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GALLO: BRAND LAUNCH IN HUNGARY, EVALUATING THE
POTENTIAL GEOGRAPHIC EXPANSION TO THIS MARKET:
BRAND IDENTITY FOR GALLO IN HUNGARY

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1. Introduction to Brand Identity

Kapferer (2012) defines a brand as a unique set of values, vision and beliefs that will make an organization different from others, and that will consequently draw people to its products while connecting with it. These core values can be called brand identity, a concept created in 1986.

As opposite to the interrelated concept of brand image that focuses on how the receiver perceives a brand, brand identity stands on the sender's side: how the sender projects its intent, which will later impact the brand image and customer's impressions. Generically, "brand identity is everything that makes the brand what it is" (Kapferer, 2012).

A good brand identity should be aligned with the brand's positioning, a connection that will enable the brand to change over time while remaining itself. While the brand identity is relatively stable over decades, positioning may be modified more regularly in result of changes in competition and targeted consumers. It is important to understand that a brand in a different market tells a different story, that a brand's competitors and its customers and respective needs change - the brand has a life of its own. However, it is critical that the core of the brand remains as unified as possible, partly because consumers view a brand as a whole and expect the brand's value to be delivered across all channels with the same degree of integrity. For this reason, the opposite may cause confusion or detachment.

2. Kapferer's Identity Prism

How a brand can define its own identity has been studied by several Marketing intellectuals, such as Kapferer and Aaker. Brand managers recognize the need to explore their brands' identities and many opt to follow already developed frameworks, while others create their own - the example of Unilever and Nestlé. For the purpose of this project, Kapferer's Identity Prism will be considered to define Gallo's brand identity.

Before communicating a projection of a brand to the public, it is important to first define what is the intended projection. Aimed at meeting that need, Kapferer's framework will help building

a harmonized and clear brand identity. Even though the brand identity remains constant, when communicating a brand, the focus will be on just a few elements at a time. Therefore, it might seem different along the time. However, if an element is not used for too long, it will become obsolete.

Kapferer's Identity Prism is composed by 6 facets that will form a hexagonal prism. These 6 angles will define the brand and should, therefore, be interrelated to form a cohesive entity, while remaining independent enough to be relevant. (Kapferer, 2012)

Before diving into Gallo's identity, one should start by defining each facet. Starting by the *external* facets, these are the ones that are the most visible and represent the social expression the brand assumes. The first one is the brand's *physique*. These are the most salient brand features, those intangible qualities and tangible specificities that should first come to mind when thinking about a brand. This comes primarily since it is the first point of contact of the brand with the world, and it usually includes the logo, brand name, the URL for the brand and the business identification.

Secondly, there is the *relationship*, which can be translated into what the brand is giving to customers in return for their choice and trust, aside from the actual product. *Reflection* refers to the projected customer of the brand. This concept differs from the target customer: while the target is the description of the brand's expected buyer, customer reflection refers to how these buyers would like to be perceived. The future buyers will be exposed to the communication of this desired customer, making them wish to purchase the brand in order to belong to that group. Then, Kapferer introduces the *internal* facets, the ones incorporating the brand's spirit and true essence. Now, the brand will exhibit its own *personality*. When the brand "speaks to the customer", through communication, it will inevitably have a tone and style, one that should be consistent over time. Managers should build a character in their minds and base communication

on that character's personality. If strategically defined, customers will have a unified perception of it and can even identify or project themselves into that personality.

Brands should also embody a certain *culture* and ideology. This will give the consumers not only tangible benefits, but a community they can be part of. By supporting a specific idea, cause or value, people will want to get connected and be associated to the brand. Aaker (2011) also talks about brand relevance and the need for meaningfulness in brands, by having behind products or services an answer for deeper demand for meaning. (Kapferer, 2012)

Last but not least, the brand should speak to the target's *self-image*. This refers to how the person will feel after using or purchasing the brand, that is to say, the target's internal mirror. After building a relationship with a brand, the consumer will not be indifferent and will develop inner thoughts and feelings upon interactions with that brand.

The identity prism can be further categorized regarding the dual sides of communication: the sender and the receiver's picture. The brand is the sender and can be linked to physique and personality. On the other hand, the receiver is the person who brand managers imagine is exposed to the message and can be described by the reflection and self-image facets. Relationship and culture will serve as a connector between both the sender and the receiver.

2.1. Gallo

As previously mentioned, a brand must be able to both adapt to different markets while managing to keep its identity. Gallo Worldwide is no exception: the brand is already present in 40 countries, a number that is expected to grow. However, by being present in such distinctive markets, Gallo feels the need to adjust to the countries' culture while still connecting in a deep manner to its country of origin. Part of this huge gap happens due to the deeply established relationship with olive oil in Portugal, that is not observed in other countries.

Having said that, it comes as no surprise that the International division of Gallo should have a slightly different Brand Identity than Gallo's Portuguese division. Therefore, Gallo retains its

connection to Portugal, while simultaneously adapting to other markets. The Hungarian market will be part of the International Division, as Gallo's brand architecture suggests (Exhibit 1).

2.2. Gallo in Portugal

With the aid of Gallo's current Brand Manager, Susana Costa (January 2020), the group built the Identity Prism for Gallo in Portugal (Exhibit 2).

To be noted that, although the brand is present in more categories (vinegar, piri-piri and table olives), Olive oil is the one that Gallo is recognized for, and it is considered transferable to the complementary categories. This logic should be applied for the totality of this paper.

Bearing this in mind, Gallo in Portugal has in its *physique* the Olive oil category, its characteristic format of package, the logo and all its elements, the website URL, the slogan and the music that features in all its video advertisements. Portuguese consumers have a long history with Gallo and recognize the brand by any of these previous elements. Therefore, they know what to count with, a *relationship* that is all about taste, trust and tradition. The brand in Portugal carries this huge element of tradition, which is present not only in this facet, but also, for example, in the music enumerated in the physique.

The brand in this market speaks to all consumers in a tailored way, due to the large and diversified portfolio of the brand. It may speak to a parent with Gallo My First Olive Oil, while it speaks to the most demanding customers by bringing new concepts and flavours. In general, Gallo is for those who deserve a product tailored for themselves (*customer reflection*).

If Gallo was a person, it would be Portuguese and an elegant city dweller – someone that has travelled and experienced many things, but still has a lot left to live. (*personality*) Gallo embodies commitment to quality, mastery in blending, trust, Portugal and the Portuguese gastronomy. Once more, intrinsic in the last point, tradition (*culture*).

When consumers buy one of its products, Gallo seizes that opportunity and gives back what was promised and more. This happens every time, guaranteeing trust and consistency, making

the customer want to buy again and creating a sense of mutual trust. This is why, after using this oil, people will know it is good, it surpassed all expectations, because the brand provides a multisensorial experience that is not only about the taste: it stimulates the taste and smell with the quality and expertise, the touch with the feathers and mate labels on the package, and the vision with the designer package and the colours (*self-image*).

2.3. Gallo In Hungary

As already mentioned, Gallo in Hungary imposes changes regarding brand identity. Therefore, and as described in the report (Mariana et al, 2020), the brand will have a different identity in this international market (Exhibit 3), that is comparable to the one in Portugal (Exhibit 4).

As suggested by the positioning statements of the two segments, the “Lifestylers” and the “Triers”, Gallo in Hungary will sustain four core keywords: Taste, that is proposed as a “delight”, Innovation that will bring a “twist” in the culinary experience, Healthiness since it is a nutritious olive juice, and Quality, which primarily justifies the premium category and is also reason to believe for the delightful taste – Gallo is a master in blending the best olive juice, delivering a superior olive oil since 1919 (Mariana et al, 2020). Quality and taste are not new in Gallo’s positioning, however, both innovation and the concern for health are specifically important for this market, because Hungarians put the pursuit of a healthy life as number one reason for the use of a healthy oil like olive oil (Mariana et al, 2020). Innovation will be part of Gallo’s point of difference against competitors in this market. Therefore, although not disregarding the others, these two ideas should be heavily communicated when redefining Gallo’s brand identity for the brand’s international division.

Another core change when entering this market is that, although still maintaining the Portuguese roots, the focus will not be the deep connection to the traditional Portuguese culture, as it means little for the remaining countries. While Gallo has been present for 100 years in Portugal, for Hungarian residents, Gallo will be a new brand. This requires adaptation.

Having that said, the most salient brand features of Gallo in Hungary will still be the main *Physique* but will **no longer include the music**. This song brings an emotional tie to tradition, so it stops making sense in this market. Another element that heavily stands on tradition is the slogan, “Singing since 1919”, that is partly connected to the music, partly to the rooster that Portuguese consumers know so well, and also to a history of 100 years. The first link will fade with the disappearance of the music. The other two were proven by the conducted quantitative research not to work so well in the Hungarian market. Most people said would less likely buy the brand if it mentions a 100 years history, and another majority said that the rooster was the reason why they disliked the brand (Mariana et al, 2020). Hence, the **slogan will be excluded**. Another major change stands on the quality promised – while in Portugal the brand speaks for itself, in Hungary the new brand will need a push to be recognized as a high-quality brand. That is why being a **highly awarded brand** will become part of the brand’s identity in the eastern country. Finally, a slight change: instead of being thought of merely as an olive oil, in this new market there needs to be a recognition of Gallo as a **nutritious olive juice**. This intends to approximate Gallo to the healthiest oil, one of the greatest values for the target segments.

Regarding the *relationship* with the consumers, **tradition will no longer** be a feeling given to them, but instead the final users will experience a **twist in cuisine** and will have in their hands the **healthiest oil**. Once more, the consumers in Hungary will sense the innovation and healthiness promised – like the positioning states “[Gallo] offers a delightful healthy twist to an everyday culinary experience” (Mariana et al, 2020).

All of these come in hand with what the target truly seeks, which is mainly a **healthy lifestyle**. The “Lifestylers” are already close to achieving this, bearing a daily **focus on a balanced diet**, while the “triers” are aiming at become the “Lifestylers” themselves. This is why the *Customer Reflection* will be one, and that is the description of the “Lifestylers”. Both the targets will relate to this projected consumer type, being implicitly communicated that by using Gallo they will

become this person. In addition to this, the desired consumer will be **curious and experimental**, not only in cuisine, but in the way they face life. This relates to the innovative identity of the brand, that will inspire the audience. Although it is not evident at a first sight, this new customer reflection is very close to the identity in Portugal: the Hungarian consumer will also seek and value a product tailored for his own taste and needs, mainly focused on healthiness in this scenario.

The *personality* of the brand will also change. It will slightly leave the knowledgeable *dandy* character, to become younger and more adventurous. A man of the world that may grow up and get closer to the one of the Portuguese personality. Highlight on the **curiosity** and *avant-gardeness*, that should symbolize the innovative DNA of the brand. Gallo is **adaptable to the world**, which is why it will absorb the Hungarian culture and merge it with its own Portuguese identity, instead of entering the country and forcing its own culture. As it can be later seen on this report: while the market leader, Bertolli, enters Hungary and keeps everything about being Italian - package, communication and product, - Gallo will adapt – it will translate the package to Hungarian and change some of its main elements according to what Hungarians are expecting to see; it will also create a new flavoured product that matches the country's cuisine, among other things (more details on product on the group report, Mariana et al, 2020).

The *culture* of the brand will stay mostly stable, only **cutting out the traditional Portuguese** part, its gastronomy, for previously stated reasons, while still maintaining the Portuguese element. It will be added up **Innovation** and “**Globetrotter**”, a word that remotes to the easy adaptation of the brand to the world and to other countries' culture.

Brand's aspired target's *self-image* will expand, because customers will feel they are getting to the **healthy lifestyle** they sought, and their **knowledge in cuisine** has improved, together with new, tastier and healthier ways of cooking. All the other elements will remain unchanged, since

the quality, innovation and know-how of the brand will keep offering the consumer a greater experience and trust.

3. Brand Elements

Brand Elements are essentially a brand's *trademarks* that serve to identify and differentiate it. They play an impactful role in brand associations, since they are one of the most straightforward and evident elements of communication with the consumer. Therefore, they will be directly reflected into how customers perceive the brand and the entire set of brand elements need to be cohesive and consistent. Their relevance is supported by Keller's customer-based brand equity model (2012), a model that helps defining what makes a brand strong: "marketers should choose brand elements to enhance brand awareness" (Keller, 2012).

To understand if a brand element is relevant enough for the brand, one can follow Keller's six criteria points, which state that a brand element should be memorable, meaningful, likable, transferable, adaptable and protectable.

A brand element needs *memorability*: it should be easy to recognize and recall. A distinctive element that will be unforgettable for the consumers' mind. This is a core goal for brands when it comes to the purchase moment.

Meaningfulness can be broken down into two aspects: descriptive and persuasive content. A brand should be able to convey information about the product on its brand elements, including the product category or particular characteristics and benefits provided (*descriptive*). The brand element can also reveal a *persuasive* meaning, like a benefit exposed in a way that will evoke feelings towards it instead of the rational. The first one will influence the final brand awareness, while the second will affect the brand image and reflect the positioning of the brand.

An element should be *likable*, in any sensorial way. Regardless of how it relates to the products' intended benefits or how much people remember it, the brand element needs to be enjoyable, funny and interesting, as it should be pretty, phonetically good or pleasant in any other way.

In order to remain relevant across products and markets, cultures and segments, the brand element should be *transferable*. It needs to be able to keep its usefulness for other lines and extensions, not losing its sense. It should also keep its meaning across geographies, without losing track of the core of the brand. Similarly, elements need to be *able to adapt* over time. Concerning changes in consumer values, in communities and ways of thinking, this element needs to be flexible and updatable. If it can change and accompany the environment's change, then the element is adaptable.

Finally, brands want to remain competitive over time, and for that their elements should be *protectable* as much as possible. This can happen either legally, with patents, or competitively, with other type of barriers.

In order to better understand how brand elements should evolve and adapt to the Hungarian market, each one was carefully evaluated according to Keller's criterial points, together with a final conclusion if they should or should not be part of the brands' identity in Hungary (Exhibit 5). In the end, the brand elements chosen were the name "Gallo", the rooster, the signature of Victor Guedes, the URL, the shape of the bottle, the "+200 Awards" sticker and the nutritious olive juice category. The music will not be a brand element, due to its lack of persuasive nature and connection to the country, as well as the perceived weak relation to the category. The slogan was also discarded as a brand element, since, although informative, it does not connect with the market, hence does not serve its intention. Liaising this choice with the defined Positioning (see page 6 for a recap), the brand elements are described in the following paragraphs.

The **brand name**, "Gallo", the **rooster**, and the **signature** are all three part of the current logo. These were chosen to remain unchangeable in order to be coherent with the brand's decision to keep its name and logo equal in all the 40 remaining countries it operates in. Although noticing some limitations in these for the Hungarian market (Mariana et al, 2020), changing them could condition the brand's international character. Despite this, the signature evokes Gallo's

commitment to quality and expertise of the brand, and the remaining two elements will as well, in the medium/ long-term, when the brand itself will be a recognizable symbol of quality.

The official website will be a relevant brand element, communicated through **the URL** “<https://www.galloportugal.com/hu/>”. On the website, consumers will find all the values of the brand, having references to the previously mentioned 4 core keywords in the brand’s positioning. These references can be found in the innovative and healthy recipes, descriptions of the quality in the brand’s products and in all the tasty-looking images.

The **shape of the bottle** is another identifier of the brand, because of its uniqueness and differentiation, which aligns with Gallo’s message of innovation. It will also be a reminder of how people can have an innovative culinary experience, with Gallo’s so known “twist” – both figuratively with innovation and literally with the actual shape of the bottle.

By showcasing the “**+200 awards**” **sticker** to the public, it will cause an association of Gallo to high-quality standards and tastiness. The awards will position Gallo as a “(…) brand that masters the art of selecting the best olive juice, delivering a superior olive oil” (excerpt from the positioning statement, Mariana et al, 2020). This expertise will prove Gallo is a premium brand and offers “delight” in flavour.

Finally, the **nutritious olive juice** will be another symbol of Gallo in Hungary, showcasing its strong connection to health while emphasizing the product category. More than a simple olive oil, Gallo brings the healthiness present in the best olives and its juice.

4. REFERENCES

Kapferer, Jean-Noël. 2012. *The New Strategic Brand Management*. London: Kogan Page.

Keller, Kevin. 2012. *Strategic Brand Management*. Harlow: Pearson Education Limited.

Mariana et al. 2020. *Gallo: Brand Launch in Hungary, Evaluating the Potential Geographic Expansion to This Market*.

5. APPENDICES

Exhibit 1: Brand Architecture

Range Brand Strategy

Hidden Corporate Brand

Corporate:



Brand:



Connected by one concept:

Bring to your table all the

best flavours, since 1919

Divisions:

GALLO INTERNATIONAL

GALLO PORTUGAL

including HUNGARY

Products:

Vinegar, Olive Oil, Table Olives and Piri-piri

Source: Mariana et al, 2020

Exhibit 2: Brand Identity of Gallo in Portugal

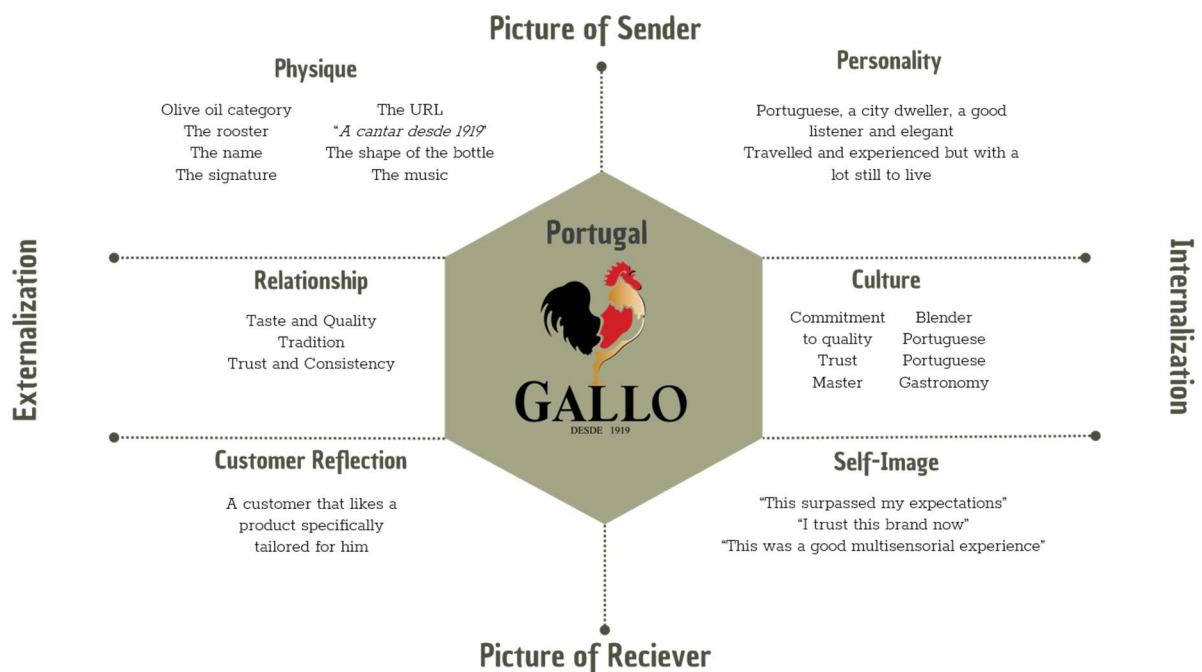


Exhibit 3: Brand Identity of Gallo in Hungary

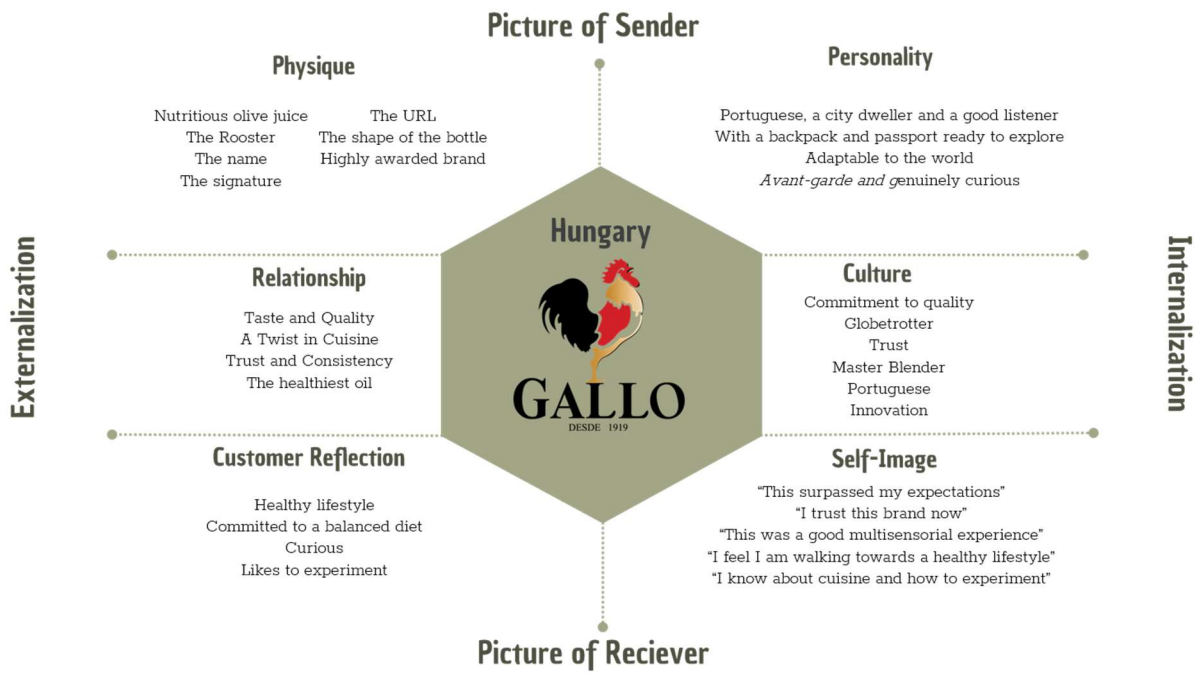


Exhibit 4: Brand Identity of Gallo in Portugal vs. brand identity of Gallo in Hungary

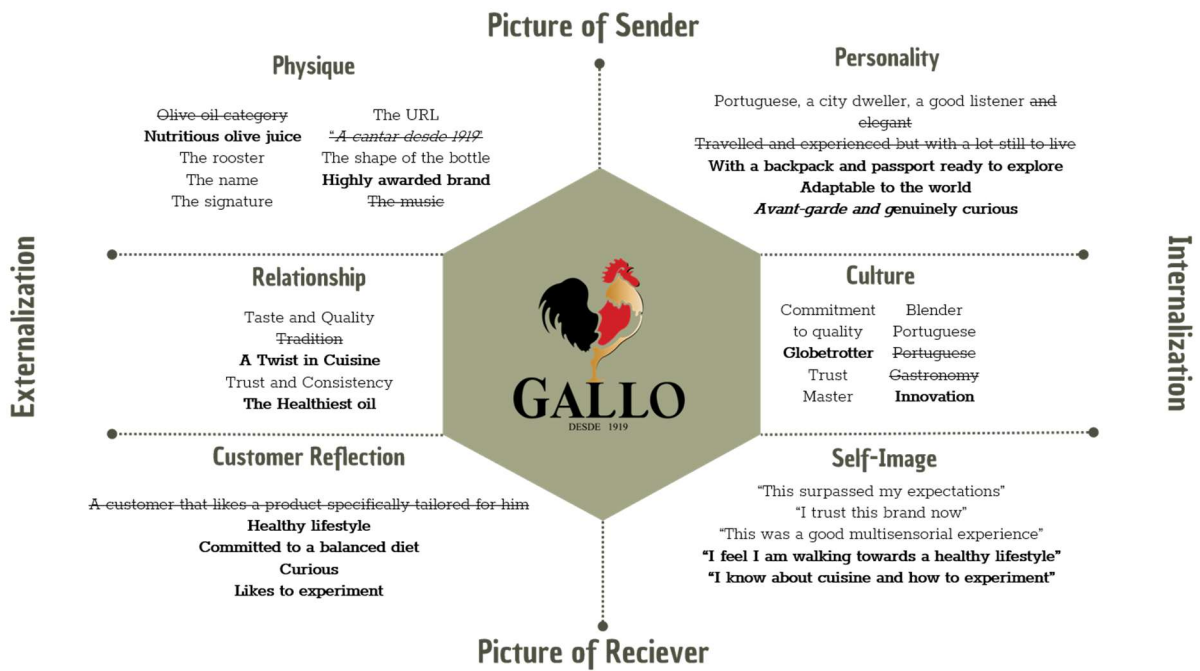


Exhibit 5: Evaluation of potential Brand Elements for Gallo in Hungary

	Brand Name	The Rooster	Signature	Slogan	URL
Memorability	STRONG	STRONG	MEDIUM	MEDIUM	STRONG
Meaningfulness	WEAK (says nothing about the category and benefits)	WEAK (shows nothing about the category and benefits)	STRONG (quality, trust)	MEDIUM (quality but no positive feelings)	MEDIUM (country of origin, brand name)
Likeability	STRONG	WEAK (market research shows feelings of irritability and confusion)	STRONG	WEAK (relation to non-existent tradition and strong bond with the disliked rooster)	STRONG
Transferability	STRONG (easy to spell in Hungarian, as showcased in interviews)	STRONG	STRONG	MEDIUM (the translation may not suit the Hungarian language)	STRONG
Adaptability	WEAK (difficult to change name after being chosen and communicated)	STRONG	MEDIUM (difficult to change a signature)	STRONG	STRONG
Protectability	STRONG	STRONG	STRONG	STRONG	STRONG
Relevant?	Yes	Yes	Yes	<u>No</u>	Yes

	Bottles' Shape	"+200 Awards" Sticker	The Music	Nutritious Olive Juice
Memorability	STRONG	STRONG	STRONG	STRONG
Meaningfulness	STRONG (innovative)	STRONG	WEAK (lack of connection)	STRONG
Likeability	STRONG	STRONG	MEDIUM	STRONG
Transferability	STRONG	STRONG (although different products deviate from specific awards, the overall awards are still connected to the brand)	WEAK (main goal to remind of tradition and similar emotions, which do not speak to Hungary in the olive oil category)	STRONG
Adaptability	STRONG	STRONG	STRONG	STRONG
Protectability	MEDIUM (no patent)	STRONG	STRONG	WEAK (everyone can claim to be healthy)
Relevant?	Yes	Yes	<u>No</u>	Yes