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“DEVELOPMENT OF A MARKETING PLAN FOR A NEW BUSINESS MODEL OF EDP COMERCIAL
or HOW CAN EDP BE UBER AND NOT THE TAXI DRIVER?”

BRAND IDENTITY AND PRODUCT

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1. Brand *edp + solar*

In order to best understand all the different intricacies of the solution proposed a further study of the product' components, as well as the brand itself, is in need of being performed.

Brand Equity, defined by Kotler and Keller (2012) as “the added value endowed on products and services”, will be seriously impacted by any action or lack of it by the company, including the quality of the service provided, the way the communication flows between consumer and enterprise, and even the way the brand is spoken of by other people with no direct relationship with it. For a better understanding of the impact and the value of *edp + solar* within the consumer's perception, regular vigilance must be taken into consideration to maintain a strong position in the customer's mind.

As Keller defends (1993), to create a positive customer based brand equity on a new product, the brand must be associated by the consumer with unique, strong and favourable components that can be created by physical aspects like name, logo, symbols, and others, as well as the overall communications and marketing plan implemented.

Since some of the main factors that will have an influence in the brand equity of this solution are the initial choices - for example, logos, brand name, symbols, jingles, slogans, spokespeople - the focus and control fell on some of these components that fit the solution and its image trying to transmit it to the consumer better. That being said, all elements were created with EDP's book of norms as a guideline in order to be able to implement the entire solution faster. However, since EDP has a strong presence and image in the market, there was no immediate necessity of hiring a spokesperson to imprint an image, since it has risk (people are not 100% reliable in maintaining their image) and is very expensive to get someone the audience likes and recognizes.

However, for all the elements used, these must follow some guidelines set by Kotler and Keller (2012) in order to build this new brand and to protect it from future threats. For the first

component, all elements must be memorable, meaningful and likeable, to create easy recall, give the brand a meaningful and trustful aspect, and appeal to the consumer on the first contact. To achieve the latter effect, all elements need to be transferable, adaptable and protectable, to infuse all other products connected with the brand with the same image in the consumer's mind, while maintaining them up-to-date and easily protected through legal rules or in comparison with competitors.

1.1. Brand Elements

1.1.1. Name

By having the 'EDP' as a main focus on the name, *edp + solar* already has the stamp of approval in the consumer's mind - connected to EDP brand attitude.

The name chosen *edp + solar* (EDP Mais Solar) follows the general idea behind all EDP's solar products which are all part of Energia Solar EDP. However, and in addition to that, it is a play on words meaning that EDP is becoming a more solar and *green* company and at the same time is increasing its offering in the solar sector while also being a call to action for consumers to become more open to solar solutions.

1.1.2. Logo

Although maintaining the rules defined by EDP's book of norms, the logo (Exhibit 1) was also created with a simple and clean look that emphasises the name and brings forward the colour red - highly associated with the company, as mentioned in the qualitative research of the report - combined with the circular elements of EDP's different logos and symbolism. This "cleaner" image demonstrates the fact that the product is modern and up-to-date, connecting with the more modern generations as something new and innovative.

1.1.3. Slogan

The slogan “+ Para Si, + Para Todos” focuses on attracting the interest of the consumer by using a play on words and a call to action. Firstly, it states that the solution is suitable for everyone, calling the consumer to act and find more about *edp + solar* and eventually subscribing to it. Secondly, it also strengthens the sense of community around the solution by implying that it provides benefits for everyone, involved with the service or not.

1.1.4. Micro Website

The Micro Website (Exhibit 2) created for this new brand will have a clean and modern look, that is appealing while maintaining the image of EDP Comercial’s main website. It will also provide all information about the new service, as well as all the other extra products available, while being responsive to allow an easy transition to mobile.

1.2. Brand Identity

In order to differentiate itself from competitors and other products in the market, *edp + solar* must create its own identity that will make consumers fall in love with the idea of the product even before subscribing, while maintaining a coherent image of the utilities’ group. That being said, to better understand each category that characterizes a Brand Identity, the Kapferer Prism Model (2012) was the chosen resource to move forward, although many other models exist, including specific models of specific companies.

The prism, represented by a hexagon, is divided in six aspects - Physical, Relationship, Customer Reflection, Personality, Culture and Self-Image, where the first three are part of the brand externalization and the latter are components from the brand internalization. Although having to be coherent with the EDP brand, *edp + solar* will have some subtle changes that truly represent what the product is and does, how consumers will be different by using this service, and in which characteristics of EDP’s identity will this new line focus on.

1.2.1. Brand Identity of EDP¹ Comercial (Exhibit 3)

1.2.1.1. Physical

The colour Red is one of the most mentioned aspects and characteristics connected with the EDP brand in general. It is currently used in all EDP's channels of communication, including and most prominently its logo (or logos). The website and app also provide a physical differentiating characteristic to a non-material service.

1.2.1.2. Relationship

Especially in services, a brand becomes a relationship between the exchanges among consumers and the transactions performed (Kapferer, 2012). In EDP's specific case, the relationship aims to transmit trust and consistency in the service. By doing it, EDP creates a proximity relationship that at the same time is inter-dependable for either side.

1.2.1.3. Customer Reflection

Currently, since EDP is a utility company, its desired type of consumer are all (current and future) influencers, deciders and ultimately users in Portugal.

1.2.1.4. Personality

EDP's personality relies on the brand being trustworthy, reliable, loyal and innovative (with all new projects and products that the company invests on).

1.2.1.5. Culture

EDP is a human centred brand that cares about individuals and their communities, always focusing on being environmentally sustainable, efficient and innovative.

EDP upholds itself and its workers to be a transparent and open company, that is loyal to its partners, consumers and communities. It also tries to achieve excellence through innovating in all different sectors and departments, with an open dialogue between all corporate levels, and

¹ From here on the term EDP stands for EDP Comercial

targeting solutions and technologies focused on the future. Finally, EDP understands the environmental issues of the planet, which leads to an adoption of a sustainable attitude, while inspiring others to do the same, either through culture or changes in society, supporting social causes that the company believes in (Marca EDP, 2016).

1.2.1.6. Self Image

Within this model Self Image is the component that will reveal how a consumer will feel by using, buying or subscribing to a product or service. By having a contract with EDP, the consumer thinks: “When I have a contract with EDP I feel safe, that my power will not fail, while feeling I am not polluting and contributing to the increase of global warming.”

The consumer chooses to purchase EDP services and/or products as it is a way to feel more confident in the service (s)he will receive, and (s)he will be seen as a more environmentally concerned and smart person for choosing the best electricity plan.

Since the Brand Identity is one of the main features of a brand, it should be constant, suffering only minor tweaks that will keep up to date with changes in the world, while still being able to be followed and understood by the consumer, *edp + solar* will not revolutionize its own Brand Identity completely from EDP's. With small adaptations (Exhibit 4), due to the disruptive nature of the service to be launched, EDP will maintain its overall presence in the consumers' mind while improving the Brand Attitude towards the company.

The main components that will change are the Customer Reflection - since *edp + solar* has a more targeted and defined customer in mind than the general brand which targets the entire country's population - and the Personality - to get to this targeted consumer the brand should be seen as younger and more innovative than the well-established and settled brand EDP is seen

as by the Portuguese population². Combining these elements will eventually mean there will be differences in the Self Image which combines the previously mentioned aspects of the Kapferer Prism of Brand Image³.

1.3. Positioning

As a new brand, *edp + solar* must state its differentiating characteristics in comparison with competitors and other market substitutes. As Kapferer (2012) mentions, every purchase (or subscription) is made after weighing different characteristics and benefits of products, meaning that the brand that most attracts consumers by solving all their needs or wants will be better than potential substitutes. To produce the positioning, a competitive set should be defined at first so then there is a possibility of showing why this brand is different. However, since *edp + solar* is a new and innovative business model, direct competition is inexistent and any substitutes that may be considered will not be as broad and accessible by the entire population in Portugal.

Nevertheless, *edp + solar*' Brand Identity goes in line with the positioning statements⁴ for both products - the Villa solution and the Apartment solution - by focusing on the human centrality of EDP's brand culture, with affordable prices, creating a better lifestyle for consumers. At the same time, by mentioning the solar panels and the experience of the entire business, thus showing the sustainability of the company, financially and environmentally.

² Based on the previously mentioned research in the group report.

³ Further information can be found in the group report

⁴ Based on the group report

2. Brand Architecture of EDP Comercial

When creating a new line of products or services inside an already established company, a new strategy - or architecture - needs to be implemented, or there needs to be an adaptation of the model the enterprise already had.

Energias de Portugal as a company is an enormous enterprise with several different brands and companies under the same general name - EDP - but acting as completely separate businesses. One of this divisions is the brand EDP Comercial that deals more directly with the final consumer in the liberalized energy market.

Since all energy solutions are under the wing of this company (Exhibit 5), all solar solutions will also be present here. That being said, *edp + solar* will also be integrated in these solutions as a new line of services offered by the company that are available for all consumers to subscribe to. However, since having a great amount of information that can be contradictory will confuse the consumers, all solar solutions should merge into one name and one brand, *edp + solar*. Although maintaining the information needed in terms of benefits and explanation, it also improves the overall EDP's brand image, as previously mentioned. By combining everything solar in one place and one name, consumers will have an easier access to the information, also helping with online search engine optimization, by increasing the number of views and the *tags* used to mention the products and services.

3. Product/Service

As most authors state, there can only be a great brand with a great product, therefore to be the best brand one must have the best product. However, Kapferer (2012) mentions that, depending on the category the product is inserted, being the best product may have different meanings for consumers. Some may think they want the best experience or performance while others just want the best price/quality ratio.

edp + solar is a service type of offering, which is by definition an intangible product that is not owned by the customer. By being a rental but with an option of cross-selling different EDP's products, it becomes categorised as a major service with additional minor products, since it implies a great upfront investment by the company.

Being a heterogeneous shopping good – as defined by Kotler & Keller as products that usually are compared among each other by the consumer in terms of price, quality, suitability and style, where price may take a less important role in the decision-making process – photovoltaic panels as a whole will be compared with other energy saving options. However, by turning the solution into a rental service, EDP becomes an incumbent in the market, having the first mover advantage and a lead position, from the consumers' perspective.

To create some tangibility to this service in order for the client to be more open to subscribe, strategies in terms of physical evidence and communication⁵ will be implemented. Moreover, since it is extremely difficult to separate the product with the service provided by EDP's collaborators and contractors, everything must be considered when dealing with the consumer in order to provide the best experience and create high consumer satisfaction.

3.1. Building Solution

The product that will be the hero of the solution found is a turn-key type of service that features the renting of photovoltaic solar panels. With more and more people living in the larger metropolitan cities than in the countryside, solutions need to be found in order to provide solution for consumers that live in apartment buildings to be more energy efficient, save money in utilities and also help the decaying environment.

Taking into consideration all specifications already defined in the group report, some research will need to be performed to create the second meter needed. But more importantly, legal

⁵Mentioned in the group report

considerations must be thoroughly managed. This second meter is predicted within the law (necessary to measure the excess energy going to the grid) although the end receiver is different (the energy goes back into the houses). This is a *grey area* in the legislation that is similar to the one where Uber and Airbnb are situated to be able to operate and be successful.

Moreover, the decision to implement the five-year contract came from the information attained from the expert interview and the quantitative research mentioned in the group report as well. It was concluded that consumers do not see long period contracts as something favourable and appealing. To tackle this issue in a profitable manner for both consumers and EDP, a compromise in the form of a five-year contract was the most realistic approach to the current mind-set. As most people that install solar panels are already established professionally and family wise, it is believed that they are also stable or looking to have stable accommodation. Five years allows for costumers not to be scared by the longevity of the contract and give them the freedom of being able to change living arrangements without the hassle. In order to achieve younger targets that are always on the move, a special clause allows for consumers who wish to end the contract earlier to transfer it – without extra costs – to the new renter or owner.

With this solution, there is no ownership of the product which means there is nothing stopping consumers to implement the service independently of the accommodation and ownership of the current house they live in. Another key benefit is the fact that, for consumers who wish to cancel the contract, there is the possibility of, instead of paying the remaining value of the contract, finding another consumer who wishes to take on the remaining contract of the first subscriber.

3.2. Villa Solution

As for the villa solution, since there will be no need for sharing the solution, the consumer will be able to choose (with guidance from EDP experts) the most adequate solution in terms of quantity of panels for single use (until 1500W). This decision will take into account the hours spent at home, the current installed power and the electricity monthly bill. Only by checking all

these variables, as it is done for the apartment building, can a correct estimation of how many panels are needed be provided. The panels will range from one to six of 250W each, as it is the maximum power allowed per single household. As in the apartment solution, the installation and maintenance of these panels is also covered by *edp + solar* rental services.

This solution is simpler for the house owners or renters as they are independent of other people's decisions but at the same time could be more beneficial to purchase the panels with the instalments option rather than renting them without ownership.

As for EDP's perspective, it is also a less complex process as it is the current solution they have but adapted to be able to provide rental services.

4. Future

According to experts in the energy industry, "Island" types of grids will be the future, with small communities - as, for example, buildings of apartments - producing and using their own energy, purchasing solar energy powered batteries to provide electricity during the evenings and being able to disconnect from the grid, except for emergencies or decrease in the sun power for production.

From all the research performed, as well as the trends that are arising, *edp + solar* is a set of services with great potential for development. Furthermore, by adding extra components such as batteries, it can disrupt the market and create a security mechanism in case of a complete shift in consumer behaviour towards energy/electricity.

Therefore, it is suggested that EDP goes a step further and offer extra components for extra fees but also to combine all solar solutions into one brand. Since the future trends show an immense potential of creating green cities and grids, creating a strong brand for all these services in the mind of the consumer will only increase the overall image of the EDP brand. By simplifying the process and names with the consumers, they will recall it much easier and faster, while immediately associating EDP as being an ecologic, sustainable brand with future.

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