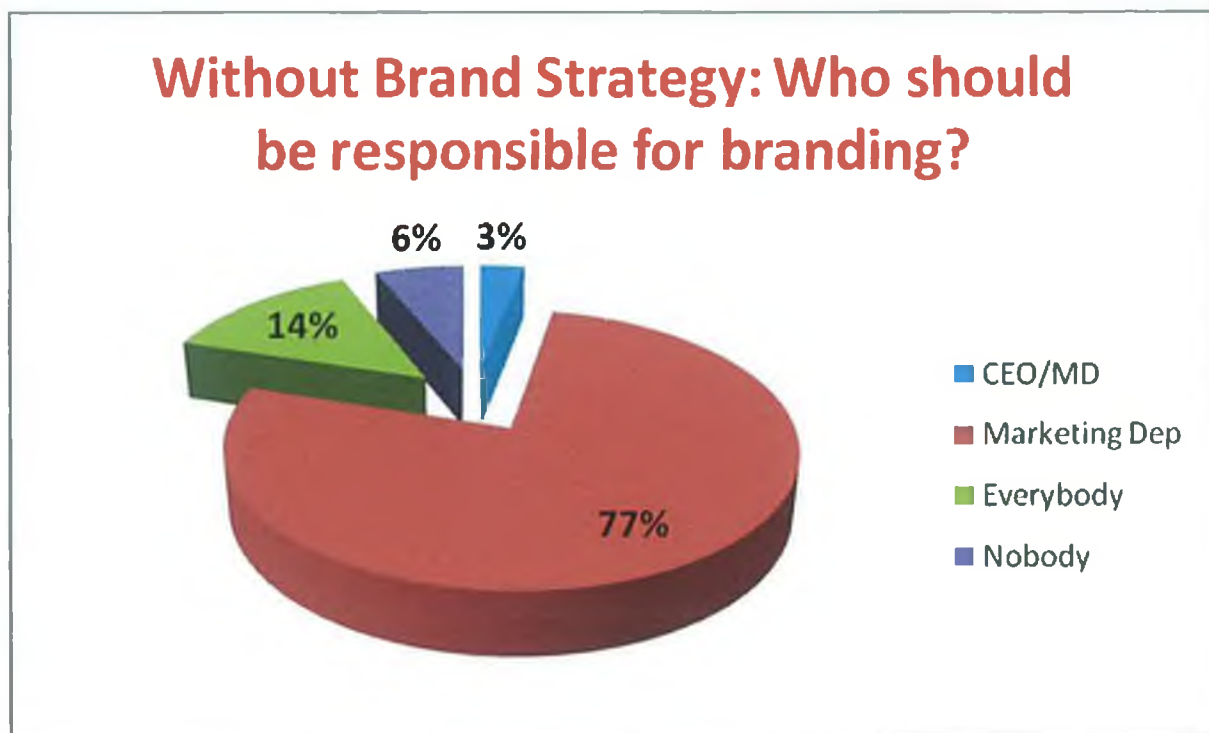


Figure 4.11 Who should be responsible for branding according to companies without a brand strategy in place

It was felt that it would be important to evaluate the practices of both companies who have a brand strategy and companies who do not have a brand strategy in place by finding out what measures these companies take to build on and support their companies brand. Participants were given the following options to choose from:

| |
|--|
| We have a dedicated brand manager |
| We are constantly investing in our brand and improving our image |
| We continually train our employees on the value of our brand |
| All of the above |
| We do not take any measures |
| Other |

Table 4.4 Options given to participants to explain what measure they take to implement a brand strategy

Figure 4.12 below shows how companies with a brand strategy answered:

With Brand Strategy: Measures taken to support brand:

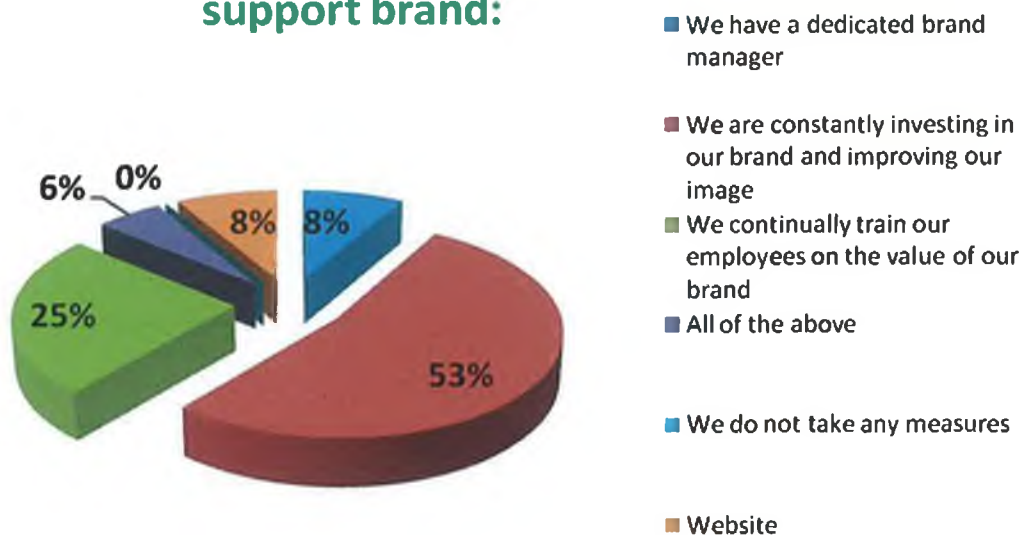


Figure 4.12 Measures taken to support their company brand by companies with a brand strategy in place

The results from this question showed that 53% of participants say that they constantly invest in their brand and improve their image, while 25% of respondents agreed that they continually train their employees on the value of their brand.

Surprisingly 8% of respondents with a brand strategy said that they do not take any measures to build on and support their brand strategy, this would indicate that some of the respondents that originally said they had a brand strategy in place may not have really had a brand strategy in place or may be confused as to what their brand strategy should consist of.

Figure 4.12 below shows what measures respondents that do not have a brand strategy in place take to build on and support their company brand:

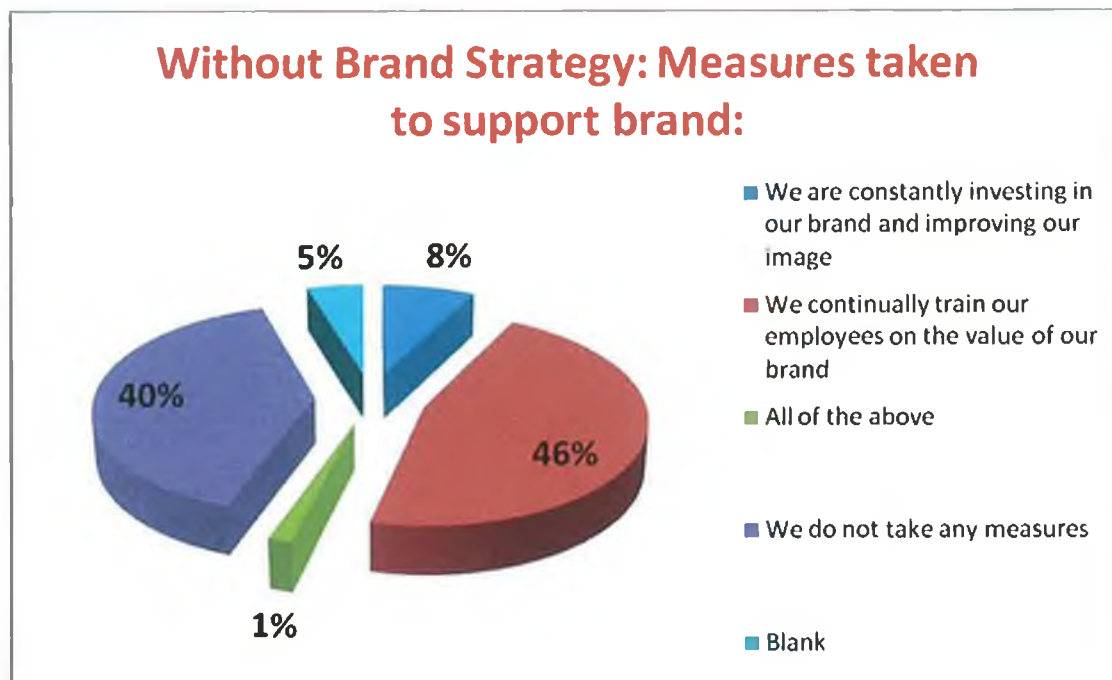


Figure 4.13 Measures taken to support their company brand by companies without a brand strategy in place

This chart shows that although these companies do not have a brand strategy in place, 46% of them say that they do continually train their employees on the value of their brand. Unsurprisingly 40% of respondents without a brand strategy say that they do not take any measures to build on and support their company brand.

Participants were then asked if they audit all of their marketing materials such as their websites, brochures and other marketing literature. Chart 4.13 below shows how respondents who have a brand strategy in place answered this question:

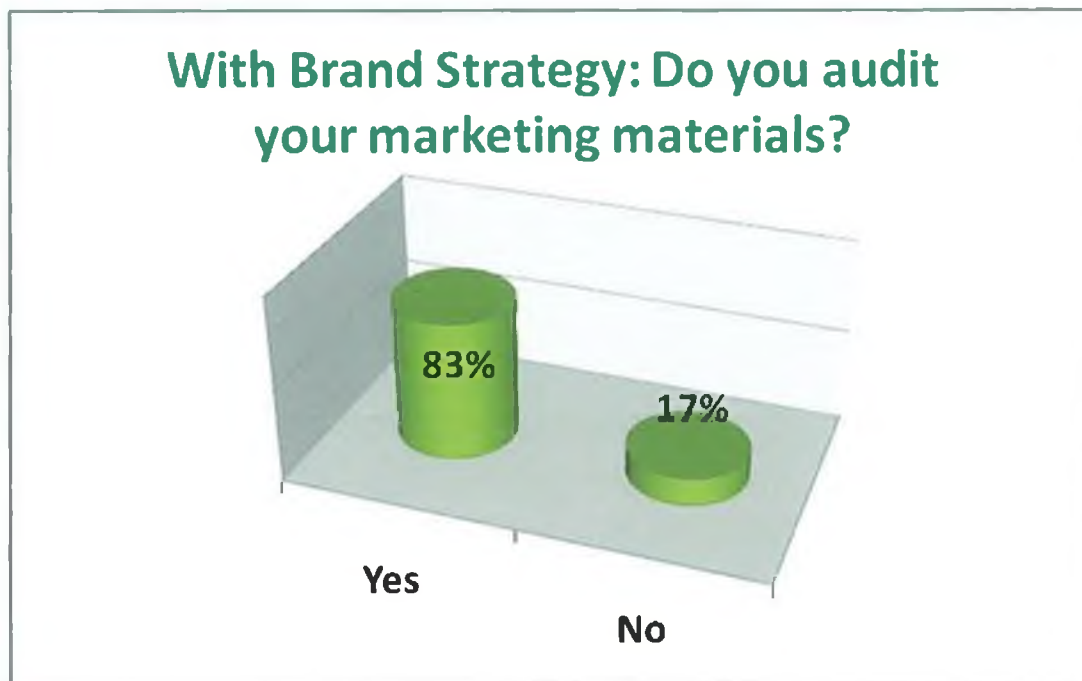


Figure 4.14 Auditing of marketing materials – companies with a brand strategy in place

83% of respondents who have a brand strategy in place said that they do audit all of their companies marketing materials which is in line with best practice theory. While 17% of the respondents said that they do have a brand strategy in place stated that they do not audit all of their companies marketing materials, this would indicate that although they said they have a brand strategy in place, their brand strategy is not being practiced correctly.

Participants who do not have a brand strategy in place were also asked if they audit all of their companies marketing materials.

Figure 4.14 below shows the results of this question:



Figure 4.15 Auditing of Marketing Materials – companies without a brand strategy in place

Unsurprisingly 86% of respondents said that they do not audit all of their marketing materials, while 14% of respondents that said they do not have a brand strategy in place stated that they do in fact audit all of their marketing materials. This 14% of respondents are practicing elements of a brand strategy without perhaps knowing they are doing it.

It was felt it would be important to see if companies in this sector were familiar with their competitors and how they compare to them in terms of strengths and weaknesses, as being competitor aware is a very important part of a successful brand strategy according to Holt (2003). Participants were asked to choose one of three options that was applicable to them, the options the participants could choose from is shown in the table below:

| |
|--|
| Options to choose from: |
| Yes, we monitor our competitors on a continuous basis |
| Occasionally, we will look at what our competitors are doing |
| No, we are confident that we offer a better product/service than our competitors |

Table 4.5 Options given to participants to explain how competitor aware they are

For the purpose of figures 4.15 below the answers have been shortened to yes, occasionally and no to represent the above answers. Figures 4.15 below shows the answers as stated by participants who have a brand strategy in place:



Figure 4.16 Competitor awareness – companies with a brand strategy in place

22% of participants state that yes they do monitor their competitors on a continuous basis, while 13% of respondents that have a brand strategy in place says they occasionally look at what their competitors are doing. 1% of respondents said they do not monitor their competitors. Competitor awareness is an important part of brand

strategy so is it thought that 100% of respondents with a brand strategy in place should be continuously monitoring their competitors. The results of the findings to this question would indicate the 14% of respondents with a brand strategy in place are not carrying out their brand strategy correctly as they should be monitoring their competitors on a continuous basis.

The same question was asked to participants who do not have a brand strategy in place, figure 4.16 below shows how they responded to that question:



Figure 4.17 Competitor awareness – companies without a brand strategy in place

38% of respondents that do not have a brand strategy in place said that they occasionally look at what their competitors are doing, while 23% of respondents said that they monitor their competitors on a continuous basis. This finding shows that this 23% of the companies that do not have a brand strategy in place, are in fact practicing elements of brand strategy in their company without perhaps knowing they are doing it.

Another important element of brand strategy is positioning planning, according to Chernatony and McDonald (2003) brand planning is a very important activity, and by not doing this correctly companies could be creating their own obstacles to success.

The researcher wanted to find out how participants with a brand strategy and participants without a brand strategy felt about their positioning in their chosen market.

Participant were asked firstly if they where aware of their positioning in their chosen market. Figures 4.17 below shows the results of this research:



Figure 4.18 Positioning awareness of all participants in the questionnaire

98% of all respondants said that they were aware of their positioning in their chosen market.

The researcher felt it was important to find out more details in relation to positioning, so participants where asked if they were happy with their positioning in their chosen market. Figure 4.18 below shows the answers from participants who have a brand strategy in place:



Figure 4.19 Positioning satisfaciton of companies with a brand strategy in place

82% of resondants said that they are happy with their positioning it their choosen market, 9% said that it could be better and 9% said that they were not happy.

Participants without a brand strategy were asked the same questions, figures 4.19 below shows the answers to this questions:



Figure 4.20 Positioning satisfaction of companies without a brand strategy in place

The researcher felt it would also be important to find out if companies have a positioning statement or brand mantra in place that explains who they are and what they do. Participant were given options to choose from, the table below shows these options:

| |
|---|
| Yes (we have a statement that everybody in the company is aware of and uses to explain who we are and what we do) |
| No (everybody in the company knows what we do, we do not need to create a formal positioning statement) |
| We do not know what a positioning statement or brand mantra is |
| Other |

Table 4.6 Multiple choice answers in relation to positioning

Figure 4.20 below shows the answers from companies who do have a brand strategy in place:



Figure 4.21 Positioning statement or brand mantra in companies with a brand strategy in place

74% of participants with a brand strategy in place said that they do have a positioning statement or brand mantra in place that explains who they are and what they do. 17% of respondents said they do not have a positioning statement or brand mantra in place.

Figure 4.22 below shows the results of this question from participants who do not have a brand strategy in place:

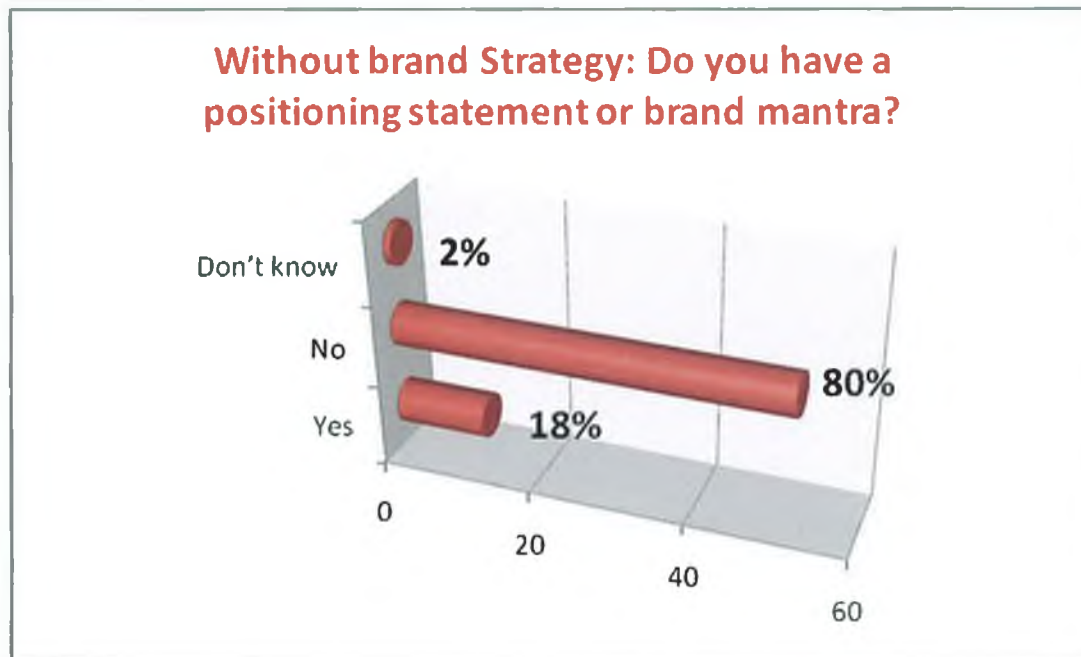


Figure 4.22 Positioning statement or brand mantra in companies without a brand strategy in place

80% of respondents stated that they do not have a positioning statement or brand mantra in place, these companies feel that everybody in their companies already knows what they do so there is no need to create a positioning statement or brand mantra. 18% of the companies that say they do not have a brand strategy in place, said that they do have a positioning statement or brand mantra in place, while 2% of respondents said that they do not know what a positioning statement or brand mantra is.

The final question that all participants were asked was in relation to Internal Branding, according to Davis (2005) internal branding is an important aspect of brand strategy and it must be implemented in order for a brand strategy to be successful.

Figure 4.23 below shows the answers from the companies that say they have a brand strategy in place:



Figure 4.23 Internal branding in companies with a brand strategy in place

83% of participants that say they have a brand strategy in place say that they have branded internally, 8% say they have not branding internally, while 3% of participants said that they were not familiar with Internal branding.

Figure 4.24 below shows the results of this question from respondents who do not have a brand strategy in place:



Figure 4.24 Internal branding in companies without a brand strategy in place

Out of the companies that said they do not have a brand strategy in place, 66% of them said that they have not branded internally. 23% of participants said that they do not think there is any need to brand internally, 3% said that they were not familiar with what internal branding is while 8% of participants said that they do brand internally.

4.6 Reiteration

In summary, the findings has shown that branding is somewhat misunderstood by companies in the Medical Technology industry in Ireland, 39% of all of the participants surveys was unsure of what the term actually means. The findings show that even companies that say they have a brand strategy in place are not implementing their brand strategies correctly. Out of the companies that say they have a brand

strategy in place, 26% of them feel that it is the responsibility of the marketing department to implement the brand strategy and not everybody in the company. It was also evident when conducting interviews with the companies that said they had a brand strategy in place, that their brand strategy was disjointed and not being implemented correctly. The findings from the interviews also show that some of the brand strategies that are in place are not getting buy in from the top management of the companies.

The findings from this research also highlight that there is believed not to be enough training and support available to companies in the Medical Technology Industry in Ireland from the appropriate groups or governing bodies. Some of the companies that were interviewed stated that there is not enough education and promotion being done to help make senior managers aware of the benefits of implementing branding strategies for their company.

4.7 Conclusion

Within this chapter the main finding from the quantitative and qualitative research were discussed. Firstly, a profile of the respondents who participated in the questionnaire and interviews were discussed. The findings were then discussed and analysed under the three research objectives with the aid of visual charts from the questionnaire research. Finally, a reiteration of the findings was drawn up.

Chapter 5

Conclusions and Recommendations

5.1 Introduction

The aim of this study was to explore the understanding and use of brand strategies in the Medical Technology Industry in Ireland. The study was conducted in the Republic of Ireland and excluded Northern Ireland. In order to answer the question “is branding understood and used effectively in the Medical Technology industry in Ireland” it was necessary to evaluate companies awareness and understanding of the term branding and if they have a brand strategy in place. It was also necessary to explore if brand strategies do or do not exist in the Medical Technology industry in Ireland and to evaluate and compare the practices of companies using brand strategies and the practices of the companies who do not use brand strategies.

Therefore, the conclusions and recommendations of this chapter are based upon the findings and analysis of the research gathered throughout the study, from secondary research in the form of a literature review, primary quantitative research in the form of a questionnaire and primary qualitative research in the form of in-depth telephone interviews.

5.2 Key Issue 1 – Conclusion and Recommendations

Objective One: To identify the overall awareness and understanding of the concept of branding in the Medical Technology Industry in Ireland.

It is evident from the research gathered that there is a strong awareness of the term branding within the Medical Technology industry in Ireland, over 95% of participants who filled out the questionnaire were aware of the term branding. This awareness however does not constitute as knowledge about what branding actually means. It was discovered that 35% of the participants who took part in the quantitative research believed that the term branding means to advertise and promote your company. It is

believed that the hypothesis that branding is not fully understood in the Medical Technology Industry in Ireland has been proved to be true.

According to the IMDA (Irish Medical Device Association), the Medical Technology sector in Ireland has become a bastion of strength compared to other industries in Ireland over the last number of years, and is one of the few industries that have weathered the economic downturn. The future of the Medical Technology Industry is good but it is not without its challenges, the industry has to deal with cuts in healthcare expenditure and increasing pressure to build their reputation for producing high-end, clinically superior products and solutions in comparison to their international competition. Considering the pressures on Medical Technology companies in Ireland to build on their reputation it is recommended that greater efforts need to be made by Medical Technology companies to develop branding strategies for their companies.

It is recommended that the benefits of branding should be promoted more by the Irish Medical Device Association and Enterprise Ireland to make companies more aware of branding and the benefits it can have on their company. There is much literature available on the area of branding with the main focus being on product branding however there is no literature available with specific focus on the Medical Technology Sector. Temporal (2000) states that one of the reasons why technology companies have not given branding a high priority, is that technology product and service markets have not been very cluttered until the last decade of the twentieth century and these companies are only now realising that branding could play a big role in their company. Therefore, the time has now come for branding to play a key role in the future success of Medical Technology companies in Ireland. According to the qualitative in-depth telephone interviews that were carried out, all of the companies that say they have a brand strategy in place commented that they believe more support was needed for Medical Technology companies in Ireland on developing a brand and marketing in general.

Figure 5.0 below shows some of the comments made:

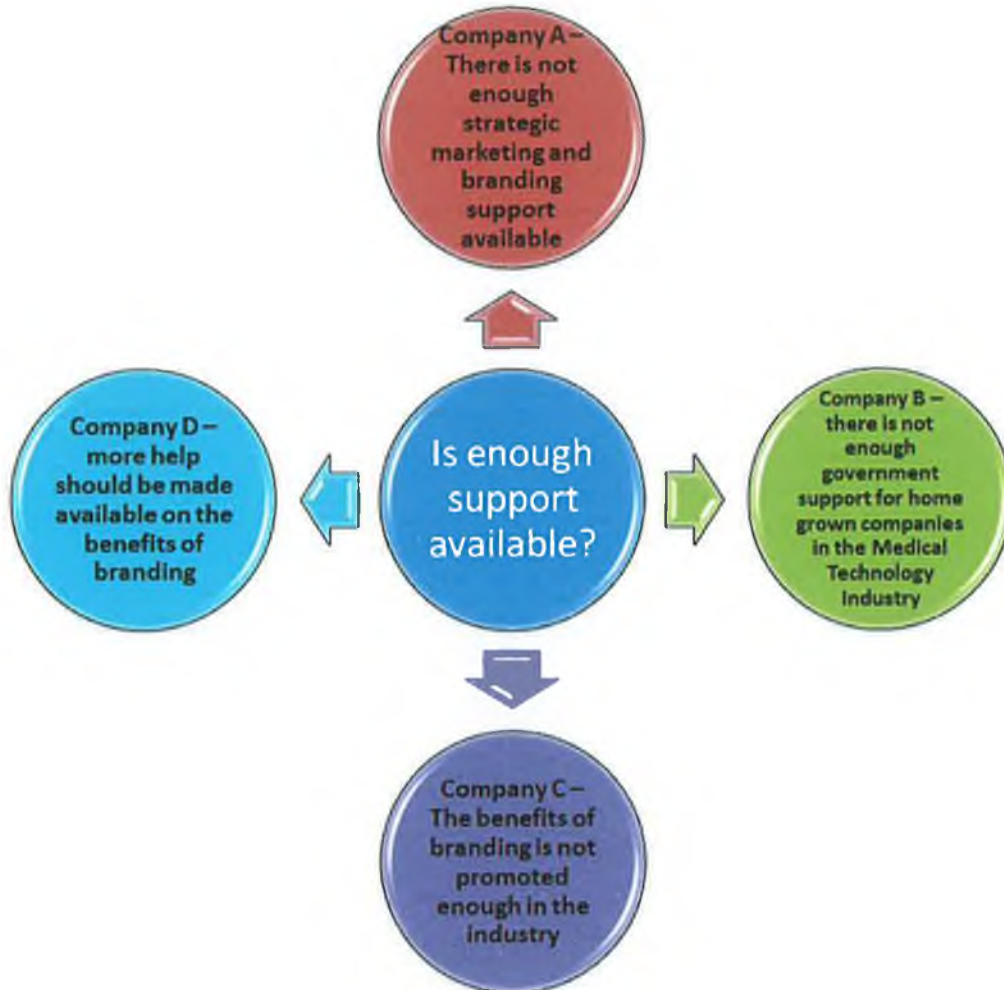


Figure 5.0 Qualitative Research comments in relation to support available to Medical Technology Companies in Ireland

Enterprise Ireland offer many sales and marketing grants to SME Medical Technology companies in Ireland such as the market research grant, key account manager grant, excel at export selling grant and many more (Enterprise Ireland 2012). However, none of the grants that Enterprise Ireland offer are specific to branding and the development of brand strategies. SME Medical Technology companies in Ireland need support and encouragement in order for them to implement a successful brand strategy and compete abroad. It is therefore recommended that branding specific grants be made available to Medical Technology companies in Ireland.

5.3 Key Issue 2 – Conclusions and Recommendations

To explore if brand strategies do or do not exist in the Medical Technology Industry in Ireland.

The quantitative research gathered showed that 64% of the companies surveyed admitted to not having a brand strategy in place while 36% of the participants stated that they do have a brand strategy in place. It is believed however, that the percentage of people that say they do have a brand strategy in place is in fact less than 36%, it was discovered that some of the companies that say they do have a brand strategy in place are not implementing their brand strategy correctly or they do not fully understand what a brand strategy is. Out of the companies that were interviewed in the qualitative interviews that say they have a brand strategy, three out of four of them were not conducting their brand strategy correctly and it became evident that they did not fully understand what branding actually means.

It was discovered during some of the interviews that was conducted that there is a disjointed message and lack of consistency in message being portrayed in some of the companies, this needs to be addressed by top management in order to be sorted out. It is recommended that a more top down approach needs to be taken in Medical Technology companies in Ireland to implement brand strategies. Kotler and Pfoertsch (2007) states that branding should always start at the top of a business. The leaders of Medical Technology companies need to take control and support and drive the branding efforts from the top in order for brand strategies to work.

It was noted from the quantitative questionnaire that the companies that said they have got a brand strategy in place, 8% of them said they do not brand internally and 3% said that they thought there was no need to brand internally, this shows that these companies are not implementing their brand strategy correctly. Mitchell (2002) states that internal marketing is extremely important because the internal people in the

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company are the very people that can make the brand come alive for customers, and is therefore a very important part of a brand strategy.

The Irish Exporters Association (2012) reports that exports from the Medical Technology sector in Ireland came to approx €6 billion in 2011 so this is an extremely important sector to the overall economic well being of Ireland and its recovery during the financial downturn. According to HBS Consulting (2011) companies in the Medical Technology sector have managed to some degree to get away without the need for branding due to factors such as an aging population meaning that there is a high demand for medical products, as well as increasing demand for new medical technologies and increases in healthcare spending. However, according to the IMDA (2011), trends are starting to shift, there has been a decrease in healthcare spending worldwide due to the economic recession, and there is an increase in competition in this sector since the economic downturn. Therefore, as a result of this increasing competition and advances in technologies there is now a greater need than ever for Medical Technology companies to implement branding strategies.

According to Eucomed (2011), the Medical Technology Industry has got huge potential, however, changes needs to be made to improve the environment especially for SME Medical Technology companies to enable them to grow. SME Medical Technology companies are a “central part of the solution to the economic difficulties of today and the impending health crisis of tomorrow” according to Eucomed (2011). As Medical Technology SME’s are so important to the economy, it is extremely important for them to implement a successful branding strategy. According to Holt (2003) branding has become one of the most important aspects of business strategy; therefore it is recommended that more Medical Technology companies in Ireland take a more strategic approach to implementing branding strategies.

5.4 Key Issue 3 – Conclusions and Recommendations

To evaluate and compare the practices of Medical Technology Companies using brand strategy and those who do not use brand strategy.

The findings and analysis showed that there is quite a big difference in the companies that say they have a brand strategy in place compared to the companies that say they do not have a brand strategy in place. The main differences were seen in who these companies think should be responsible for branding, the amount of time that is spent on branding, how they monitor their competitors, their positioning statements and also in relation to internal branding.

The findings showed that 63% of companies that say they have a brand strategy in place think that everybody in the companies should be responsible for branding this is compared to 14% of companies that say they do not have a brand strategy in place. 77% of companies that do not have a brand strategy in place say it is the responsibility of the marketing department to look after the branding of the company. This finding shows that the companies that are currently practicing some form of branding strategy are more knowledgeable about branding than the companies they say they do not have a brand strategy in place.

The research findings showed that 53% of companies with a brand strategy said that they are constantly investing in their brand this is compared to 8% of companies who do not have a brand strategy in place. This shows a big difference between the companies that have a brand strategy in place and the companies that do not have a brand strategy in place; there is clear difference in opinion in relation to the amount of time that should be spent on branding between the two types of companies.

Companies who do not have a brand strategy in place spend a lot less time in relation to branding than companies that have a brand strategy in place.

The findings also showed a big difference between companies that have a brand strategy in place and companies who do not have a brand strategy in place when it

comes to auditing their marketing materials. 83% of companies who have a brand strategy in place say they audit their marketing materials, while only 8% of companies who do not have a brand strategy in place say they audit their marketing materials. Again this shows a clear difference in the understanding and knowledge of the two types of companies when it comes to branding.

Both companies that say they have a brand strategy in place and companies who say they do not have a brand strategy in place were asked if they were familiar with their competitors and how they compare to them. 61% of companies that do have brand strategy in place say that they monitor their competitors on a continuous basis; only 35% of companies who do not have a brand strategy in place say they monitor their competitors on a continuous basis. This finding shows that there is a clear lack of understanding among companies who do not have a brand strategy in place when it comes to competitor analysis which is alarming as being competitive is very important especially during recessionary times.

In relation to positioning, both companies who have a brand strategy in place and companies who do not have a brand strategy in place gave similar answers when it comes to their perception of their positioning in their chosen market. 82% of companies who have a brand strategy in place said they were happy with their positioning in their chosen market; while 81% of companies who do not have a brand strategy in place said that they are also happy with their positioning in their chosen market. This high number of companies without a brand strategy in place that say they are happy with their positioning in their chosen market is surprising as only 35% of them monitor their competitors on a continuous basis. This would indicate that the companies without a brand strategy in place may not be fully aware of their positioning and may think that their positioning is better than it is. The research findings shows this further in the fact that only 18% of companies without a brand strategy in place actually have a positioning statement or brand mantra in place, this would again indicate that these companies are not fully aware of their positioning even though they may believe they are. 74% of companies that do have a brand strategy in place say they have a positioning statement or brand mantra in place.

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There was also a big difference in relation to internal branding in companies that say they have a brand strategy in place and companies that say they do not have a brand strategy in place. 83% of companies that have a brand strategy in place say they brand internally while only 8% of companies that say they do not have a brand strategy in place say they brand internally. This would again indicate that there is a lack of awareness and perhaps education among Medical Technology companies that do not practice brand strategy compared to companies that do practice brand strategy.

Overall, there are significant differences evident in the companies that say they use brand strategy compared to the companies that admit to not using brand strategy. The companies they say they have a brand strategy in place have more in-depth knowledge and awareness about their competitors. They are also more in tune with who should be responsible for branding and also use internal branding as part of their strategy. The overall results of the findings indicated that the companies that say they have a brand strategy in place are practicing most of the areas of brand strategy consistent with best practice theory, namely auditing of external marketing materials, being competitor aware, positioning and internal branding.

However, the findings also show that not all of the companies that say they have a brand strategy in place are conducting it in line with best practice theory. 26% of these companies say that the branding activities should be taken care of by the marketing department of the company, best practice theory states that everybody in the company should be responsible for branding. 17% of companies that say they have a brand strategy in place do not audit their marketing materials which again are not in line with best practice theory. 36% of companies with a brand strategy in place only occasionally monitor their competitors while 3% of companies that say they have a brand strategy in place do not monitor their competitors at all. 9% of companies that say they have a brand strategy in place are not happy with their positioning in their chosen market while 17% of them say they do not have a positioning statement or brand mantra in place. Furthermore, 8% of companies that say they have a brand strategy in place do not do any internal branding and 3% admitted that they do not know what internal branding is. These statistics prove that although some companies say they have a brand strategy in place they do not fully understand what a brand

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strategy is and are not conducting their strategies correctly, this supports HBS Consulting (2011) who stated that many Medical Technology Companies think they have a brand strategy in place when in fact they do not.

It is recommended that Medical Technology companies need to review their branding practices and make the necessary changes to introduce a properly conducted brand strategy as outlined by Keller (2000) or Holt (2003). Medical Technology companies need to realise that branding is key part of being competitive, IMDA (2011) have pointed out the industry is changing and in order stay competitive, Medical Technology companies have to take the necessary measures to compete. It is felt that branding is the measures that Medical Technology companies need to take in order to compete in what is becoming a very competitive industry.

It is recommending that Medical Technology companies in Ireland set the building and management of their branding activities high on their list of priorities. Brand building should be recognised as one of the most important aspects of business strategy and it needs to be championed from the top of the company. A strong brand is an excellent way to distinguish a company from the competition and, if properly applied, it can emphasize the quality of a company's product or service. Holt (2003) states that branding is central to creating customer value, and it is a key tool for creating and maintaining competitive advantage.

5.5 Limitations

Firstly, due to the time and scope of this dissertation there are some limitations in relation to the amount of research that could be conducted. This study was conducted as part of a master's dissertation and the timescale was over a three month period, therefore, there are some areas that were not covered and require some more investigation.

Secondly, it was not possible to interview the entire population of Medical technology companies in the republic of Ireland, only eight companies in total could be

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interviewed as it was over a short period of time. Purposive sampling was used to select participants who currently have a brand strategy in place and who currently do not have brand strategies in place.

Furthermore, limitations were encountered in accessing the correct contact details for participants in the quantitative questionnaires, it was found some details were out of date and further research had to be conducted to access new details.

The time of year was also a limitation to the research. The research was carried out over the summer period meaning many quantitative and qualitative research participants were out of the office on annual leave. This fact made it difficult to arrange suitable times with participants for the research.

5.6 Further Research

Further research could be conducted by interviewing all companies in Ireland that have a brand strategy in place and all companies who do not have a brand strategy in place to further investigate if brand strategies are being used correctly.

Secondly, due to the scope of the project it was necessary to narrow the focus of the study to just the Republic of Ireland. Further research could be carried out to include Northern Ireland and UK medical technology sectors.

In addition, further research could also be carried out on the European Medical Technology Sector to further investigate if brand strategies are being used in the Medical Technology companies in Europe and how Ireland compares to the rest of Europe. The European Medical technology industry is made up of all Medical technology companies within the EU, according to Eucomed (2011) Medical Technology companies are a major contributor to the EU economy, sales revenue in the European Medical Technology industry is over €95 billion every year. Eucomed (2011) states that Medical Technology is a huge driver for Europe's economic well-being; the industry contributes greatly to employment and export figures yearly,

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therefore further research into the use of branding strategies in the European Medical Technology industry would be beneficial.

Furthermore, as such a large proportion of Medical technology companies are SME's, 80% in Europe and over 50% in Ireland, further research should be conducted on branding specific to SMEs in the Medical Technology Industry.

5.6 Conclusion

This chapter provided conclusions and recommendations for each of the three objectives outlined in the introduction chapter, namely:

Objective One: To identify the overall awareness and understanding of the concept of branding in the Medical Technology Industry in Ireland.

Objective Two: To explore if brand strategies do or do not exist in the Medical Technology Industry in Ireland.

Objective Three: To evaluate and compare the practices of Medical Technology Companies using brand strategy and those who do not use brand strategy.

From the findings gathered, it is clearly demonstrated that there are more companies not using brand strategies compared to companies using brand strategies in the Medical technology sector in Ireland. It is also clearly demonstrated that there is confusion and a lack of clear understanding of what a brand strategy is among companies in the Medical Technology sector in Ireland. The findings also demonstrate that there are clear differences in the practices of companies that use brand strategies compared to the companies that do not use brand strategies. The findings also show that even the companies that say they are using brand strategies, some are not practicing these brand strategies correctly.

The chapter concluded by stating the limitations of the research and the areas where further research should be conducted.

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Appendices

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Appendix A:

Email Letter seeking questionnaire participation:

Dear Sir/Madam,

For the attention of the MD/CEO and/or Marketing Department

I am a postgraduate student currently completing a dissertation as part of a masters in marketing in IT Sligo. My dissertation is entitled "An Exploratory Study into the use of Brand Strategy in the Medical Technology Industry in Ireland".

As part of my research I am conducting a short questionnaire to analysis the area of branding in the Medical Technology Industry in Ireland, as your company is part of this important sector I believe your contribution to this questionnaire will be very valuable.

I would be very grateful if you could take a few minutes to fill out the questionnaire, it is completely anonymous and your answers will not be disclosed and will be used only for the purpose stated. Below is a link to the questionnaire:

<https://docs.google.com/spreadsheet/viewform?formkey=dDgwaDhrRGtRMXNZZHdieDFLSIhoaXc6MQ>

All participants in this questionnaire will be entered into a draw to win a FREE night's stay in the lovely seaside Pier Head Hotel, Mullaghmore, Co. Sligo. The hotel is located in a lovely part of Sligo approximately half way between Sligo City and the sea side town of Bundoran Co. Donegal, the hotel has both spa and leisure facilities and is the perfect seaside getaway. For more information on this hotel check out their website here - www.pierheadhotel.ie.

I appreciate your time in completing this questionnaire.

Kind Regards,

Deirdre Kilgannon
MSc in Marketing
IT Sligo

Appendix B:

Questions for qualitative questionnaire

Branding in the Medical Technology Industry in Ireland Questionnaire

Your answers to the questions below will be kept completely confidential and will only be used for the purpose of this research.

* Required

What is your company name?

What is your job title in the company?

Are you familiar with the term branding?

- Yes
- No
- I have heard of it but I do not know much about it

What in your opinion does the term branding mean?

- Developing a logo for your company
- Advertising and promoting your company
- Improving all of the activities that shape customers perception of your company both internally and externally
- Do not know
- Other:

In your opinion how important is branding to the overall success of your company?

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- Very Important
- Important
- Slightly Important
- Not important at all (our company does well without branding)
- Other: _____

Does your company have a brand strategy in place?

- Yes
- No
- I don't know

If Yes, what does your brand strategy involve? _____

If No, why do you not have a brand strategy in place?

- We do not need one
- We do not have the time or resources to implement one
- We do not know what a brand strategy is and how to put one together
- Other: _____

Who do you think should be responsible for the branding of your company?

- CEO/Managing Director
- Marketing Department
- Everybody in the company
- All of the above
- Nobody
- Other: _____

What measures do you take to build on and support your company brand?

- We have a dedicated brand manager that looks after the company brand
- We are constantly investing in our brand and improving our image
- We continually train our employees on the value of our brand

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- All of the above
- We do not take any measures to build on or support our company brand/brands
- Other: _____

Does your company audit all of your companies marketing materials (ie) website, brochures, social media etc to ensure they are correctly representing the company?

- Yes
- No
- Don't know

Are you familiar with all of your competitors and how you compare to them in terms of strengths and weaknesses?

- Yes we monitor our competitors on a continuous basis
- No we are confident that we offer better products/services than our competitors
- Occasionally we will look at what our competitors are doing
- Other: _____

Are you aware of your positioning in your chosen market?eg. Are you a market leader or a follower?

- Yes
- No

Are you happy with your position in your chosen market?

- Yes
- No
- Other: _____

Does your company have a positioning statement or brand mantra that represents who you are and what you do?

- Yes (we have a statement that everybody in the company is aware of and uses to explain who we are and what we do)
- No (everybody in the company knows what we do, we do not need to create a formal positioning statement)
- We do not know what a positioning statement or brand mantra is

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Other: _____

Do you or have you at any stage branded internally?

Yes we make sure everybody in the company knows our brand values and we continuously train and promote our brand inside

No we do not have the resources or time to brand internally

We do not think there is any need to brand internally

We are not familiar with the term internal branding

Other: _____

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Appendix C:

Follow up email seeking Questionnaire Participation:

Dear _____,

I am following up with you in relation to an email I sent to you last week requesting your participation in research I am conducting on the area of "Branding in the Medical Technology Sector in Ireland".

As your company is part of this important sector I feel your participation in the questionnaire would be very beneficial.

If you have not already filled in this questionnaire, I would be very grateful if you could do so here:

<https://docs.google.com/spreadsheet/viewform?formkey=dDgwaDhrRGtRMXNZZHdieDFLSIhoaXc6MQ>

All participants in this questionnaire will be entered into a draw to win a FREE night's stay in the lovely seaside Pier Head Hotel, Mullaghmore, Co. Sligo. The hotel is located in a lovely part of Sligo approximately half way between Sligo City and the sea side town of Bundoran Co. Donegal, the hotel has both spa and leisure facilities and is the perfect seaside getaway. For more information on this hotel check out their website here - www.pierheadhotel.ie.

I really appreciate your time in participating in this research.

Kind Regards,

Deirdre Kilgannon
MSc in Marketing
IT Sligo

Appendix D:

Email Letter Seeking Qualitative Interview Participation

Dear _____,

I am following up with you in relation to the questionnaire you filled out on Branding in the Medical Technology Industry in Ireland. I am extremely grateful for your participation in this questionnaire.

As part of the next stage in my research I am wondering if you would be free to take part in qualitative research in the form of an in-depth telephone interview to discuss the area of branding in the Medical Technology industry a little further.

I would be happy to call you any time that suits you, the telephone conversation will remain completely confidential and should not take long to complete. I would be very grateful for any time you can give me.

I look forward to hearing back from you.

Kind Regards,

Deirdre Kilgannon

MSc in Marketing

IT Sligo

Appendix E:

Transcript for Qualitative in-depth telephone interview with companies who have a brand strategy in place:

Interview with companies that have a brand strategy in place:

Company Name: _____

Contact: _____

Telephone: _____

About: _____

Already found out from survey:

Brand Strategy – YES

How important they feel branding is: _____

Details:

Measures taken to support company brand: _____

Internal branding: _____

Questions to ask:

1. How important is your brand strategy to the company?

2. What does your current brand strategy involve (apart from what already stated)?

3. If conducting interview with marketing person, does the top management (MD, Directors) of your company participate in your brand strategy?

4. What measures does your company take to build or support the brand (ie brand manager, dedicated budget towards branding, employee training etc? (other than what already stated)

7. How do you measure the effects of your brand strategy on your company?

8. What do you do in your company in terms of internal branding? (other than what already stated)

9. How do the employees in the company feel about the brand? Do they contribute to its success, do they understand the brand?

10. Do you think there is enough training/support available for companies in the Medical Technology Sector in Ireland in terms of how to build a brand strategy?

- a. Yes
- b. No
- c. Explain

11. What do you think is the biggest challenge facing MT companies in Ireland when it comes to building up their brand?

Appendix F:

Transcript for Qualitative in-depth telephone interview with companies who do not have a brand strategy in place:

Interview with companies that do not have a brand strategy:

Company Name: _____

Contact: _____

Telephone: _____

About: _____

Already found out from survey:

Brand Strategy – NO

How important they feel branding is: _____

Details: _____

Measures taken to support company brand: _____

Internal branding: _____

Questions to ask:

12. How would you describe what a brand strategy is?

13. Why do you not have a brand strategy? (apart from the reason already given)

14. Have you ever thought about implementing one?

18. How do the employees in the company feel about the brand? Do they contribute to its success, do they understand the brand?

19. Do you think there is enough training/support available for companies in the Medical Technology Sector in Ireland in terms of how to build a brand strategy?

- d. Yes
- e. No
- f. Explain

20. What do you think is the biggest challenge facing MT companies in Ireland when it comes to building up their brand?

Appendix G:

List of Qualitative Interview Participants

Arann Healthcare, Dublin

Design Partners, Dublin

Neuravi Medial, Galway

Novate Medical, Galway

ProTek Medial, Sligo

Schivo Group, Waterford

Seabrook Technologies, Cork

Sealed Air Nelipac, Galway