

Branding In The Milleneum - Employer Brand Vs Corporate Brand

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ABSTRACT:

This paper discusses the concept of employer branding in detail taking into account the corporate branding, product branding and employee branding. It also figure outs the difference between the differences between employer branding and product branding. There is a growing interest on this topic by academics, as well as practitioners, translated in a recent increase in the number of academic papers on Employer Brand in HR literature. Employer brand and corporate brand are not entirely the same, but they do need to work in tandem. They both need to be strongly intertwined in purpose and meaning to emotionally and authentically connect with their critical stakeholders and capture their attention with conviction. When this happens, the stage is set for co-creation of great promises and sustained realization.

INTRODUCTION TO EMPLOYER BRANDING

The concept of Employer Branding takes its core from marketing aspects and Brand Management. These marketing concepts can be seen as the base of Employer Branding because they are now used in the area of HRM. Applying brand marketing principles to HRM is called Employer Branding. According to (Moroko & Uncles, 2008) Employer branding has its foundation from branding. As per Kotler's definition, " a name, term, sign, symbol, or design, or a combination of them which is intended to identify the goods and services of one seller or group of seller and to differentiate them from those of competitors" (Kotler, 1991). Branding can be used to differentiate tangible products. However, as time goes on, it is also more and more applied in order to differentiate people, places and firms (Tikoo & Backhaus, 2004). The above definition has chiefly been used to depict product brands and the consumer's relationship to the focal product brand (Mosley, 2007). However as per the recent marketing literature a brand has immense impact on the company as an employer and how external stakeholders identify the organization, the corporate brand and the firm as a future workplace (Davies, 2008) (Foster,

Punjaisri, & Cheng, 2010) (Gaddam, 2008). There exists an apparent emotional relationship between the employer and the employees based on brand image (Davies, 2008) (Gaddam, 2008).

In a HR context, Branding proposes a “differentiation of a firms’ characteristics as an employer from those of its competitors” (Tikoo & Backhaus, 2004). Here, the customers can be seen as the candidates. If they are dissatisfied with the Employer Brand of a company, they will not apply for a job in this company. It is the same case for a customer who will not buy a product. As noticed, brand has also repercussions on the company in the context of being seen as an employer.

According to (Moroko & Uncles, 2008) branding and EB are closely related. What characterizes a strong brand is mostly consistent with successful employer brands. Ambler and Barrow published the their article in the year 1996 where they first defined the Employer Brand as “the package of functional, economic and psychological benefits provided by employment, and identified with the employing company” (Ambler & Barrow, 1996). The research by (Tikoo & Backhaus, 2004) contributed to a further conceptualizing of the phenomena by creating a theoretical framework for employer branding where they studied the concept of the firm that differentiates it from its competitors. Based on the research presented, employer branding establishes the identity of the firm as an employer and what differentiates it from others, with the aim of attracting and retaining potential and current employees”.

There is a growing interest on this topic by academics, as well as practitioners, translated in a recent increase in the number of academic papers on Employer Brand in HR literature, which establishes it as more of an HR need (Srivastava & Bhatnagar, 2010).

Employer Brand

If the firm’s corporate brand encompasses the business as a whole, employer brand focuses specifically on the people who work there, and who might want to work there in the future. And what is a business without its employees?

During the 1990s, employer brand was established as a company’s reputation as an employer. As more firms competed for top talent, standing out as an ideal employer became increasingly important. So employer brand expanded as an outward-facing strategy, promoting the benefits of

working at the firm as a way to recruit candidates. As technology and candidates became more sophisticated, employer brand turned inward to include employee reviews, social media engagement, even employee referrals. Employer brand today encompasses the satisfaction of the existing workforce, the impression left on former employees, and the interest generated among job seekers.

Corporate Brand

The entire company can be summarized by its corporate brand. The corporate brand are busy promoting has a broad scope, covering all the firm's products and services and all the firm's locations. But it have a clear, consistent message. That message and all its components (e.g. design, delivery) are the company's public face. The products or services the company sell, the markets in which it operate, the people in charge– the corporate brand is easily identifiable whenever a consumer interacts with one of these pieces. Most employers already have an established corporate brand. What's tough for HR leaders is that too many firms only care about their corporate brand, and they may not even know what employer brand is. But your employer brand is a crucial element of the overarching corporate brand.

Employer Branding and Corporate Branding

With regard to a company's brand architecture, three brand levels can be distinguished: corporate brands, strategic business unit brands and product or service brands (Bierwirth, 2003; Keller, 1998; Strebing, 2008). Corporate brands are of particular importance, since they are designed to support other brands within the brand portfolio, such as the employer brand, and to ensure a consistent brand presence (Burmann et al., 2008; Petkovic, 2008). In scientific discourse, it has become widely accepted that employer branding is a part of corporate branding, since the branded object of reference in the labor market is the corporation itself (Ewing et al., 2002; Kirchgeorg & Günther, 2006; Petkovic, 2008; Sponheuer, 2009).

Whereas employer branding is targeted at the needs and expectations of current employees (internal employer branding) and potential employees (external employer branding) corporate branding needs to take into account all stake holder groups of a company.

The employer value proposition is also referred to as ‘employee value proposition’ (e.g., Barrow & Mosley, 2005; Brewster et al., 2005; Ritz & Sinelli, 2010), ‘unique organization value proposition’ (e.g., Knox et al., 2000) or just ‘value proposition’ (e.g., Backhaus & Tikoo, 2004; Martin & Hetrick, 2009).

Taking into account these multiple stakeholder groups of a corporation, Riel (2001, p. 12) defines corporate branding as a “systematically planned and implemented process of creating and maintaining a favorable reputation¹⁰ of the company with its constituent elements, by sending signals to stakeholders using the corporate brand.” Sponheuer (2009) developed an integrated framework uniting employer branding and consumer branding under the umbrella of corporate branding. The objective of this framework is to overcome the two contradictory challenges of employer branding: On the one hand, the employer brand has to be specifically designed in order to fulfill the needs of the target groups in the labor market. On the other hand, the employer brand should be in line with the overall corporate brand and the consumer brand(s) in order to maintain a consistent brand image (Sponheuer, 2009). The employer brand of a company often cannot be separated from its product or service brands, since potential employees can be, for example, (potential) customers at the same time and receive various impressions of a company through the media as Stakeholders of a company are “any group or individual who can affect or is affected by the achievements of the organization’s objective” (Freeman, 1984, p. 46).

It has to be taken into account that employees can be members of all other stakeholder groups of a company at the same time (Grobe, 2008). Targeting specific messages at employees and only employees is almost impossible, especially in the era of the internet and fast mobile communication (Ewing et al., 2002). Therefore, the employer brand should be designed to support and enhance the product or service brands (Backhaus & Tikoo, 2004; Forster, Erz, & Jenewein, 2009). The corporate brand should function as an integrative umbrella of a company’s brands, representing the overall identity of a company and providing input for the strategic and operative implementation of the employer brand (Grobe, 2008; Schultz & Hatch, 2006; Sponheuer, 2009).

Employer Brand Versus Corporate Brand

Employer brand and corporate brand are not entirely the same, but they do need to work in tandem. Corporate branding has a longer history, and greater acceptance as a necessity at any

successful business. But interest in employer branding has grown, and it's importance for attracting and keeping talent is now well recognized. HR leaders who need to build their employer brand would do well to first analyze their company's corporate brand, and let it inform the direction they take. After all, your employer brand shouldn't be promoting an opposing message to your corporate brand. Instead, think of your employer brand as an offshoot of the corporate brand, one that conveys the same values but serves a different purpose.

Corporate branding and product branding and employee branding

In contrast to employer branding, corporate or product branding is primarily directed at external audiences with a primary interest in a firm's customers, e.g. consumers (Backhaus and Tikoo 2004). Along these lines, our review excludes literature with a sole focus on other branding as long as the employer brand, underlying brand equity assets and the employer branding process are not a central focus (e.g. Balmer and Gray 2003; Dowling 1986). To provide a more integrated view on brand architecture and interrelations, exceptions are made for articles highlighting the relationship between different brand types (Mosley 2007).

This type of branding, also often referred to as internal or behavioral branding (e.g. Foster et al. 2010), has a purpose different from that of employer branding. It aims to ensure that current employees embody the company's brand promise vis-à-vis the customer (Mosley 2007). Employees are equipped with the company's brand knowledge and act in a customer-oriented fashion (e.g. Ahmed et al. 2003; King and Grace 2008; Tavassoli et al. 2014).

Differentiating corporate brand and employer brand

The corporate brand is the public face of the organization - it talks to the customers and consumers who actually buy and use the organization's products or services. It delivers a consumer experience for what the product looks and feels – how it can be seen, felt and experienced through interaction or digital means.

The employer brand however, addresses a different audience. It is all about employee experience — what it feels like to work in the organization, the benefits and perks they can enjoy, the culture they can experience, and career development opportunities they can leverage. It both summarizes and details employees' interactions with the company and can be communicated

through multiple spokespersons (recruiters, hiring managers, employees) and channels (print, website, digital and social).

Since the corporate brand has a broader scope of promotion (vision, size, locations, products and services, and more), it is as imperative as it is challenging to have a clear, consistent message – in content, design and delivery. It should serve a strong transactional purpose as deftly as it reiterates the organization's vision and mission. It needs to be easily identified in all media and channels that the consumers (including prospective ones) interact with the brand.

The employer brand needs to be distinct, yet an integrated element of the overarching corporate brand. The employer brand engagement is a long term one that continues through the employee life-cycle and should ensure intimate employee engagement at all times.

The corporate brand is designed to address competition that is limited to similar products and services. Such competition may be easier to identify but needs specific and stronger points of differentiation to attract potential customers and retain existing ones.

Employer branding, on the other hand, needs to have a sharper and broader radar to stave off competition that attempts to poach diverse talent from the organization pool. It needs to truly understand the different dimensions of changing jobs in almost the entire market spectrum and anticipate and communicate – proactively, reactively and in real-time. It needs to integrate employee experience for the existing workforce, arouse interest in prospective candidates, and manage emotions of former employees.

It is never a question of corporate versus employer branding. A non-negotiable requirement is that the corporate and employer brands cannot work in isolated vacuums. They would then run the risk of conveying contrasting messages that serve to engage neither the external nor internal stakeholders. When executed correctly, both brands can immensely benefit and be magnified by the other.

Employer branding needs to pick out the compelling experiential aspects of the corporate brand to attract top talent and evoke pride in existing employees. HR leaders must work closely with their marketing function to analyze the elements of their corporate brand that can lead the direction for the employer brand. This involves all three aspects - design, content and context.

While the employer brand strategy should not radically differ in form and feel from that of the corporate brand, the messaging, will need to be different to cover the context. The organization's values, culture and vision will be the unifying and underpinning elements of the brand pitches to the different audiences.

CONCLUSION:

The corporate and employer brands are different, it should not be seen or treated as a divisive difference. They both need to be strongly intertwined in purpose and meaning to emotionally and authentically connect with their critical stakeholders and capture their attention with conviction. When this happens, the stage is set for co-creation of great promises and sustained realization.

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