UNIVERSITY OF LJUBLJANA
SCHOOL OF ECONOMICS AND BUSINESS

MASTER'S THESIS

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THE DEVELOPMENT OF THE MADIERO BRAND

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The undersigned Ivana Pahor, a student at the University of Ljubljana, School of Economics and Business, (hereafter: SEB LU), author of this written final work of studies with the title "The development of the Madiero brand", prepared under supervision of Maja Konečnik Ruzzier, PhD.

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INTRODUCTION

The American Marketing Association (AMA) defines a brand as a "name, term, sign, symbol or design, or a combination of them intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competition." Different definitions of the term brand can be found in the literature (Alsaaty & Sawyer, 2019). There are also other versions of brand definition where it is believed that a brand is a creation of awareness, reputation, prominence, etc., in the marketplace (Keller, 2003; Keller, 2013). Regardless of the definition, brands are essential and valuable features in marketing, as they present a signal of quality for consumers, establish a bond between consumer and producer, reduce the search cost and the risks for consumers, and help identify sources of products. For firms, on the other hand, brands are a way to protect unique characteristics, are a source of competitive advantage, a means of financial return, and a way of providing products with unique associations (Keller, 2003; Keller, 2013).

When creating or developing a brand, there is a need to undertake a balanced approach to it (Konečnik, 2006; Konečnik Ruzzier, 2018; Ruzzier & Ruzzier, 2015), which means that a brand should be considered both from an internal and external perspective (Guzman, 2005). Different stakeholders should be taken into consideration when developing or analyzing a brand. These different stakeholders are internal, therefore, employees, entrepreneurs, CEOs, founders, and external ones, i.e., customers (Ruzzier & Ruzzier, 2015).

The internal perspective is identified in brand identity. This term describes how the company wants its brand and products to be and to be perceived by its actual and potential customers (Aaker & Joachimsthaler, 2002; Black & Veloutsou, 2017; Nandan, 2005). Different brand identity models have been developed and presented in the marketing literature (Kapferer, 2012). De Chernatony's brand identity comprises brand vision, culture, positioning, personality, relationships, and presentation (Harris & de Chernatony, 2001). Kapferer (1997) developed a model called identity prism. The model is composed of six dimensions: physique, personality, culture, relationship, reflection, and self-image (Kapferer, 2012). Lastly, Aaker (1991) expressed brand identity as the product, organization, person, and symbol (Aaker & Joachimsthaler, 2002).

The external perspective on the brand is identified in brand equity (Konečnik, 2006; Konečnik Ruzzier, 2018; Tanveer & Lodhi, 2016). Brand equity is defined from two perspectives: financial and customer-based. Financial brand equity is the value of the brand on the market. In contrast, customer-based brand equity is the value of the brand to customers, i.e., customers' opinions and perceptions about the brand (Guzman, 2005; Tanveer & Lodhi, 2016).

The most recently emerged model for brand development is called the Startup branding funnel (Ruzzier, Ruzzier, 2015). Compared to the previous ones, this model is more dynamic; the whole idea behind the model is that the brand is an evolving entity. Entrepreneurs should follow the four steps in the funnel: investigate, develop, implement, validate, and evaluate. These phases represent the first loop in the funnel and "explain" entrepreneurs in which direction to evolve. If the loop gets sliced and the funnel is looked up from the entrepreneur's point of view, the structure of the loop is presented, composed of the Startup branding funnel building blocks. Building block zero is the vision, followed by the context building blocks consisting of industry, competitors, customers, and myself. The third building block is the development building block, which includes the story and visual elements. Further, there are implementation building blocks with internal branding, communication, and channels, and lastly, there is validation and evaluation building block, which includes brand equity. This model is innovative as it fully provides a balanced approach to the brand (Ruzzier & Ruzzier, 2015).

Even though a brand is more often perceived for a B2C market, it is also very relevant in the B2B market. The preconception behind the B2B market is that customers' decision-making in the purchasing process is entirely rational; therefore, customers consider products only based on "hard facts", such as features, functions, benefits, price, service, quality, etc., as opposed to brands that have as a primary goal to establish a strong relationship between them and its customers to benefit from loyalty (Bergstrom, Blumenthal & Crothers, 2002). Nevertheless, B2B companies are composed of individual people, as in the B2C market, who make decisions for the business (Kotler & Pfoertsch, 2007); therefore, B2B companies can benefit from this and develop their brands.

A startup is a company operating on the market for a short time and does not have an operational structure (Rode & Vallaster, 2005). Startups are built because of the development of a new, innovative product/service, and the conditions under which startups operate are uncertain; thus, the risk of failure is very high (Ries, 2011; Ruzzier & Ruzzier, 2015). As startups always bring up innovations and have high growth potential, they must implement strategic tactics by developing a brand (Rus, Konečnik Ruzzier & Ruzzier, 2018).

Madiero Srl. (located in Monfalcone, Italy) is a startup that created an innovative product; an ozone generator (Madiero **ΩZ**). An ozone generator serves to sanitize spaces; more specifically, it removes odors, bacteria, viruses, molds, and insects from closed rooms. Nowadays, many ozone generators are used for sanitizing purposes, but all encounter several practical issues, which Madiero, with its innovative software, solves. A brand enables the company to own the innovation, assures higher visibility, and adds credibility and legitimacy (Aaker, 2007; Alsaaty & Sawyer, 2019). As Madiero **ΩZ** is an evident innovation in the field, it is necessary to undertake a balanced approach to the brand.

The purpose of the master thesis is to develop a balanced approach to the brand Madiero, therefore creating the brand from both internal and external perspectives following the Startup branding funnel model. The purpose is to develop the brand Madiero to get it ready to be introduced in the market and for the brand to have all it takes to succeed in the air purification industry. To achieve this, apart from developing the brand identity, the purpose is also to build brand equity; therefore, talk to Madiero's potential clients and assess the brand image, perceived quality of the product, potential brand awareness, and potential brand loyalty. The goal will be then, where possible, to assess whether there are any gaps between brand identity and brand equity.

The research was based on primary and secondary sources research. A detailed literature review was conducted on scientific papers published in academic journals and books to develop brand definitions and meanings and to identify all the brand-building models. Empirical research was based on qualitative research, more precisely, in-depth interviews and the focus group. The focus group was conducted with the three workers and owners of Madiero, one of them being the developer of the Madiero ΩZ product. The focus group aimed to get insights into the startup and develop the brand identity. Additionally, in-depth interviews were carried out with potential customers operating in the hotel industry to create customer-based brand equity.

The master thesis comprises five main chapters, then divided into different subchapters. The first chapter describes the definition and meaning of the brand, the brand development models, and the importance of brands in the B2B markets. Furthermore, chapter 2 describes the definition and meaning of startups. Chapter 3 is dedicated to the detailed analysis and description of the Startup branding funnel, with subchapters dedicated to its elements such as vision, content building blocks, developing the minimum viable brand, brand implementation, and brand equity. The fourth chapter's purpose is to develop the brand Madiero, whereas the first subchapter describes in detail the methodological approach to the development of the brand and precisely describes the empirical research adopted to build brand identity and brand equity elements. Furthermore, the second subchapter presents Madiero's brand, describes its vision and context building blocks, develops the minimum viable brand, and states the brand implementation and brand equity for Madiero. Lastly, chapter 5 is dedicated to the discussion, where gaps between brand identity and equity, future challenges in brand development for Madiero, and limitations of the master's thesis are described. The master thesis concludes with final remarks in the conclusion part.

1 BRAND

The use of brands can be identified in ancient times, where brands were used for several purposes, such as accounting for goods in large shipments and recognizing the sources of

products for guild authorization and quality checks. Already in Mesopotamia, a form of branding was introduced with seals and standardized packaging (Petty, 2016). Back in time, brands were made to protect producers from theft. Animals were marked with a cattle brand, which was a sign that was burned into their skin. The sign was simplified to recognize whether the animal was stolen and for the animal to be quickly recognized by the owner (Kapferer, 2004). In ancient Greek times, names were placed on goods to point out the producer (Aaker, 1991). When transporting wine and olive oil, producers wanted to show the source of the product clearly and wanted to build a reputation by being valuable to the consumers; therefore, "brands" were marked on the amphoras that transported wine and olive oil (Kapferer, 2004). Similarly, this occurred in medieval Europe, where trade guilds used trademarks to be identified by customers and assure protection to the product maker. Then, in the early sixteenth century, when shipping the whiskey barrel, to prove who the whiskey maker was and to avoid the replacement with lower quality and cheaper products, whiskey distillers burned the producer's name into the barrel (Aaker, 1991).

The brand was present for a long time in business, but only in the twentieth century did branding and brand associations evolve to become focused on competitors. During this time, the importance of producers to differentiate themselves from the competition became stronger, so product makers started to implement market research to find ways to differentiate their brands. The new approach was to develop product attributes, names, packages, distribution strategies, and advertising to invite customers to make purchasing decisions beyond price. With this, brands added value to the product/company and became increasingly important in the industry (Aaker, 1991).

Nowadays, companies are investing heavily in building brands (Del Rio, Vazquez, & Iglesias, 2001). Brands are crucial for marketing. The main idea behind a brand is for the company to undertake brand management practices that present, describe, and make their offer appealing to the determined market segments and single consumers (Keller, 2003). Consumers are overwhelmed by the wide variety and quantity of products or services available on the market and need help to make a choice. Brands, to be successful and meet their customers' needs better, must help them make smarter choices, identify sources of products, reduce their time when choosing, therefore reducing search costs, help them move within the vast amount of products or services and of course reduce their uncertainty and risk and establish a bond between consumer and producer (Keller, 2003; Keller, 2013; Lawer & Knox, 2006).

1.1 Definition and meaning of the brand

In the literature, two different groups of brand definitions can be found. The first could be called the "product plus" definition, which considers branding as something that is placed in addition to the product and is needed mainly as an identifier. Therefore, branding is one of

the last things considered when developing a product under this view. The other definition is the "holistic" view, which focuses on the brand as a whole, which is much more than the product itself. In this case, the brand encompasses all the elements of the marketing mix: product, price, promotion, and distribution. Under the holistic view, the brand considers all the original product lines, line extensions, and marketing activities (Ambler & Styles, 1997).

A brand is a product or service's perceived functional and emotional aspects. Companies aspire to build a brand with functional (rational) and emotional values to gain a good competitive advantage. A brand's value is highly related to the emotional bond that stakeholders connect to the brand. The functional or more rational characteristics are essential for a brand and add value. Still, looking at the long term of the brand's success, the functional attributes are challenging to maintain due to advances in technology, designs for competing brands that are alike, and the ease of matching competitors' prices; therefore, they do not contribute to a sustainable competitive advantage, as the emotional characteristics that may create identification and affinity between the brand and stakeholder (Bergstrom, Blumenthal & Crothers, 2002; de Chernatony, 1999; Keller, 2013).

For consumers, brands help identify the source of the product, give responsibility to the product maker, reduce risks, and reduce the costs of searching. Brands are also a promise, a bond, or a pact with the producer, are a symbolic device, and are a signal of quality. For companies, brands are means of identification to simplify handling or tracing, are a way to protect firms' differentiation features, signal quality levels, are a source of competitive advantage, and are a source of financial returns. Branding a product or service is essential to provide consumers with a label to identify the product and give them meaning, explaining what it can do for the consumer and why they should choose your product instead of the competitors. Branding is needed, as it provides structure in the minds of the consumers and helps them arrange the knowledge they have about the products or services for them to understand and explain their decision-making process. For branding to be successful, customers must perceive that all brands on the market are different (Keller, 2003). Branding is not only about providing a name to the product or service. Branding is about mutating the product category, and it demands a long-term commitment and a lot of resources and expertise (Kapferer, 2004; Maurya & Mishra, 2012). Also, brands aim to build long-lasting, loyal customer relationships (Lawer & Knox, 2006).

Brands are one of the business's most valuable and essential intangible assets (M'zungu, Merrilees & Miller, 2010). Different definitions of the term brand can be found in the literature (Alsaaty & Sawyer, 2019). A traditional definition states that a brand is "the name associated with one or more items in the product line that is used to identify the source of the item(s)" (Guzman, 2005). Another definition states that a brand is "the global promise or proposition that a firm projects in comparison with the experience that the brand delivers" (Barros-Arrieta & García-Cali, 2021). A brand is very commonly considered a promise.

"The promise of a bundle of attributes that someone buys … the attributes that make up a brand may be real or illusory, rational or emotional, tangible or invisible." this is the way Ambler and Styles (1997) define a brand (de Chernatony & Segal-Horn, 2001).

De Chernatony and Dall'Olmo Riley (1998) conducted deep research and grouped brand definitions under 12 categories. These 12 themes define a brand as a logo, as a legal instrument, as a company, as a shorthand, as a risk reducer, as an identity system, as an image in the consumer's mind, as a value system, as a personality, as a relationship, as adding value and brand as an evolving entity (Maurya & Mishra, 2012).

The American Marketing Association (AMA) defines a brand as a "name, term, sign, symbol or design, or a combination of them intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competition." (Keller, 2003; Keller, 2013). To summarize this definition, the AMA brand is meant to be a tool to differentiate a product or service from competitors (Maurya & Mishra, 2012). The brand's legal denomination is a trademark, which leads to the Oxford Dictionary's (2009) definition of a brand as "a particular sort or class of goods, as indicated by the trademark on them." Nevertheless, both definitions do not consider customers, and it is undeniable that there is no need to legally protect a brand if it is not important to customers or is not differentiated enough (Maurya & Mishra, 2012).

Brown (1992) defined the brand differently: "A brand name is nothing more or less than the sum of all mental connections people have around it." This definition is correct by stressing the importance of brand names, as consumers will more likely purchase a product with a name they recognize, especially when they have little time. Brand names are shortcuts for consumers (Keller, 2013).

Furthermore, when a customer purchases a brand, they are undertaking some risk. The brand has the responsibility to minimize this risk. Therefore, a brand can also be considered a contract between the company and the customer (Kapferer, 1992; Maurya & Mishra, 2012). Kapferer (2004) lists several types of perceived risks: economic risk, which is connected to the price of the product or service; functional risk, related to how the product or service will perform; psychological risk, linked to our self-concept; social risk, connected to the social image we have of ourselves and the experiential risk (Kapferer, 2004; Maurya & Mishra, 2012). To be successful, brands need to assess what kind of risks customers may encounter when purchasing the brand.

A brand can also be defined as a "consumer's idea of a product." Therefore, many authors believe that brands are associations in customers' minds (Maurya & Mishra, 2012). Kapferer (2004) states that a "brand is a shared desirable and exclusive idea embodied in products, services, places and/or experiences." (p. 13). The power of the brand increases if more and

more people share the idea of the brand. The theory behind the "idea" is that the brand is selling value more than actual products or services. Therefore, for example, the "Volvo" brand is selling cars, of course, but is selling the idea of a very safe and reliable car (Kapferer, 2004).

"A brand is a set of mental associations, held by the consumer, which adds to the perceived value of a product or service" (Keller, 2013). The associations that Keller mentions should be unique, therefore exclusive; strong, which should provide saliency; and positive, which should be desirable (Kapferer, 2004). This definition sees the brand as something intangible, a communication task. In this case, the product is left out, leading to the definition as incomplete. Brand begins to provide value with its product or service, and then the communication is there to structure, "to orient tangible perceptions and to add intangible ones" (Kapferer, 2004, p. 10). Keller's definition only focuses on cognitions, but successful and strong brands also focus on the emotional aspect (Kapferer, 2004).

1.2 Brand development models

When developing a brand, the company must undertake a balanced approach (Konečnik, 2006; Konečnik Ruzzier, 2018; Ruzzier & Ruzzier, 2015). A brand should be assessed from an internal and external point of view (Guzman, 2005). When developing or analyzing a brand, internal stakeholders, such as employees, entrepreneurs, CEOs, and founders, and external stakeholders, such as customers, must be considered (Ruzzier & Ruzzier, 2015).

The idea behind internal branding is to implement brand management inside the organizations, among employees, to create solid brands for customers. Internal branding focuses on spreading positive attitudes toward the brand internally among the employees. Still, it has as an ultimate goal to positively influence the brand externally in customers' eyes (Barros-Arrieta & García-Cali, 2021). The internal perspective is identified in brand identity. This term describes how the company wants its brand and products to be and to be perceived by its actual and potential customers (Aaker & Joachimsthaler, 2002; Black & Veloutsou, 2017; Nandan, 2005). Brand identity can be defined as the character of the brand. It is part of the creation and planning of the brand; therefore, it is part of the phases that take place before the brand is introduced to the consumers (Aaker, 1996b; Black & Veloutsou, 2017). Brand identity is how brand managers and workers make the brand distinctive (de Chernatony, 1999). It is about including the logo with the company's values, communicating the wanted behavior to the staff, and trying to match the staff's values with the brand's values (de Chernatony, 1999). A brand must be trusted to be strong and successful, which can be achieved with a credible identity (Burmann & Zeplin, 2005). Different brand identity models developed and presented throughout the years in the marketing literature will be presented below (Kapferer, 2012).

De Chernatony's brand identity comprises brand vision, culture, positioning, personality, relationships, and presentation (de Chernatony, 1999; Harris & de Chernatony, 2001). He believes employees need to be involved to build a brand. Their vision and culture influence the process of building a brand. The stress must be higher on the internal aspects, such as the employees with a core role in developing the brand's values (Guzman, 2005).

According to de Chernatony (1999), a brand's vision is essential because for a brand to grow, a well-defined vision will provide a clear direction. The brand vision is why the brand exists and, therefore, its purpose and values, which serve as guiding principles (Harris & de Chernatony, 2001). The brand vision shows the path that the brand would like to undertake in the long run, which involves the staff and with which the team agrees. It makes them committed to the brand and enables them to participate in the success of the brand (de Chernatony, 2001a). Furthermore, to create a strategy for the brand's vision, the brand needs to think about the culture that will help them achieve the vision. The culture can be based on the values and mental models that the managers and staff in the organization have (de Chernatony, 2001a). The culture can contribute to the competitive advantage, but it needs to be "appropriate, adaptive and attentive" to all the stakeholders' necessities (Harris & de Chernatony, 2001).

Regarding the brand's positioning, Kapferer thought it was like a "physique". This physique needs functionally unique capabilities that differentiate the brand from others on the market. With positioning, consumers can quickly understand why the brand is better than others and its performance features (de Chernatony, 2001; Harris & de Chernatony, 2001). "What is the brand? Who is it for? What does it offer?" are questions explained by the brand's positioning (Harris & de Chernatony, 2001).

Brand personality also serves a similar purpose. It reduces the need to search for information, as through the personality metaphor, consumers can easily recognize the brand's values (de Chernatony, 1999). The emotional features of a brand are represented by personality (Nandan, 2005). Based on the brand personality, relationships can be developed. These relationships may be between employees, between employees and customers, and between employees and other stakeholders. Relationships evolve and mutate over time, so it is important to constantly evaluate them with the staff to assess how the relationships strengthen the brand's values, personality, and positioning (Harris & de Chernatony, 2001).

The final step is to think about how to present the brand to the stakeholders. The brand needs to connect with the stakeholders. It must rely on its symbolic meaning to help customers express themselves to others (de Chernatony, 1999). The brand must be presented to mirror stakeholders' actual and desired self-images (Harris & de Chernatony, 2001). Good brand identity management will create a good brand reputation, i.e., a collection of past actions

that positively impacted stakeholders. De Chernatony's model narrows the gap between a brand's identity and reputation (Harris & de Chernatony, 2001).

Furthermore, Kapferer (1992) also developed a brand-based view model (de Chernatony, 1999) called the identity prism. The model comprises six dimensions: physique, personality, culture, relationship, reflection, and self-image (de Chernatony, 1999; Kapferer, 2012). This model is a valuable tool that helps see the difference between a brand and its competitors (de Chernatony, 1999). The physique is the brand's structure and its tangible value. The physique is very important, but it is not everything. When developing a brand, for Kapferer, it is essential to first think about the physical aspects, what it is, the function of the brand, and the look. The look is also the representative product that speaks for the brand's traits, for example, the bottle of Absolut Vodka, which is recognizable everywhere (Kapferer, 2004). The second feature is personality, and brands always have one. The personality breaks through when the brand communicates about its products. It expresses human personality traits (Kapferer, 2004).

Kapferer (2004) defines the next step in the prism as "the set of values feeding the brand's inspiration. It is the source of the brand's aspirational power" (p. 184). This is the definition that Kapferer gives to the brand's culture. The product of a brand does not only represent the culture of a brand, but it also communicates it. The brand becomes conditioned by the brand culture, an essential aspect when differentiating brands (Kapferer, 2004). Furthermore, a brand always establishes relationships. Then, when a brand is under development, it will always try to create an image that reflects how the customers would like to be seen/perceived by society when using/wearing that brand. This explains the brand as a reflection (Kapferer, 2004).

Lastly, when speaking about self-image, the brand would like to pay attention to the internal "world" of the customers. With the attitude toward certain brands, customers develop a relationship with themselves. For example, when purchasing a Porsche car, many customers would like to prove that they can buy this type of expensive car (Kapferer, 2004).

Furthermore, Aaker (1991) expressed brand identity as the brand as a product, organization, person, and symbol (Aaker & Joachimsthaler, 2002). He believes brands should never make the mistake of focusing only on the product features and promote just those. However, the brand as a product is essential to the brand identity because the product will influence the consumer's choice, use, and user experience. The product has specific attributes that may contribute to the value proposition because it adds something extra or of better quality (Aaker, 1996b). Brand as an organization stresses that the brand is developing around the organization/company's features rather than the product or service. These features focused on the organization can be innovation, attention to quality, or being environmentally sustainable, and are influenced by the organization's people, values, culture, and programs.

This aspect of the brand as an organization is also tough to "show off" to the customers, but it is a crucial ingredient for value proposition (Aaker, 1996b). Furthermore, there is the brand as a person, more precisely, brand personality, which enriches the brand and, consequently, the product with character and interest. A brand can be trustworthy, fun, casual, formal, youthful, intellectual, etc. Brand personality strengthens the brand, as customers may recognize themselves in it and express their personality with it. The brand personality may also build the ground for a relationship between consumers and brands. Brand personality also adds to the functional benefit, as it may serve to communicate products' traits (Aaker, 1996b). Lastly, there is the brand as a symbol, which is very important, as it adds structure and coherence to the brand's identity and facilitates the recognition and recollection of the brand (Aaker, 1996b).

The external perspective on the brand is identified in brand equity (Konečnik, 2006; Konečnik Ruzzier, 2018; Tanveer & Lodhi, 2016). Brand equity has been defined in two ways, based on how to measure it and how to describe it: financial and customer-based brand equity. Financial brand equity is the value of the brand on the market, while customer-based brand equity is the value of the brand to customers (Guzman, 2005; Tanveer & Lodhi, 2016).

Aaker (1996b) defined brand equity as "a set of assets (and liabilities) linked to a brand's name and symbol that adds to (or subtracts from) the value provided by a product or service to a firm and/or that firm's customers." (p. 7) These major asset categories are awareness, loyalty, quality, and brand associations (Aaker, 1996b). Based on Ambler and Styles (1997), brand equity is "the aggregation of all accumulated attitudes and behavior patterns in the extended minds of consumers, distribution channels and influence agents, which will enhance future profits and long-term cash flow" (p. 226). When considering the job of a brand manager, they need to focus on maximizing brand equity and profits and not only sales, market share, and short-term profits. Paying attention to brand equity is key to successfully expanding the brand (Ambler & Styles, 1997). Scholars in the literature developed several brand equity models

Keller introduced the customer-based brand equity (CBBE) model, which approaches the brand from the customers' perspective. Keller believes that "the power of a brand lies in what customers have learned, felt, seen and heard about the brand as a result of their experiences over time." (Keller 2001; Keller, 2003; Keller, 2013, p. 69). The idea is to build a brand by accomplishing sequential steps, where each step is a specific goal that needs to be fulfilled with potential and actual customers. Keller plots these six building blocks in a pyramid: salience, performance and imagery, judgments and feeling, and resonance (Keller, 2003; Keller, 2013).

To successfully develop brand equity, the brand must create brand salience. Brand salience is connected to brand awareness and mainly focuses on the frequency and ease with which

a customer remembers or evokes the brand under different occurrences. At this step, the brand focuses on answering the customers' questions about the brand: "Who are you?". To build brand equity, brand salience is not enough; it is also necessary to focus on the brand's meaning and image (Keller, 2001).

When it comes to brand meaning, the customer asks, "What are you?". The customer needs to understand what the brand stands for and what the brand characterizes in their minds. Within the brand meaning, there are two subcategories. One is brand performance, which focuses on how the product or service satisfies customers' functional needs, such as quality, reliability, price, product efficiency, or style and design. The other subcategory is brand imagery, which deals with how customers perceive the brand abstractly, therefore not precisely related to the functionality of a product (Keller, 2001).

The next step concerns brand responses and how customers react, think, or feel about the brand. At this step, there are brand judgments, which embrace customers' personal opinions and evaluations of the brand, and then there are brand feelings, which focus on customers' reactions and emotional responses to the brand, for example, fun, warmth, excitement, security, social approval, and self-respect. In this case, the questions that need to be answered are "What about you? What do I think or feel about you?" (Keller, 2001).

"What about me? What kind of association and how much of a connection would I like to have with you?" these questions are answered by the last step, i.e., brand relationships, which includes brand resonance. Brand resonance focuses on the nature of the relationship with the customer and how the customer identifies with the brand. This stage is the one that establishes brand loyalty. Resonance, at the top of the pyramid, is the most important and valuable brand-building block, and it can be achieved when all the other brand-building blocks are solid (Keller, 2001).

Aaker also developed the model of building brand equity by calling it the brand equity ten, where he came up with five categories that group the ten measures. The first category is loyalty, which includes price premium and satisfaction/loyalty. The price premium is an excellent indicator of loyalty, as it shows how much a customer is prepared to pay for the product rather than purchasing a competitor's. Then, there is perceived quality, with leadership and perceived quality. Later on, there are associations/differentiation measures, which group measures such as perceived value, focusing on whether the brand brings good value for the money spent and whether there are any benefits in purchasing this brand over the competitor's (Aaker, 1996a).

Further, Aaker listed brand personality and organizational associations. Brand personality focuses on whether a brand builds emotional connections with customers and whether the customer can relate to the brand personality. Brand personality provides a base for the

consumer to establish a relationship with the brand. In the case of organizational associations, the attention is on the people, values, and culture of the brand, proving that the brand goes beyond the products and services it offers. The fourth category is awareness, which includes brand awareness. Brand awareness mirrors the brand's salience from the customers' point of view and embraces recognition, recollection and top-of-mind, brand dominance, brand knowledge, and brand opinion (Aaker, 1996a).

The last category is market behavior with market share or sales data, such as the percentage of stores carrying the brand or the percentage of people accessing it and price and distribution indices. The first four categories are all based on getting information from customers directly, based on their perceptions of the brand. In contrast, the last one, market behavior, is based on information sources from the market (Aaker, 1996a).

The most recently emerged model for brand development is the Startup branding funnel. This model is innovative as it fully provides a balanced approach to the brand (Ruzzier & Ruzzier, 2015). The startup branding funnel will be in detail presented in the third chapter of this master's thesis.

1.3 Brands in B2B market

Even though they are more often perceived for a B2C market, brands are also very relevant in the B2B market (Bergstrom, Blumenthal & Crothers, 2002). Due to an increase in the products being all of similar quality and with a decrease in personal relationships because of technology development and social distancing, more and more in the B2B market, there is an interest in brand development (Leek & Christodoulides, 2011).

Literature nowadays describes and analyzes brand identity in the B2C market in many different forms, but there needs to be more consistent research on brand identity in the B2B market. The B2B market has very distinct characteristics compared to the B2C market, such as multi-sided supply chain relationships, a complex selling process to a decision-making unit, highly taylor-made solutions, a lower but more substantial number of clients, transactions of higher values and sales method that is highly relying on the personal selling. This last aspect also stresses that in the B2B market, there needs to be greater attention on the staff management that executes the brand strategy (Coleman, de Chernatony & Christodoulides, 2011).

As seen in the previous chapters, Aaker and Joacimsthatler (2002) stress that it is essential for a brand to have a customer-brand relationship, which is noted in Kapferer's identity prism (Kapferer, 2004). In the B2B industry, scholars are also stressing that relationships with customers, or more precisely, in this case, clients, are crucial to success in the business, as the process of making sales is very complex and requires a personal exchange. B2B clients

usually participate in negotiations involving a high investment and extended periods, so they want to establish value-adding relationships. In the B2C market, symbols are very important; the same goes for B2B. As the offer in B2B is usually very intangible, clients often prefer to connect with something more tangible; this is why logos, slogans, symbols, names, or packaging are also essential in the B2B industry. Another critical aspect of brand identity is brand personality, which is reputed to not be very relevant in the B2B market, as the emotional involvement in industrial market transactions is usually low, and the customers' decision-making process in such industry is strictly rational (Coleman, de Chernatony & Christodoulides, 2011; Kotler & Keller, 2006; Kotler & Pfoertsch, 2007). In B2B, it is considered that customers take into account products only based on "hard facts", such as features, functions, benefits, price, service, quality, etc. (Bergstrom, Blumenthal & Crothers, 2002). Nevertheless, business transactions are still carried out by individual people who have emotions; creating an emotional link through brand personality is also very important in the business markets (Coleman, de Chernatony & Christodoulides, 2011; Kotler & Keller, 2006; Kotler & Pfoertsch, 2007).

Nobody doubts the importance of branding in B2C. Still, the general idea is that it is unnecessary in the B2B market, as the customers already have a vast knowledge about the products offered and even the competitors, which is different for the customers in B2C (Kotler & Pfoertsch, 2007). When building a brand, the business's ultimate goal is to signal to the client's service and product quality, reliability, integrity, and trust, which are also important aspects in B2B companies (Kotler & Pfoertsch, 2007). B2B companies usually have a wide variety of products in their portfolio, so branding for them is a necessity (Leek & Christodoulides, 2011). To succeed in the B2B market, like in the B2C market, companies must undertake a holistic approach to branding (Kotler & Pfoertsch, 2007).

In the B2B industry, positive communication about the brand will be spread through corporate branding and PR and, most importantly, will get proven through word of mouth, which is one of the most important promotion methods in the B2B market (Kotler & Pfoertsch, 2007; Leek & Christodoulides, 2011). Many strong brands today, for example, Microsoft, IBM, FedEx, and Boeing, are mainly B2B brands (Kotler, Pfoertsch & Michi, 2006). In the B2B market, brands contribute the same as in B2C; they distinguish products from the very dense competition and ease the identification of the products, services, and businesses. Furthermore, brands do not contribute to achieving trust and cognitive and affective bonds only with customers but with all stakeholders, such as investors, employees, partners, suppliers, competitors, or regulators, which are very important elements in B2B as well (Kotler & Pfoertsch, 2007; Leek & Christodoulides, 2011).

2 DEFINITION AND MEANING OF STARTUPS

A startup is a company that has been operating on the market for a short time and does not have an operational structure (Rode & Vallaster, 2005). A startup was built because of the development of a new, innovative product/service, and the conditions under which the startup operates are uncertain; thus, the risk of failure is very high (Ries, 2011; Ruzzier & Ruzzier, 2015). Startups have a statute and resources, even though usually limited, and decisional processes, but do not have structure or history, and there is a lack of organizational and human resource processes. What is distinctive for startups is that they have a communication infrastructure without structure, and small business networks and startups are also firmly under the impact and effect of the founder (Rode & Vallaster, 2005). A startup may be composed of a small group of people or a bigger one, of different ages, and may be operating in various industries and sectors. All startups must have a similar "state of mind, excitement, culture, vision, common goal, learning, business model, uncertainty, team, risk, unstable conditions, limited resources, and fast growth" (Ruzzier & Ruzzier, 2015, p. 18).

A startup may be defined as a group of people working together to develop something innovative that is impactful, where the team is motivated by the future vision and the potential of sharp growth, and where the working environment is stimulating. Everyone is passionate about the creation and development of the project, but the working conditions under which the team operates are unstable, and there is a high risk of failure. For a startup, it is tough to position itself on the market and become relevant to the already operating competitors (Rode & Vallaster, 2005). Nowadays, 80% of startups that begin operating fail. When analyzing in detail why this happens, one of the reasons is that these failed startups did not undertake a holistic approach to branding (Ruzzier & Ruzzier, 2015). As startups always bring up innovations and have high growth potential, they must implement strategic tactics by developing a brand. Innovation does not "sell by itself"; it requires a brand that would, apart from contributing visual elements, deliver a story and engage customers in brand co-creation with an emotional appeal (Rus, Konečnik Ruzzier & Ruzzier, 2018). Developing a brand is very challenging for a new business, as startups often do not own resources nor have the knowledge of previous business experiences (Rode & Vallaster, 2005). Still, building a brand is vital to ensure long-term success (Rus, Konečnik Ruzzier & Ruzzier, 2018).

3 STARTUP BRANDING FUNNEL MODEL

The Startup branding funnel is the most recently emerged model for brand development. The whole idea behind this model is that the brand is an evolving entity, resulting in a more dynamic model than the previous ones. When developing a brand, the four steps in the funnel should be followed, i.e., investigate, develop, implement and, validate, and evaluate. These phases represent the first loop in the funnel and set the path on how the brand should evolve. If entrepreneurs slice the loop and look at the funnel, the structure of the loop is presented, composed of the Startup branding funnel building blocks. Vision is the building block zero,

followed by the context building blocks consisting of industry, competitors, customers, and myself. The third building block is the development building block, which includes the story and visual elements. There are implementation building blocks with internal branding, communication, and channels, and lastly, there is the validation and evaluation building block, which includes brand equity. This model is innovative as it fully provides a balanced approach to the brand (Ruzzier & Ruzzier, 2015). This model will be presented and described in detail in the following subchapters.

3.1 Vision

When building a brand, the creators need to think about the direction this brand would like to undertake and what they would like to achieve; this is why the vision is at building block zero. Vision serves as the base for building the brand. Vision is "a forward-looking statement" (p.38, Ruzzier & Ruzzier, 2015) that provides a direction for the brand, a guiding principle. It shows the path the brand should follow in the long run (Harris & de Chernatony, 2001). Throughout the Startup branding funnel, the vision may be modified and adapted. When brands write vision statements, they usually combine them with the mission statement. The mission of a brand is to explain the purpose of a brand, and why a brand exists. Mission is more dynamic than vision and is not focused on future environments but is an essential aspect of the brand's philosophy. When writing the vision and mission statement, the following questions must be considered: "Where would you like to go? What would you like to become? Why does your brand exist?" (Ruzzier & Ruzzier, 2015, p. 41).

3.2 Context Building Blocks

When building a brand that must operate in a specific market, it is essential to know the market to see its potential, threats, and how the brand can best participate in it. The context building blocks, with the analysis of the industry, customers, competitors, and the analysis of the brand itself, help see if it is wise to continue to invest in the brand building. It is the strategic pre-analysis, an investigation that is a must (Ruzzier & Ruzzier, 2015).

3.2.1 Industry

The industry where the startup will operate, its potential, characteristics, and specifics are crucial to determining the business's future success. Therefore, it is very important to analyze and select the industry properly before operating in it. The factors that should be considered are the approximate future industry growth, locally and internationally, trends, industry size and maturity, structure in terms of competition, entry barriers, capital intensity, and industry dynamics (Ruzzier & Ruzzier, 2015, p. 46). When analyzing the industry, it is key for the brand developer to think about which industry to enter, the reason for entering it, whether the industry has the most potential, and whether the brand would have a competitive

advantage. Additionally, there needs to be an evaluation of the trends that are running in the industry and whether or not they would positively impact the brand (Ruzzier & Ruzzier, 2015). One very useful tool to pre-analyze the industry is Porter's five forces. This tool considers buyers, suppliers, rivalry, entry barriers, and substitutes and is one of the most used macro-analysis tools for strategic management (Grundy, 2006).

3.2.2 Customers

A startup cannot succeed without people who would like to purchase the brand. Establishing the target audience, assessing the market size, and reflecting on how the brand will "solve" the target audience's issues are key to a successful startup (Ruzzier & Ruzzier, 2015). As a brand, knowing about your customers is very important because it will result in a very positive perception of the brand by the consumers (Barreda, Bilgihan, Nusair & Okumus, 2016).

Several times, startups are planning on creating an extremely innovative product or service that did not exist before, therefore, are also entering a market that does not exist yet and does not have target customers yet, as the needs of the target group cannot be clearly defined with the innovative product/service. Because of this, it may be challenging to find a group of people that would be paying for the brand. On the other hand, though, there is also a lack of competition in such cases, allowing room for some first-time mistakes during the brand launch (Ruzzier & Ruzzier, 2015).

It is essential to keep the brand constantly relevant for the customers (Cui, Hu & Griffith, 2014), as the problem with assessing the target audience is that customers' purchasing habits change over time because consumers over time change their needs and preferences (Ruzzier & Ruzzier, 2015). Customers nowadays are more diverse and are able to do detailed research. Therefore, they know better about the extensive product or service availability on the market (Lawer & Knox, 2006; Nandan, 2005). Additionally, customers nowadays are more quality-oriented and make more cultivated choices (Lawer & Knox, 2006).

As consumers are crucial for a brand and have a very high knowledge about their needs, tastes, and desires, it is very popular now to have the brand's potential target consumers as the brand's co-creators. The co-creation of the brand with consumers helps to develop a stronger brand. The engagement will develop into an emotional relationship, which contributes to creating a strong brand, especially from the target customers' point of view (Barreda, Bilgihan, Nusair & Okumus, 2016; Black & Veloutsou, 2017; Ruzzier & Ruzzier, 2015).

3.2.3 Competitors

When building a brand, knowing who the competitors are is key. If a startup is developing a brand in a niche area, there might be zero or very few competitors in the development field. But later on, especially if the business is prospective, the competition will undoubtedly increase (Ruzzier & Ruzzier, 2015).

Something to be careful of when assessing the competition is that often, the attention is focused on competitors that operate in the same country and at a determined moment, but there is no thought dedicated to future competitors, also foreign, that may develop (Ruzzier & Ruzzier, 2015). Additionally, brands cannot focus only on direct competitors but should also focus on the competitors that sell different products that satisfy the same needs as the brands' target audience. The more the brand knows and understands its competitors, the better it will position in the market against them. This aspect is vital for startups, especially when pitching the brand idea for funding (Rus, Konečnik Ruzzier, & Ruzzier, 2018; Ruzzier & Ruzzier, 2015).

3.2.4 Myself

Under the "myself" stage, the startup needs to evaluate its advantages and disadvantages. One of the main disadvantages of startups is the limited financial and other resources they need. Anyhow, this aspect may be partially compensated by having a solid team passionate about the brand or members with personal connections to provide resources when needed. A problem that arises is that teams, at least at the beginning stage, are very homogenous; all team members have high knowledge in one field, but it is not enough for the brand to survive in the future. Knowledge from several different fields works best. If the team is too homogenous, external people, such as business angels or venture capitalists, should be invited to collaborate to contribute additional knowledge and resources (Ruzzier & Ruzzier, 2015).

At this stage, it is also essential to evaluate whether the startup has enough financial resources to sustain itself from the phases of development till the launch. An estimate of revenues and costs needs to be calculated. If the resources are insufficient, a plan for additional funding needs to be developed and undertaken (Ruzzier & Ruzzier, 2015).

3.3 Developing the Minimum Viable Brand

When developing the brand identity, the further steps are to think and set the invisible elements of your brand. These elements will then be the base for the story of the brand. These elements must be connected to the visible part of the brand identity, such as the slogan, domain, logo, name, etc. Finding the right combination of brand identity elements is very important. Brand identity needs to mirror the current nature of the brand, but it is also

essential to pay attention to the fact that the brand identity needs to direct the future evolution of the brand (Ruzzier & Ruzzier, 2015).

3.3.1 Developing brand story: The invisible part of the brand

The combination of elements that form brand identity will be different if a brand is for a product, service, experience, event, company, or other entity, and it is also important to understand for which industry the brand is being created. Once the pre-analysis is finished, at the next stage of brand development, the brand's story will be created, composed of invisible identity elements that would then be upgraded with visual elements at the next stage of brand development (Ruzzier & Ruzzier, 2015).

Features and Benefits

Features and benefits are among the first invisible elements that compose brand identity. The brand's features characterize the brand (Keller, 2013; Rus, Konečnik Ruzzier, & Ruzzier, 2018). Describe the customer's opinion about the brand and "what is involved in its purchase or consumption" (Ruzzier & Ruzzier, 2015, p. 75). Benefits on the other hand are consumers' beliefs in what the brand can do for them (Rus, Konečnik Ruzzier & Ruzzier, 2018), are "personal value and meaning" customers give to the brand (Keller, 2013, p. 77). Unique features and benefits create a strong competitive advantage (Keller, 2013).

Values and culture

Other elements that are crucial components of brand identity are values and culture. "A value is an enduring belief that one specific mode of conduct or end-state of existence is personally or socially preferable to another." (Ruzzier & Ruzzier, 2015, p. 77) Values serve as guiding principles for the internal stakeholders to fulfill the business's goals (Gupta, Gallear, Rudd, & Foroudi, 2020; Harris & de Chernatony, 2001; Nandan, 2005). They set a direction on how employees should behave to deliver the brand idea successfully. Values are helpful to employees as with them, they can identify with the brand and they can live the brand (Ruzzier & Ruzzier, 2015).

Culture "considers how a brand can achieve a unique position through a particular type of staff behavior related to the brands' values" (Ruzzier & Ruzzier, 2015, p. 79). Every product of a brand is a representation of a culture. Culture is "a set of values feeding the brand's inspiration" (Kapferer, 2004, p. 184). Culture connects the brand to its company. A brand's culture helps by having staff committed to the brand. Culture will make the staff behave in a specific manner that supports the brand (de Chernatony & Segal-Horn, 2001). The culture and values of a brand are primarily meant for all internal stakeholders. Still, their goal is to

live so truthfully by them that customers perceive them when considering purchasing the brand and believe they are core characteristics of the brand (Ruzzier & Ruzzier, 2015).

Personality, relationship, and communities

Further elements of brand identity are personality, relationships, and communities. Aaker (1996b) defines brand personality as different human characteristics connected to a brand. When consumers perceive a brand as a person with a personality, it is easier for them to relate to the brand, connect with it, and value it. Brand personality is affected by brand values and culture and is the emotional feature of the brand (Nandan, 2005). By looking at a brand, consumers can develop a visible and unique representation of themselves. It can be made by attributing a brand with the proper personality characteristics (Austin, Siguaw & Mattila 2003). There are two ways to create brand personality. One is to assess target customers' personality features and set those features as brand personality. The other method is to establish personality characteristics desired by the brand and hope that these characteristics will speak to the target audience and that they will identify with them (Ruzzier & Ruzzier, 2015).

The brand personality then sets the base for a relationship between the brand and the customers, as consumers can feel connected to the brand (Maurya & Mishra, 2012; Ruzzier & Ruzzier, 2015) and helps them better understand the brand's offer. Communicating with customers, listening to them, and inviting them to share their opinions will strengthen the brand. This whole communication process will add value to consumers and strengthen the relationship between the startup and the consumers. This approach is very dynamic for a brand. In dynamic branding, another aspect that is becoming more and more important is brand communities. These are crucial to gather information and feedback. Brand communities are the real contributors to brand development (Ruzzier & Ruzzier, 2015). When creating a product and developing marketing strategies to launch it and spread it on the market, the startup has to carefully consider the consumers' point of view and try as much as possible to involve them (Lawer & Knox, 2006).

Price

The last element of brand identity is price. Price will signal the amount a customer is willing to pay for the brand, basically the value they attribute to it. Additionally, the price reflects the business model set and how the brand plans to be exclusive. The price should "reflect key brand characteristics, tightly related to the brand story and the proposed pricing mechanism" (Ruzzier & Ruzzier, 2015, p. 85). Price is objectively an essential element, as it will take part in determining the startup's profit. Startups must plan properly and implement a good pricing strategy (Iyer, Xiao, Sharma, & Nicholson, 2015). When setting prices, therefore undertaking specific pricing methods, startups must be conscious that

different businesses or market environments require different pricing strategies (Munnukka, 2006).

3.3.2 Developing visual brand identity elements: The visible part of the brand

Developing the brand's visual identity is now possible based on the invisible brand identity elements. Through the visual identity elements, the brand will be recognized by consumers. These elements are slogan, symbol/logo, name, and domain, which, together with the previously described brand story, form a strong and successful brand. The ultimate goal of the visible identity of a brand is to create high brand awareness. The elements that compose it need to be memorable; therefore, when purchasing the product, a customer must recognize and remember the brand easily and meaningfully. The elements can be descriptive or persuasive. When they are descriptive, they will point out traits about the product category and the needs and benefits that are fulfilling. The persuasive aspects, on the other hand, describe the person who would purchase the product, or they allude to the performance and peculiarity of the product. Furthermore, the elements need to be likable. The brand must be aesthetically pleasing, fun, verbally likable, and interesting in customers' eyes. Brand elements need to be transferable as well. Therefore, companies need to assess names, logos, or slogans that would not obstruct the brand if it expands internationally or to other categories. Over time, brands need to be updated to be contemporary or to adapt to different market conditions; this is why the elements must be flexible to be adaptable. Last but not least, elements need to be protectable, legally and from a competitive perspective (Keller, 2013; Ruzzier & Ruzzier, 2015).

Before establishing the visual identity elements of a brand, the startup creators need to reflect on whether they will brand the company, only the product, or both. It is a crucial decision for further development, and brand architecture must be evaluated (Ruzzier & Ruzzier, 2015). The brand aims to grow; therefore, it is impossible to further develop the brand name without first setting the brand architecture. A brand in the future might expand into another product line or enter a new product category; therefore, brand architecture is vital, and it summarizes the structure of the corporate brands (Muzellec & Lambkin, 2009). Further questions must be answered to address this issue, which will clarify brand architecture (Kapferer, 2004).

- "What to call new products? Should they be given a descriptive name or a brand name?" (Kapferer, 2004, p. 347) For example, the Lafarge brand introduced the product Agilia.
- "How many brand levels to adopt? Should there be only one brand name within the company?" (Kapferer, 2004, p. 347) In this case, the company names products in a descriptive way to aim to have only one brand, for example, for all the Samsung products (Samsung phones, Samsung televisions, etc.)

- "How much visibility to give to the corporate name, group name, and the company itself?" (Kapferer, 2004, p. 348) For example, the water Evian's bottle has written on the back, in small letters, that is from Danone Corp, while on Post-It or Scotch, there is a very visible 3M logo.
- "Should there be a different name for the company and the commercial brand?" (Kapferer, 2004, p. 348)
- "Should the same architecture apply around the world?" (in case the brand is global) (Kapferer, 2004, p. 348)

The most frequent custom for brands is to set the same company name for the product created (Ruzzier & Ruzzier, 2015). The brand is undertaking an umbrella corporate or family brand for all its products (Keller, 2013, p. 393). This strategy of brand architecture is defined as the monolithic or branded house. Another strategy is called sub-brands or endorsed brands. In this case, the names of the products/services differ from those of the company but are still connected to the company's name (Ruzzier & Ruzzier, 2015). The leading brand and sub-brand affiliation is strong (Dooley & Bowie, 2005). This strategy is used when a startup offers more products targeting different customers. Customers here can benefit from the quality and trust of the "mother" brand, but with unique traits of the product they are getting, for example, Hershey Kisses, that have different packaging but still remind consumers of the Hershey chocolate they like (Keller, 2013). The last strategy is to adopt a name for the product or service completely different from the one of the company. These brands are called freestanding brands or houses of brands. This method is used when the goal is to strengthen a single brand; each brand is a stand-alone, but it is not usually used by startups (Kotler, Pfoertsch & Michi, 2006; Ruzzier & Ruzzier, 2015).

Name

Names are an essential central element of the brand. They assure the base for brand awareness, so they should be carefully chosen (Keller, 2013; Ruzzier & Ruzzier, 2015). There are two types of brand names: meaningful and non-meaningful brand names. As the term explains, meaningful brand names describe or suggest a product's features. On the other hand, the non-meaningful are names that are coined and randomly chosen. Nevertheless, meaningful names are mostly chosen by brands and are also the ones that consumers prefer. Non-meaningful brand names are more adaptable in the long term, as they can be extended to different product lines and may get stronger trademark protection. With such names, modifying the brand image over time is generally easier. The problem with meaningful names is that it is tough to create a standard name in case the brand decides to expand internationally. They are strictly connected to the local market as they deliver the meaning in a specific language (Kohli, Harich & Leuthesser, 2005).

As Kapferer (2004) described, names must be memorable, meaningful, likable, transferable, adaptable, and protected. There are also arguments that catchy short names work the best, but still, nowadays, there are many famous brands with longer names, and some combine two words. As mentioned before, one important aspect is that the name needs to be protected, and as there are many names registered nowadays, it is tough to find one that would meet all these criteria and would not be protected yet. Additionally, it needs to be checked that the name can be protected on international and national markets (Ruzzier & Ruzzier, 2015). For example, the brand that is very popular in the EU under the name Opel in the UK was forced to choose another name because of legal issues. There, the brand is known as Vauxhall (Kapferer, 2005). This constraint also pushed brands to pick compound names, such as YouTube, which turned out to be a very successful method of determining names (Ruzzier & Ruzzier, 2015).

Symbol

An element that also contributes, together with the name, to brand awareness is symbols (Keller, 2013). Brand symbols can be "geometrical figures, objects, packaging, logos, people, cartoon characters, colors, or other identifying characteristics" (Ruzzier & Ruzzier, 2015, p. 93). Logos are quickly recognizable by consumers and can help identify products, even though consumers may recognize them but cannot allocate them to which brand belongs. Logos are also very versatile. Their non-verbality allows them to adapt to different international markets and product categories easily. Lastly, logos can be easily modified after a certain amount of time to be refreshed and updated with its look (Keller, 2013).

Packaging is an important element that makes the brand recognizable and creates strong brand associations, which is anything in memory connected to a brand (Aaker, 1991; Jalilvand, Samiei & Mahdavinia, 2011; Keller, 2013). Packaging, of course, serves both aesthetic and practical/functional purposes (Keller, 2013). 70% of customers' purchasing decisions occur in stores, and packaging makes the product stand out and attracts consumers. It works as a recipient but simultaneously promotes the product (Kauppinen-Räisänen, 2014). Packaging is crucial in the purchase decision process of the consumer. One aspect that is very relevant in terms of packaging nowadays is sustainability. Brands must introduce sustainable packages, which may also play in their favor, as consumers will most likely choose to purchase a more environment friendly package over another that is not (Ruzzier & Ruzzier, 2015).

Slogan

Keller (2013) defines slogans as "short phrases that communicate descriptive or persuasive information about the brand" (p. 158). The slogan is an additional element that reinforces

the logo and the brand's name. Slogans are easier to develop as they have fewer legal protection limitations (Ruzzier & Ruzzier, 2015).

<u>Domain</u>

Nowadays, many brands have moved online and have at least a website where customers can check or contact them. Usually, the domain is simple and has the same name as the brand. The most used domains are the ones that end in ".com", but the issue here is that they are very used, therefore registering such a domain will be again, as in the case of the name, very challenging (Keller 2013; Ruzzier & Ruzzier, 2015). Several times, when the brand is operating internationally, it may be useful and smart to create a domain for each country; therefore, domains that would end in ".fr, .it, .uk, etc." (Ruzzier & Ruzzier, 2015).

3.4 Brand Implementation

The following subchapters will present internal branding, communication strategy, and channels needed to implement the brand.

3.4.1 Internal branding

It is vital for the success of a brand to have a company, more precisely, stakeholders that operate in it, who strongly believe in the brand. When it comes to startups, usually, entrepreneurs strongly believe in their business but do not always believe in the importance and effect of their brand. Employees need to understand the essence of the brand and its complexity. By understanding this, they can deliver the same brand essence to the consumers, and the brand will be more effective. This can be achieved by involving all employees of the organization in the brand development process (Ruzzier & Ruzzier, 2015).

The company can teach its employees about the brand through internal communication, training, and qualification. This is the main goal that internal branding holds and is usually carried out very informally and through company culture. While the company is still small, it is simpler to spread the knowledge about the brand informally, but later on, when more people get involved, it might become more challenging; therefore, new techniques of spreading the knowledge are required (Ruzzier & Ruzzier, 2015).

Ruzzier & Ruzzier (2015) define culture as "a pattern of basic assumptions and beliefs, including the learned behaviors, shared values, and norms that define the work in an organization." (p. 113). Culture can be visible and invisible. The visible aspects of the culture are symbols, such as logos, how the office is designed and structured, events and ceremonies that the company organizes, the office dress code, etc. Additionally, culture is expressed in

an "invisible way", in the values that the company has, the mental models that the managers and the staff that operate in the organization have, and the way the work is carried out by employees (de Chernatony, 2001a).

Culture contributes to a brand's competitive advantage (Harris & de Chernatony, 2001). Culture helps the company and its workers to define who they are (Schroeder, Salzer-Mörling & Askegaard, 2006). But how do we build the right culture? The right culture must give employees freedom and control and set expectations and challenges. The culture needs to encourage employees' creativity and be active co-creators of the brand (Ruzzier & Ruzzier, 2015). Culture is important because it determines how employees understand the brand and feel emotionally involved with it and its stakeholders (Schroeder, Salzer-Mörling & Askegaard, 2006). The more the employees are satisfied with their jobs, the more efficient they will be, which will be mirrored in the brand's performance. Spreading the knowledge about the brand and making all internal stakeholders brand ambassadors is key to a successful and strong brand, and this can be achieved through internal branding (Ruzzier & Ruzzier, 2015).

3.4.2 Communication

Making the employees enthusiastic about the brand is essential, but at the end of the day, the most important aspect is that customers are enthusiastic about the brand. Therefore, it is key to be a brand that customers will love so they will become brand ambassadors and spread their enthusiasm about the brand (Ruzzier & Ruzzier, 2015).

Usually, such a positive attitude towards a brand is achieved by having a strong marketing communication strategy. The problem is that the budget of startups is generally very low; therefore, the investment in marketing is reduced to the minimum. One efficient way of "advertising" your brand cost-free would be to ask the consumers who have tried the brand to give reviews. If the brand is good, engaging, and fresh, consumers will 100% want to support it and spread the word about how amazing it is (Ruzzier & Ruzzier, 2015). Nothing, no cool ads or viral videos will gain higher consideration as good, positive, and organic reviews from consumers (Edelman, 2010).

Consumers make the purchasing decision themselves, but marketing communication can widely affect this decision-making process (Dorokhov, Dorokhova, Delibasic, & Streimikis, 2017). Nowadays, marketing communication has changed. Marketing communication is the one that connects for the long run and engages in co-creation with consumers. There is less one-way communication but more dialogue with the consumers, who even communicate among themselves, and the boundaries between customers and the company are not so defined anymore. It works best for startups, as their goal is for consumers to actively live the brand and be part of its communication process. A company's communication strategy

must be the most original possible to be successful and impactful (Christodoulides, 2009; Ruzzier & Ruzzier, 2015). The brand can test the strategy on a small audience first and then evaluate the feedback to see whether such a tactic can be employed on a broader audience (Ruzzier & Ruzzier, 2015).

The marketing communication tools that are most frequently used nowadays are word-of-mouth, interactive marketing, celebrity branding, influencer marketing, founder's marketing, and marketing events (with the help of sponsorships). More classic marketing communication approaches, on the other hand, are public relations and advertising, personal selling, direct marketing, and sales promotion (Ruzzier & Ruzzier, 2015).

Personal selling is the face-to-face approach between a brand representative, a salesperson, and one or more potential customers. The meeting aims to end up with a purchase. When looking at the B2B market, personal selling is the go-to communication technique and is more efficient than advertising. The negative aspect is that personal selling requires a higher budget investment (Lilien, Rangaswamy & De Bruyn, 2013).

Sales promotions are different short-term motivation actions to induce potential consumers to try or buy the brand's product or service. On the other hand, direct marketing employs emails, phone calls, the internet, and other tools that do not involve face-to-face interactions to contact prospective customers (Lilien, Rangaswamy & De Bruyn, 2013). The choice of tools depends mainly on the company's budget and the goal the company wants to reach with the communication strategy, which most likely would be to spread the word about the brand in a very appealing and innovative way, especially compared to the competitors. Nevertheless, the base for a successful communication strategy is to be planned and tailored for the target audience and have a very well-defined and strong brand (Christodoulides, 2009).

When building a communication strategy, several points need to be considered. In the beginning, the brand needs to determine the aim of its communication strategy, which needs to be first to create brand awareness, develop positive brand attitudes, and stimulate consumers to purchase the brand. Furthermore, the startup needs to reflect on who could be the brand influencers. When picking influencers, who can be journalists, celebrities, bloggers, experts, analysts, or customers themselves, they need to be chosen by keeping the target audience in mind, and it can be set whether they will influence the brand organically or through payment. Later on, the budget for the communication strategy needs to be set, as the strategy needs to be cost-effective, and the communication message needs to be developed. When creating the message, a startup must ask itself; "What should we say?". Usually, the message includes rational, emotional, or moral appeals to be more effective; "How can we say it logically?" the message can be introduced by only saying positive aspects of the brand or by saying both positive and negative aspects about it; "How can we

design a symbolic frame of messages?", the message must be adapted to the medium, such as TV, or radio, or social media; "Who should say it?", the means that delivers the message needs to deliver credibility to consumers (Ruzzier & Ruzzier, 2015, p. 125). The further step is to pick the appropriate combination of tools and media that are the most suitable for your target customers, such as TV, radio, newspapers, or the internet, like social media. The tools need to inform the target customers, make them experience the brand, and invite them to co-create it. Furthermore, the brand must consider how and when to measure communication strategy results. It is challenging to get direct results from it; some results may be seen in the profit, market share, sales, or consumer feedback. Through social media and influencer marketing, it is easier to access direct results from the strategy, which will be very helpful, especially to improve certain brand aspects.

Word-of-mouth marketing (WOMM)

Companies always try to implement very sophisticated marketing methods to target their audience, but one of the most effective methods of marketing that consumers value the most is word-of-mouth (Chen & Yuan, 2020). Word-of-mouth consists of a process where people's behavior or opinions are influenced by an individual (Mohr, 2007). Word-of-mouth is a normal, casual conversation that occurs between customer communities. More than 90% of consumers repute word-of-mouth as the most reliable and relevant knowledge and information about products and/or services (Lawer & Knox, 2006). Nowadays, it is oral, through recommendations made by friends, and written in electronic/online communication. The last one requires caution as it spreads very quickly. There are several types of WOMM, such as viral marketing, buzz marketing, guerilla marketing, and social media marketing (Ruzzier & Ruzzier, 2015). WOMM and advertising are considered to have the most significant influence on brand equity (Petek & Konečnik Ruzzier, 2013).

Viral marketing "operates" on the internet and relies on the fact that the message spreads around the internet fast, like a virus, uncontrolled through interaction among people. It aims to attract the largest number of people visiting a website or other site where the information is located, and it succeeds in attracting such a broad audience in a very unconventional way that ignites curiosity in the reader (Ruzzier & Ruzzier, 2015).

Buzz marketing, on the other hand, requires an event, a performance by which consumers get excited and share the message through photos, videos, or orally (Ruzzier & Ruzzier, 2015). Buzz marketing is all about getting the attention of the consumers and media for them to start talking about the brand due to the very catchy, amusing, fascinating, and original "event" they just lived (Mohr, 2007). The brand often involves a limited number of consumers, which can be called, in this case, "buzz agents," who may experiment with the brand and then create the buzz (Ruzzier & Ruzzier, 2015).

Another technique is guerilla marketing. This method is inexpensive and unconventional (Behal & Sareen, 2014). It creates campaigns that are specifically tailored for the target audience, and it also involves them in it. The goal is to awaken strong emotions in the consumers and make them big brand enthusiasts (Ruzzier & Ruzzier, 2015). In the beginning, guerilla marketing was implemented by small companies (Behal & Sareen, 2014) that had reduced budgets, but nowadays, due to its effectiveness, guerilla marketing is used by top-rated and large companies as well (Ruzzier & Ruzzier, 2015).

Lastly, in the WOMM repertoire, there is social media marketing. This method relies on user-generated content through apps such as Facebook, Instagram, Twitter, etc. (Ruzzier & Ruzzier, 2015). Nowadays, social media is a must in a brand's communication strategy. It allows brands to reach out, connect, and interact with their target audience (Keller, 2013). It is very important for the startup to carefully choose the most appropriate social media app for the brand that would best address the target audience (Ruzzier & Ruzzier, 2015), as each social media platform serves its purpose (Keller, 2013).

Interactive marketing

The internet became an essential medium of marketing communication, allowing contact with millions of people (Plant, 2004). Interaction between consumers and companies that are made digitally is called interactive marketing. It may be through emails, websites, online advertising, web-sponsoring content, online communities, mobile marketing, viral marketing, and other forms of WOMM. The highest potential in interactive marketing is online communities and mobile marketing. Online communities are the cheapest way to build a strong brand. It is important to reflect on whether the brand should have a private or public community (Ruzzier & Ruzzier, 2015). Everyone can access the public community; therefore, everyone can see what the brand and consumers are talking about, while the private community can be accessed only by invite (Plant, 2004), and usually, the brand uses it to talk about new ideas and allows them to dive into specific topics that would bring beneficial feedback (Ruzzier & Ruzzier, 2015).

Public relations

The Institute of Public Relations defines public relations as "the deliberate, planned, and sustained effort to establish and maintain mutual understanding between the organization and its public." Public relations is an unbiased form of marketing communication. Public relations does not involve any persuasion towards the public and does not promote the product or service to the potential customer either. Public relations aim to spread knowledge and visibility about a brand in a "realistic" way that does not involve any brand self-praising (Jefkins, 1983). Public relations generates awareness, usually free of charge, and is generally

sent by an independent source, which makes the source very trustworthy in the eyes of consumers (Ruzzier & Ruzzier, 2015).

<u>Advertising</u>

"Advertising refers to the paid form of non-personal presentation and communication of a brand for a specific client through various media" (Ruzzier & Ruzzier, 2015, p. 142). Advertising successfully describes and presents the brand to potential customers, influencing them to purchase it. Furthermore, it is very good at affecting the likability of a product or service or enhancing a company's image (Lilien, Rangaswamy & De Bruyn, 2013). Nowadays, advertising can be specific to the target audience, which makes it a very efficient marketing communication method (Burmann & Zeplin, 2005).

3.4.3 Channels

How will the target consumers be reached? Through direct or indirect marketing channels or a combination of both? Attention must be put on the brand and target audience, and choose a channel appropriate to both. Direct channels are less costly and allow complete brand control, and feedback can be more easily and quickly assessed. Such channels may be web pages, events, service brands, or retail outlets. Indirect channels introduce intermediaries between the brand and the consumers. The one-level channel is when there is one intermediary present, while when there are two, we talk about two-level channels. Usually, such intermediaries are wholesalers and retailers. The cost of such channels is higher, as a margin is necessary for the intermediaries. Still, the growth is higher, as the brand can use the strength of the intermediary and, therefore, cover a broader range of consumers (Ruzzier & Ruzzier, 2015). There are two strategies that a brand may undertake to deliver its product or service to the consumers, which are called push or pull distribution strategies. In the push strategy, the brand is pushing the product through the distribution channel, therefore the stress of delivering the product relies more on the salespeople or the trade industry. On the other hand, the pull strategy aims its marketing strategy at the end users by stimulating the consumers' demand and "making" them pull the product/service through the distribution channel (Lilien, Rangaswamy & De Bruyn, 2013).

3.5 Brand Equity

"Brand equity is a set of brand assets and liabilities linked to a brand, its name, and symbol, that add to or subtract from the value provided by a product or service to a firm and/or to that firm's customers" (Aaker, 1991, p. 15) Brand equity has been defined from two perspectives: financial and customer-based. Financial brand equity is the value of the brand on the market (Guzman, 2005; Tanveer & Lodhi, 2016), while customer-based brand equity focuses on the customers' point of view, how they see the brand, how they feel, what they

have heard and what they have learned about the brand (Keller, 2003). Customer-based brand equity is the concept that will help the brand evaluate consumers' perspectives and perceptions. The elements that compose brand equity are brand awareness, image, perceived quality, and loyalty. In the literature, a fifth element, general marketing indicators, can also be found (Ruzzier & Ruzzier, 2015).

Brand awareness is identified as the ability of a consumer to bring back the brand from memory. It states a brand's capability to be recognized and recalled in consumers' minds. The Coca-Cola brand has very high brand awareness, as usually, if someone is asked to tell a brand of soft drinks, Coca-Cola will be the first mentioned (Jalilvand, Samiei, & Mahdavinia, 2011). Nevertheless, recognizing a brand does not mean that the consumer will intend to purchase it at some point, but for a startup, building brand awareness is still an important first step in building brand equity (Ruzzier & Ruzzier, 2015).

Another key element of brand equity is brand image, which is "the perception of a particular brand based on consumers' mental associations" (Ruzzier & Ruzzier, 2015, p. 156). The associative network memory model tool can be used to assess the brand image perceived by brands. This tool describes the idea of how our memory works, and with it, we can see associations that a person may have with the brand. Brand associations are grouped into attributes and benefits (Keller, 2013).

Perceived quality also plays an important role and can only be assessed by consumers. Perceived quality directly affects the ROI and stock return of a brand. Perceived quality can be evaluated differently, depending on the industry and product classes. This element of brand equity can be measured on scales of high quality vs. bad quality, best in category vs. worst in category, consistent quality vs. inconsistent quality, and/or finest quality vs. average quality vs. inferior quality (Aaker, 1996b, p. 324). There can be intrinsic or internal perceived quality and extrinsic or external one. The intrinsic cues that consumers use to evaluate perceived quality are actual brand features, such as storage space, pixels, colors, designs, etc. Extrinsic, on the other hand, is like price, brand name, or warranty (Ruzzier & Ruzzier, 2015). The negative aspect of perceived quality is that it is very subjectively assessed by the individual (Aaker, 1996b).

20% of most loyal customers make approximately 80% of total sales (Ruzzier & Ruzzier, 2015). It is an essential aspect that stresses that brand loyalty is key for a brand and is a core aspect of brand equity (Aaker, 1996b). Loyalty is measured by the number of times a consumer has purchased the brand. Nevertheless, the frequency of purchase is not always a good indicator of loyalty, as it depends on the product. For example, a washing machine is not bought once a month. However, usually, in the distance of years, the customer might be loyal to the brand by spreading positive words about the product and intending to purchase the same brand in the future. The frequency with which someone buys is called behavioral

loyalty, while the intention of always buying the same brand is called attitudinal loyalty (Ruzzier & Ruzzier, 2015). Loyalty can also be assessed based on whether the consumer is prepared to pay a price premium only because he likes that brand and is loyal to it (Aaker, 1996b).

Brand equity, therefore, has an important strategic role for a brand that affects management decisions and creates a competitive advantage for a startup (Ghelichkhan, Nematizadeh, Saeednia, & Nourbakhsh, 2020). Usually, brand equity is measured once the brand is launched on the market for quite some time, but startups need to get feedback from consumers before the product or service is introduced into the market; therefore, brand equity should partially be analyzed before as well (Ruzzier & Ruzzier, 2015).

4 BRAND DEVELOPMENT FOR MADIERO

When innovation takes place, it is essential to brand it, as without a good branding strategy, an innovative idea or product may not break through the market. A brand enables the company to own the innovation, assures higher visibility, and adds credibility and legitimacy. If innovation is branded, a competitor may try to replicate it, but it will take a lot of work to overpass the power/influence of the brand (Aaker, 2007; Alsaaty & Sawyer, 2019).

Madiero Srl. created the Madiero **Ω**Z, an innovative ozone generator. An ozone generator serves to sanitize spaces; more specifically, it removes odors, bacteria, viruses, molds, and insects from closed rooms. Right now, on the market, there are already many ozone generators used for sanitizing purposes, but Madiero is bringing in a new technology that improves the ozone generators present on the market. The main revolutionary feature that Madiero **Ω**Z provides is that when placed in a closed room, the machine spreads in the air the exact amount of ozone needed to sanitize the space by taking into consideration the production of the generator (g/h), the environmental volume (m^3), HLT (half-life time, the halving time of the ozone), and environmental temperature and humidity. No other ozone generator considers all these aspects, which are needed to accurately assess the amount of ozone and time needed to treat an area.

Therefore, as Madiero **Ω**Z is an evident innovation in the field, and because of the high increase in demand for advanced sanitizing methods in hotels, airplanes, cruises, offices, buses, etc., due to the COVID-19 pandemic, it is necessary to develop a brand for Madiero, as it could be a very successful brand in the industry.

4.1 Methodological approach to the development of the brand Madiero

To develop the brand Madiero, the Startup branding funnel method was used. A focus group with the three members of the Madiero team was conducted to gather data and information to develop brand identity aspects. Throughout the focus group, specific questions about the brand, for example, the origin of the name, were asked and answered by the members (see Appendix 2). The focus group session was mainly needed to develop the internal aspects of the brand, therefore for vision, context building blocks, creating the minimum viable brand, and brand implementation. To further enrich the internal part of the development of the brand, secondary sources literature was consulted. The focus group was conducted on the 26th of May, 2023, in Madiero's office in Monfalcone, Italy. Participants in the focus group were the three members of the Madiero team, the creator of the product, the company's investor, and the employee in charge of the sales strategy. The focus group method was adopted to allow a brainstorming session where every group member could freely express their ideas in a comfortable environment. The focus group was conducted in Italian to make respondents feel more comfortable, as all three members' mother tongue is Italian.

The focus group moderator prepared several questions (see Appendix 2) to guide the respondents towards different topics of discussion. As Madiero follows the guidelines of the Startup branding funnel, it first developed the brand vision. The brand's vision needs to be created by assessing the environmental, cultural, social, technological, political, and economic changes in the next five years, developed by consulting secondary sources. The focus group session was helpful in terms of vision development, as respondents were asked to envision the influence and role the brand will have in the future. For the respondents to better understand the purpose of the question, an example of the Apple vision statement was presented. The same occurred for the mission statement, as the participants were asked about the purpose of the brand's existence.

For the development of context building blocks, mainly secondary sources were consulted, but additionally, several pertinent questions were presented at the focus group session as well. Regarding "Industry", the moderator asked the team members whether there were significant entry barriers to the market. When assessing the "Myself" dimension, the respondents were asked whether there are substantial costs involved in the production of the machine itself and whether the startup disposes of enough financial resources to operate. Pertinent to the "Myself" topic, the team was also asked to describe each member's importance and professional characteristics.

Furthermore, to develop the minimum viable brand for Madiero, different questions related to values, personality, price, brand name, slogan, symbol, and domain about Madiero were asked. To develop brand values, each member was asked to state 5 to 10 personal values and which of these values could also be connected to the brand. By doing this together, the respondents could develop five values for the brand shared among the three team members. To develop Madiero's personality, each member was asked to describe Madiero as if it were

a person. As the three responses were very similar, it was easy to develop the brand personality. Additionally, the members were asked about the price of the product and the reasoning behind it, which was explained only by one member, as they already had thought about it and came to a conclusion together before the focus group. The same occurred with the brand logo and brand name; the product's creator explained the story behind the name Madiero, and his idea about the logo that was then created by himself as well.

Furthermore, in-depth interviews (see Appendix 3) were carried out with potential target customers to develop the external part of the brand, i.e., brand equity, as the brand has yet to be launched on the market, and no actual customers exist. Due to the large number of target customer segments that Madiero is considering, the interviews were limited to the target customers operating in the hotel industry. Six in-depth interviews with potential clients were carried out. All six respondents were hotel owners, five of them being small hotel owners; therefore, hotels from 8 to 12 rooms of capacity. The hotel businesses taken into account are located in Italy, more specifically in the area of Friuli-Venezia Giulia region, which is the region where Madiero is located and where the brand will start first to operate. Precisely, two hotels are in Sistiana, one in Gorizia, one in Trieste, and two in Duino (see Appendix 4). The planned method of selecting respondents was to choose hotels located in the Friuli-Venezia Giulia region randomly, but later on, the interviews were achieved mainly by recommendation; therefore, two randomly chosen hotel owners willing to participate in the interview recommended other potential respondents. The interviews were set up through phone calls, where the day and time of the interview in person or by phone were decided. Four interviews were conducted in person, while two were conducted by phone. In the Friuli-Venezia Giulia region, the Slovenian minority is present. Therefore, one interview out of six was conducted in Slovene, as the respondent felt more comfortable speaking their mother tongue. The rest of the interviews were conducted in Italian. The interviews were not recorded, but a detailed transcript of the responses was collected and translated into English, provided in Appendix 4. By not recording and writing the transcript, the respondent could have more time to think about their answer, and several times, it allowed them to add additional comments to their answers. Respondents' and hotel names will not be listed to assure anonymity. Each respondent will be named Respondent 1, Respondent 2, etc.

The in-depth interviews aimed to get customers' insights to develop brand equity. The questions for the interviews (see Appendix 3) were therefore focused on assessing brand loyalty, perceived quality, image, and awareness. The brand Madiero has not launched on the market yet, but there is still a need to get feedback from potential consumers before Madiero ΩZ is introduced. The aim was, therefore, to analyze potential brand loyalty, perceived brand image, and perceived quality based on the description of Madiero's product provided at the beginning of the interview and awareness that was focused more generally on ozone generators rather than specifically on Madiero's ozone generator.

4.2 Presentation of the brand Madiero

Madiero Srl. is located in Monfalcone, Italy. It is a startup that created an innovative product: an ozone generator. Nowadays, there are already many ozone generators used for sanitizing purposes on the market, but all encounter several practical issues. The Madiero ozone generator is a very innovative tool compared to the already present ones on the market due to the integrated software in the machine. The Madiero brand and its product, Madiero ΩZ, will be presented in detail in the further subchapters.

4.2.1 Vision of Madiero

The main technological changes involving ozone generators in the next 5 to 10 years will be marked by artificial intelligence that may automatize the ozone generators even more. Additionally, new techniques for cleaning and disinfecting air and surfaces may be discovered in the next few years, as there are constant innovations (Lin, 2022). This would result in big competition for Madiero. Regarding environmental changes, the environmental crisis that is going on nowadays, based on predictions, will only worsen and will bring many negative consequences, two of them being poor air quality and the fast spreading of bacteria and viruses (Ito & Zhang, 2020). Nevertheless, this will create good opportunities for ozone generators, as consumers will be interested in cleaning their air. Furthermore, the social and cultural changes in the next 5 to 10 years are greatly impacted by the COVID-19 virus. Consumers are increasingly aware of the severe threat of viruses and bacteria and how easily they can spread. The cleaning standards of people have changed dramatically, awareness of health measures has increased since the 2020 pandemic, and everyone is putting higher importance and attention to them. Such behavior is now ingrained in people and is not likely to change anytime soon, which will only play in favor of Madiero's ozone generator. Economic changes may negatively impact Madiero and the purchase of ozone generators. We are undergoing a period of economic uncertainty, and predictions for the future are not improving, as the economy might enter a recession (Kalish, 2023). Lastly, from the political perspective, some USA states are already trying to implement regulations where each household will need an ozone generator to clean and purify its water (Grand View Research, 2023). These regulations in the future might also be applied to air in the scenario where the air quality will worsen. This aspect will positively impact Madiero and customers' behavior.

When developing the vision statement, the three members of the Madiero team were asked how they see the brand in the next 5 to 10 years. There were different answers, but all three members agreed on the vision that Madiero will be recognized in the future and will have high brand awareness worldwide as the brand leader in the air and surface disinfecting sector. This view is not strictly connected to the ozone generator product. Madiero would like to reach such a high level of awareness with various products that can purify air and disinfect

surfaces. Madiero wants to be a leader among disinfectants with products that have innovative technologies and a brand that is accessible to a vast number of people.

To express Madiero's mission, the team was asked about the reason for the brand's existence. The answer was very clear. Madiero exists because it wants to share with many people the innovative technology that was developed for people to have disinfected, clean, healthy spaces to live in.

4.2.2 Context building blocks for Madiero

4.2.2.1 Industry

Madiero is planning on entering the air purification industry. The market for ozone generators, used for air purification, was valued at $1.3 billion in 2022 and is planning on reaching $1.8 billion by 2027 (Emergen Research, 2023; EPA, 2022; Research and Markets, 2023). Therefore, the market's growth would be at the compound annual growth rate of 6.7% in the time frame from 2022 to 2027 (Emergen Research, 2023; Grand View Research, 2023; Research and Markets, 2023).

The air nowadays is significantly polluted with viruses, allergens, and other air pollutants and needs cleaning (Dorokhov, Dorokhova, Delibasic & Streimikis, 2017). Therefore, the demand for cleaning the industrial and residential air is increasing and is the main factor influencing such high growth in the air purification industry, specifically in the market for ozone generators. The highest potential in the ozone generator market is odor control, groundwater remediation, and disinfection. In 2022, odor control was the largest in terms of revenue share. Ozone generators can be effective both in industrial facilities and residential homes. They successfully remove odors (animal, smoke, food, etc.), disinfect surfaces and spaces, and remove allergens and mold. It improves the air quality of food storages and healthcare settings, such as hospitals, greenhouses, barns, and commercial and industrial environments, such as stores and factories (Emergen Research, 2023; Madiero, 2023). Regarding the food and beverage sector, ozone generators are increasingly used today. Ozone eliminates any bacteria way more effectively and efficiently than chlorine. For example, ozone generators in food factories and laboratories terminate foodborne pathogens such as salmonella (Emergen Research, 2023).

Another main reason for the growth in the ozone generators market is the outbreak of COVID-19 in 2020. There was a need to disinfect areas that a wide range of people access daily. Ozone generators were installed in buses, airplanes, offices, hotels, manufacturing facilities, malls, and banks. Ozone proved to be successful in eliminating the virus SARS by 99.2%. SARS is very similar to the COVID-19 virus (80% similarity), which would ensure that ozone generators can also manage and prevent the spread of this virus (Grand View

Research, 2023). With higher air pollution in urban areas, airborne diseases, and higher cleaning living standards, especially after the 2020 COVID-19 crisis, the health standards and awareness for health measures increased. All these factors contribute to the growth and high potential of the air purification industry, creating an excellent base for the success of a product such as the Madiero ΩZ (Precedence research, 2022).

The health and wellness trend dominating Europe nowadays is boosting the demand for air purifiers. The cleaning standards in offices or schools are critical and pose significant concerns to people. The problem is that awareness of air purifiers, especially ozone generators, is still quite low in Europe; therefore, the main goal to further increase demand is to spread awareness. Because of the past's high installation and maintenance costs, people think that air purifiers are a luxury and are yet to be widespread. The key is to create a product that is user-friendly, handy, and portable (Fact. MR, 2022). Another trend is low energy consumption; therefore, the product needs to consume little. Another trend in this industry is that the product needs to be as much automated as possible (Precedence research, 2022).

All the above trends greatly favor the brand Madiero and its product Madiero ΩZ. The product is very user-friendly and easy to use through the provided app. Furthermore, the product is very automated; therefore, it performs the treatment by itself. The product also uses very little electricity. The maximum electricity the machine may consume is 300 watts, but it never consumes as much. The product is also easy to carry around. Lastly, but most importantly, the product fulfills the trend of people wanting cleaner spaces, as the ozone generator is 100% effective in disinfecting and purifying air and surfaces.

The countries with the highest air purifier consumption in Europe are the UK and Germany, as the awareness of the increased health issues related to air pollution is very high there (Precedence research, 2022). Around Europe, the demand is also rising, but ozone awareness is low (Emergen Research, 2023). Nevertheless, the growth potential is very high. Europe is experiencing growth in the automobile industry, and new industrial regulations and economic development are affecting the demand for ozone generators as air purificators (Grand View Research, 2023).

Over the next few years, the commercial air purifiers segment is predicted to have a CAGR of 5.6% (Precedence Research, 2022). The demand for air purifiers in commercial applications, such as hospitals, offices, shopping malls, hotels, cinemas, schools, etc., increased significantly (Precedence research, 2022). Also, in this case, it is proven that air cleaners for commercial purposes have very high potential and create a perfect opportunity for Madiero's ozone generator.

The North American market is also very promising, mainly due to the implementation of regulations by the Environment Protection Agency and the Clean Air Act (Precedence research, 2022). North America is the largest market for ozone generators as of 2022. This territory has a high awareness of the ozone capabilities and characteristics, increasing demand for the product (Emergen Research, 2023).

Asia Pacific is where air purifier demand is expected to increase a lot, mainly due to the establishment of many manufacturing facilities in countries that contribute to high pollution. In this area, the population is constantly growing, and the disposable income of the people allows good conditions for the high demand for air purifiers (Grand View Research, 2023). Additionally, in this territory, the revenue growth is driven by strategic partnerships and collaborations by the leading ozone generator companies. Konica Minolta, Inc. and Tamura TECO Co., Ltd. Created in March 2022 an ozone generator that would help stop the spreading of the virus COVID-19, and DMC*1-MIKAWA is a Japanese factory that started mass production (Emergen Research, 2023). China is the market where ozone generators started to spread initially, back in the early 2000s. The tool was then and is still now used mainly for the wastewater treatment industry. In China nowadays, more than 20 businesses are producing large ozone generators, more than 400 companies are manufacturing small and medium-sized generators, and other companies are producing very small sizes of ozone generators for personal and residential purposes (Grand View Research, 2023). Nevertheless, this market is concerned more with water treatments, which would not be an interesting industry for Madiero; therefore, the brand will first focus on other markets.

First, Madiero will enter the Italian market, which already has very high potential and for which the brand has already obtained a patent. In the future, based on the operation in Italy, it will spread in Europe and later on may plan on expanding to different continents. To develop around Europe, Madiero will first need to start operating in Italy and see the results it achieves on that territory. Furthermore, once the brand is ready to expand abroad, it will need to obtain a patent on the European level, which would require a higher investment from the brand. Madiero will want, therefore, first to recover the initial investment and start selling the product around Italy, and then, once part of the investment is recovered, invest in a European patent and start operating on a European level.

4.2.2.2 Customers

Madiero will operate as a B2B brand. The target consumer for Madiero will be a small or larger company that needs to clean and disinfect frequently a specific area that different people usually use. The consumer will need Madiero ΩZ only if it has areas that, at some point of the day or night, are empty and, therefore, are not visited by any human being. Such areas can be offices that host many different people using desks and breathing in the room during the day, and at night, are empty, therefore, can be thoroughly cleaned and disinfected and ready for the next day's crowded environment. These areas can also be hotel rooms that

different guests use, but after a guest leaves the room and the next one enters, there can be a certain amount of time when the machine operates. Another area could be airplanes, which are very crowded and must be disinfected before hosting new travelers. The same could hold for cruise rooms, classrooms in schools, restaurants, halls and kitchens, and all kinds of stores, such as clothing stores, hair salons, etc. The target customer for Madiero is a business with one or more smaller to medium-large rooms that would need these rooms to be 100% disinfected and, therefore, cleaned from any bacteria, viruses, or odor. The target customer will then have a person in charge of having the app and monitoring the cleaning process.

From the beginning, the brand should target locals, starting from the local region in Italy called Friuli-Venezia Giulia. First of all, testing the demand and customer response on a smaller territory such as this one is key. Initially, the goal would be to promote and offer the product to hotels, restaurants, stores, and offices located in the region through a physical demonstration of the product's capabilities. Madiero **ΩZ** is already protected by a patent on the Italian level, therefore later on, once the implementation strategy is successful in the local region, Madiero will start expanding on the national level, therefore in Italy. In the beginning, customers will be reached via email and through personal selling and asked for the availability of a product demonstration with a sample. In this way, potential customers will see firsthand the product's effectiveness and the machine's user-friendly operation.

As the segment is vast and diverse, there are sure enough customers to focus on, which will support the brand's growth. The product, though, is very new, and the awareness for ozone generators in general is very low. Consumers might need to learn they need such a product. The challenge will be presenting the product and convincing clients they need it. The awareness that needs to be spread is not only among Madiero's target customers but also among the target customers' customers. If they start knowing about the importance of very clean and fresh air and that this product assures this, they will begin to request such a product. When booking a hotel, customers will ask whether the hotel disinfects the rooms with the ozone generator. The requests will become so frequent that hotels will understand that having an ozone generator will contribute to their competitive advantage and, therefore, will indeed purchase the product. The same can be applied to office spaces. If workers know about the product and know that their employer bought it for the workplace, they will perceive that the employers care for their health. Employees will feel valued and think they have higher benefits, making them happier to go to work at the office. This strategy can be applied to all the other target customer segments and will ensure the success of the Madiero brand.

4.2.2.3 Competitors

Madiero **ΩZ**'s main competitive advantage is that it uses a mathematical model that assesses the ozone "behavior" in the environment of the treatment in the phases of the production and

reduction of the ozone by taking into consideration the output of the generator (g/h), the environmental volume (m^3), HLT (half-life time, the halving time of the ozone). It integrates them with the detection and archives of environmental temperature and humidity. This model is programmed in the ozone generator, and with the appropriate sensors, it solves most of the primary issues ozone generators that are already present on the market encounter. Madiero **ΩZ** also has very advanced sensors that can detect the range of ozone the machine will need. The device has sensors with the clock with a backup battery, PIR, sensors that detect human or animal presence in the room, sensors for humidity and temperature, and Beacon BLE external to recognize different areas/rooms where the machine is placed.

There are several direct competitors for Madiero, as they provide the same result as Madiero ozone generator; therefore, they disinfect air and surfaces. The main competitors of the ozone generator market in Italy are O3ZY, Sanity System, Repure, Pureozone, Ekonore Srl, and Trotec. These brands are solving some of the issues mentioned above, but not all of them. The main problem with these ozone generators is that they are not accurate in assessing the time and quantity of ozone to release to disinfect an area. These machines release a predetermined amount of ozone; therefore, the amount released is not tailored for the specific space, which does not assure efficiency. Additionally, these machines cannot be managed remotely and are not autonomous in disinfection. Only O3ZY is solving most of the issues and is, therefore, a very strong competitor to Madiero, followed by SANY PLUS, which, however, is lacking compared to Madiero.

The O3ZY, OZY AIR machine is very efficient, as it has sensors that evaluate and assess the quantity of ozone needed in the room to clean it and the time the treatment needs. At the end of the treatment, the machine also filters the air and cleans it again from the ozone to make the room safe for people to access. Additionally, the device has an app that reports the treatment undertaken and can be managed remotely. As a disadvantage, though, the machine does not have very advanced sensors. The sensors do not take all the factors for the evaluation of the quantity of ozone needed in the room for the cleaning treatment into account (as the humidity level) (Ozy Air, 2023). This makes the machine very efficient, but not entirely innovative, as the Madiero **ΩZ**.

Sanity System produces different types of ozone generators, but the machine SANY PLUS is meant to sanitize rooms. The product cannot be managed remotely but has three different programs that the user can select to clean the room based on the time of operation and the quantity of the ozone. At the end of the cycle, the machine converts ozone into oxygen to ensure a safe area. It works in a room of up to $400\,m^3$. The disadvantage of this product is that it does not assess the quantity of ozone needed in the room through sensors, but only based on m^3, which results in the machine not being very accurate (Sanity System, 2023).

Other devices are present in the market for air cleaning, which can be considered indirect competitors of Madiero. They all adopt different techniques that still clean the air, but not in the same way as ozone generators, as they do not assure a thoroughly disinfected area because they are bacteria-catching technologies and not bacteria-killing technologies, such as ozone generators. These are ionizers, electrostatic precipitators, and filtering HEPA (Matys, Grzech-Leśniak & Dominiak, 2020). The last ones still release ozone, but very little quantity that is not harmful to human health (California Air Resources Board, 2023). HEPA filters are widely used in Europe and, by 2021, were dominating the market with a 61.9% market share (Fact.MR, 2022). Ionizers release negatively or positively charged ions, which link to particles in the air applying to them a negative or positive charge so that the particles attach to surfaces in the room, such as walls and floor, or attach to each other and stay in the air (EPA, 2022). However, ionizers in the long term may not be appropriate, as they cause the color of furniture and walls to become gray (Matys, Grzech-Leśniak & Dominiak, 2020). Electrostatic precipitators are also less effective than ozone generators (EPA, 2022).

One aspect that favors air purifiers is that they only filter the air, therefore do not release any pollutants. Ozone, differently, releases a cleaning chemical, while air purifiers filter pollutants from the air. In the case of air purifiers, the whole cleaning process occurs inside the machine; therefore, the pollutants get "trapped" in the machine and get "cleaned" (Oransi, n.d.). Consumers, therefore, are more willing to purchase such air purificators as they do not involve any harm. Additionally, from the price perspective, ionizers require a lower investment, as the prices range from 100€ to 400€ (Honeywell, 2023).

Some of the prominent players in the air purifier market include Honeywell International, Inc., IQAir North America, Inc., LG Electronics, Inc., Aerus LLC, Unilever PLC, Daikin Industries, Ltd., Panasonic Corporation, Koninklijke Philips N.V., Whirlpool Corporation, and Hamilton Beach Brands, Inc. In Italy, the most popular air purification brand is Dyson (Precedence Research, 2022).

Other products that may be considered indirect competitors for Madiero, and unlike ionizers, do disinfect the area as ozone generators, are air and surface disinfecting products. Sprays that disinfect the air, surfaces, and fabrics are present on the market, are very popular, and all deliver the same result as ozone generators. In Italy, trendy brands of such products are Amuchina, Napisan, and Lysoform. One of the main advantages of disinfecting sprays is that they do not involve any health threat, and, most importantly, require minimal investment and low purchasing involvement, as they can be found everywhere and are relatively very cheap; the price for a 400ml bottle goes from 4€ to 10€. The disadvantage of such products is that they require a person to clean, which might occupy the person for quite some time. Additionally, ozone generators can get to every corner of a space easily, while these products do not ensure such efficiency.

The market has relatively low entry barriers as there are no extremely high investment requirements to produce the product, and the patent on the Italian national level is not overly expensive either. Nevertheless, the awareness of these kinds of products in Italy is very low, and potential customers' stigma about ozone generators and ozone being a harmful gas is very tough to overcome. Looking at this fact from a positive perspective, there is no clear leader in the Italian or European markets for this product category. In the future, the goal of Madiero is to increase awareness and reduce the stigma for air purification ozone generators. Additionally, Madiero plans on being the market leader with its innovative technology.

4.2.2.4 Myself

There is no ozone generator as the Madiero **Ω**Z in the air purification industry. Madiero **Ω**Z helps solve all the most significant pains that ozone generators already present on the market have. Once the disinfection treatment is finished and the room has ozone levels above allowed, the product converts the ozone back to oxygen. The whole process is also shown in the app connected to the machine so the owner can manage the device at a distance. But the actual innovation that Madiero **Ω**Z brings, which is also its competitive advantage, is that the machine has software incorporated, created by Madiero, that autonomously and very accurately assesses the right amount of ozone to be released in the room and for how much time precisely to be the most efficient possible. Too much ozone is very harmful to people as well as to the surfaces and objects in the room. Ozone generators sold nowadays evaluate the amount of ozone to be released in the air approximately or do not evaluate it at all. The consumer needs to make an approximate assessment without being assured that the disinfection process will be successful.

One of the three members of Madiero's team is a business owner, and his company is the financier of the brand. Additionally, the company provides a warehouse and an office for the Madiero team in its buildings. In the first year of operation, Madiero did not generate revenues, as the product still needed to be launched on the market. The product is planned to launch in the second half of the year 2023, and the brand plans to recover the investment made and, therefore, break even by the end of the same year or the beginning of the next one. Madiero has already produced 51 ozone generators (Madiero **Ω**Z), which are ready to be sold. By selling the 51 ozone generators, the brand will break even the investments made. Once Madiero breaks even, the brand will be further funded, if needed. The goal, nevertheless, is that in the second half of next year (2024), the brand will start making a profit to undertake further, more consistent investments, such as the patent on the European level, without needing external funding.

The company is now composed of three members: the product creator, the investor, and an employee employed by Madiero. All three members are equally passionate about the product and believe in the opportunity and the product's potential success. The knowledge of each

of the three members is diverse and valuable, as the product's creator is very well aware of the technology and all the technical components of the product. At the same time, the investor has the business knowledge needed to develop a successful business as the owner of different companies. On the other hand, the employee has several years of experience managing a sales team; therefore, he can also contribute with the proper knowledge on delivering the product to the consumers. The team has heterogeneous knowledge that will positively affect the brand implementation. Soon, once the initial investment is recovered, the team plans to expand by employing a sales representative to increase Madiero ΩZ's sales further.

Madiero's advantage is that it owns an innovative product with a solid competitive advantage. The problem is that there are not as many users of ozone generators in Italy right now. Additionally, there is a lot of stigma regarding ozone harm, which stops people from using such tools. These are strong disadvantages that Madiero is facing. The approach that Madiero needs to undertake is to spread awareness about the benefits of ozone generators and reduce the stigma by spreading the knowledge that with the proper precautions and with the right product, the danger can be significantly reduced.

4.2.3 Developing the Minimum Viable Brand for Madiero

<u>Features</u>

Ozone generators encounter specific fundamental issues, and competitors that want an advanced competitive advantage focus on solving such problems. One of the issues is the lack of control during the operation of the machine. In this case, there are two scenarios: the device does not produce enough ozone; therefore, the treatment of the area is not successful, or the machine produces too much ozone, which does not reflect in a better cleaning process, on the contrary, it may oxidate and therefore damage different surfaces or object materials present in the room, and it may potentially be health threatening.

Another issue is the lack of control during the "contact phase". There can be too little time for operation; therefore, if the ozone concentration is maintained for insufficient time, the treatment will be unsuccessful. On the other hand, if the ozone concentration is maintained for a prolonged time, it does not imply any health or oxidation issues. Still, it is important to efficiently assess the exact time needed for the treatment to ensure the least possible time for the room to be empty.

The third issue is security. Ozone is not environmentally friendly and, therefore, cannot be removed by opening the window by law. Ozone disposal occurs naturally, and the ozone converts to oxygen. The duration of this process depends on many factors, and it is challenging to assess. Ozone is harmful; therefore, it is essential that after the treatment, the

quantity of ozone in the air is at healthy levels. As ozone harms human health, by law, at a level higher than 5 ppm, humans should not be exposed to the gas. The interruption of the treatment because of the sudden interruption of electricity also threatens security, as the disinfection process is not completed. The problem is then that once the treatment is interrupted, it is challenging to restart it again, as it will compromise the residual time of the treatment and the ozone concentration, with the complications mentioned above.

The last issue is the machine's reporting and concentration. Evaluating how much ozone is needed in a specific room to carry out the treatment is challenging. Additionally, the problem is that there needs to be a report that summarizes the effectiveness of the treatment and shows the level of ozone in the room at the end of the treatment to ensure security. Lastly, there needs to be evidence that proves that the cleaning process was successful and that the area is fully disinfected.

Madiero **Ω**Z solves all the issues listed above. By placing it in a closed room, Madiero **Ω**Z spreads by itself in the air the exact amount of ozone needed to disinfect the room. The assessment is based on the production of the generator (g/h), the environmental volume (m^3), HLT (half-life time, the halving time of the ozone), environmental temperature, and humidity. Furthermore, if someone enters the room, the product signals its presence with an acoustic signal and stops operating. Once the room is clear again, it restarts its operation from where it stopped; therefore, in this case, the machine works most efficiently. The device also stops operating in case the room is not entirely closed. Therefore, if a window in the room is opened, the machine would not complete the treatment, as otherwise, the process would be inefficient, and the ozone would be released into the outside air, which would be harmful to the environment. Once the room is sanitized, but the ozone level is still too high for humans to enter the treated area safely, the machine restores the levels of ozone and oxygen to the usual levels present in nature. As the ozone is very harmful to human health, the whole monitoring of the machine can be conducted far from it through a very user-friendly app created by Madiero. On the app, sanitizing reports of the device can be seen. The reports show graphs representing the time and quantity of ozone in the room; therefore, levels of ozone that are present in the room before, after, and while the machine is operating. Through this, the user can check whether the sanitizing process was completed successfully or not, through the app, without harming their health.

<u>Benefits</u>

The main benefits for the consumers that Madiero ozone generator will provide are that it assures a clean and disinfected room and surfaces from odors, bacteria, viruses, pollen, etc., with minimum effort, safely and remotely. The ozone generator is very user-friendly primarily because it assesses the exact amount of ozone it needs to release based on the room's humidity, airflow, and temperature. The consumer only needs to "inform" the

machine about the cubic meters of the space in which the Madiero ΩZ will operate. The precision in assessing how much ozone to release to thoroughly disinfect the area by considering different variables is innovative and unmatched by competitors. Additionally, Madiero ΩZ is a one-time purchase product that does not need maintenance at all. Lastly, a benefit is that the product is very pleasing to the eye; therefore, it can be easily placed in a room as a design element.

Values/Culture

The values that Madiero has and that represent the brand are:

- Sharing. The brand believes it is important to be generous and share the innovative technology developed with everyone so everyone can enjoy a cleaner, fresher, and healthier space and air.
- Honesty. What the product promises, the product delivers. The brand cares a lot for the end user and by no means is overpromising the product's effectiveness. The brand cares to provide an efficient product that does not harm the user's health and that looks to benefit the user.
- Consciousness. It is being sure of the product's result and being conscious of the fact that the brand will improve the quality of life of so many people and the environment.
- Sustainability. The product is very sustainable and does not harm the environment. The product to operate needs very little electricity and air, from this point of view, is very sustainable and does not pollute the environment. One of Madiero's most important aspects is that it loves the planet and is concerned for the environment. Madiero will never produce a product that may harm the people and the environment.
- Love and care. Love for the planet, the client, and concern for their health by providing a product to improve their quality of life.

The culture that Madiero wants to have within its company is to be passionate and believe in the developed product that will help and improve the lives of so many people. Develop new technologies and always be generous in sharing these technologies to improve people's lives. Additionally, Madiero wants to do all this by always considering and respecting the environment.

Personality

Madiero is a person who cares for their family, friends, and all the people around them. The brand is concerned about the health of everyone around them and is willing to share any knowledge with them. They are an adventurous person that is independent and loves

freedom. Madiero is a person who cares for the environment and feels part of the environment. Madiero wants to do good for the environment and the people.

Through these brand personality traits, Madiero would like to add more value to the brand and be perceived as even more valuable to the target customers. The goal is also for the target customers to undertake some of these traits, as the care for the people, as would make them care for their employees in the offices, clients of their restaurant/shop/hotel, children that go to school, etc. and therefore will incentivize them to buy Madiero **Ω**Z to assure the spaces in their businesses will have disinfected air and surfaces.

Relationship

Madiero is planning on establishing a solid and long-term relationship with its customers. As the brand is targeting a company, the selling process of a product would occur through personal selling, which is based on a trustable relationship with a product demonstration. Additionally, the investment that a company would make in purchasing Madiero ozone generators, for example, a hotel that would most likely buy one ozone generator per room, would be pretty consistent, which leads the consumer to want to have a strong bond with the brand and get to know the people that operate the brand on a personal level. Additionally, Madiero would like a one-on-one relationship with its customers to provide an excellent and least impersonal service possible and to gather consumer feedback on the product. The opinions and suggestions that customers will give to Madiero about the product use will be crucial and helpful to improve further or come up with ideas for new products and to understand the needs of consumers better to assist them with the development in the best way possible.

Price

The price of the Madiero **Ω**Z is based on the cost of the material and the product's production costs. The evaluation was made based on fixed and variable costs that Madiero as a company has. The price was also set based on the competitors on the market right now, with Madiero's price being slightly lower.

The client might perceive the price as high, but the value of the product and the value of the product's service will be perceived as even higher and non-valuable. Therefore, once the client sees the effectiveness and benefits of the product, they will be willing to pay such a price.

Madiero's idea is to be a brand accessible to everyone. Everyone deserves to live in a clean environment. Therefore, in the future, Madiero would like to offer a large variety of products

with different ranges of prices to satisfy all kinds of customers with different purchasing power. The plan is to provide some products that are very accessible, middle-level products, and then a product that has a premium price, which would also serve to have an exclusivity appeal.

<u>Brand name</u>

Madiero decided on a non-meaningful name type. The idea behind the name "Madiero" was to come up with a name that was an Italian term and that when someone heard it, it would sound Italian, with the goal that the brand would be quickly recognized as an Italian brand. At the same time, the creators wanted a name that was easy to pronounce and simple to write, with the idea that as it is pronounced, it is also written. In such a way, in the future, when the brand is spread all over Europe and later on all over the world, it would not be complicated for people who do not speak Italian to pronounce it or to write it.

The brand Madiero was founded and has its office in Monfalcone, Italy. The city of Monfalcone is on the sea; therefore, it has long beaches and a lot of sailing activity. The town in Italy is well known for its big harbor and boat production business. Fincantieri, one of Europe's biggest boat production companies, has one of its production centers there. Madiero wanted to pay tribute to its city with its name. The name Madiero derives from the Italian term "madiere", which the Italian dictionary Treccani defines as "in shipbuilding, wood or metal, an essential element of each transversal framework of the bottom of a hull, generally consisting of the central part of the rib or frame connected to the keel." Therefore, Madiero is a "boat" that symbolizes the navigation of freedom on the sea by respecting the nature around it.

The name of the brand Madiero is separated from the only product that, for the moment, the brand is offering. The ozone generator is called Madiero **Ω**Z. As the plan is to introduce other products later on, the brand Madiero needs to be separated from the names of the products offered.

<u>Symbol</u>

Madiero's fully represents the essence of the brand (see Figure 1 below). The logo's font is simple and clean in black color, efficient, which mirrors the heart of the brand. Under the name Madiero, there is a stylized "madiere", which may also look like a pair of light, soft, and robust wings. The logo was designed by a member of the Madiero team (see Figure 1 below).

Additionally, an essential and characteristic aspect of the brand is the product's shape (see Figure 2 below) and the packaging (see Figures 3 and 4 below). The box where the product would be placed will clearly show what is inside the package; therefore, it will represent the whole machine from different angles, as is placed in the box. The device looks like an old-fashioned white radio (see Figure 2 below), oval on the top and squared on the bottom part. It is long and looks like it has a speaker in the front, from where it actually releases ozone. The machine, on purpose, has such a shape and design to be placed wherever in a room and adapt perfectly to the environment. The design was inspired by the German designer Dieter Rams, who designed several products for Braun and inspired many Apple designs. The goal is to have a very "non-machine" looking shape and design that could fit everywhere and not disturb the eye with unpleasant and too "mechanical"/ "industrial" looking designs. Madiero believes that this aspect will also increase the willingness of consumers to purchase the product, as it will be easier to integrate the machine in a hotel room, a store, a restaurant, etc., without disturbing the beauty of the designed environment.

Figure 2: Front and side of the Madiero ΩZ

Figure 3: First packaging proposal – front and side of the package (left) and how the product would be presented to the customers in the box (right).

Source: Madiero (2023)

Figure 4: Second packaging proposal – front and side of the package (left) and how the product would be presented to the customers in the box (right).

Source: Madiero (2023)

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Slogan

Madiero still needs to develop a slogan, and the brand is still determining whether to create and implement one. Based on the focus group conducted, two proposed slogans were created that summarize the essence of the brand in a short, catchy sentence. The slogan could be: "Innovazione per un ambiente sano" or "Innovazione per una vita sana," which in English would be "Innovation for a healthy environment" or "Innovation for a healthy life." The slogan would be in Italian and English, as the brand will first be launched on the Italian market.

Website domain

Madiero has a web page, "www.madiero.it". The page serves as an information center where customers may get detailed information about the product's functioning and other general information about the brand, for example, where the production center is located or contact information to purchase the product and get further information. The website is registered with the Italian domain ".it" and the international domain ".com".

Social media

The brand needs to be focused on spreading awareness about the powerful and effective characteristics of ozone as a cleaning tool, and this should also be achieved through social media such as Instagram, TikTok, and LinkedIn. The best approach to increase awareness will be to create and post short videos that represent the effectiveness and efficiency of the machine in operation, as, for example, a visual representation of the before and after of the treatment of a room. Furthermore, more technical videos on how the machine operates could be shown, as well as videos and posts of the benefits and effectiveness of ozone. TikTok and Instagram social platforms perfectly serve the purpose of spreading awareness, as videos can often become viral there if they show something innovative. LinkedIn would also be a social media that the brand would use, as is the official B2B social media, a lot used by companies that would also help establish contact with target customers.

4.2.4 Brand Implementation for Madiero

4.2.4.1 Internal branding

Madiero is for now composed of three people: the creator of the product, more precisely, the software creator, the investor, and an employee with long-time experience in sales and management of salespeople. The three members deeply believe in the brand and believe in this product's high potential for success. Nevertheless, the members are currently paying

attention to the product itself, its design, and how to deliver the product to the target consumers. They mainly focus on which channel to use to sell/deliver the product. The development of the brand's values and culture, the main branding principles (Ruzzier & Ruzzier, 2015), until now, have been overlooked, and only in the course of the focus group conducted were these aspects tackled.

For now, as all three members are the ones who thought and developed the culture and values of the brand, of course, the whole company believes in them. In the future, on the other hand, as more workers are going to be needed, the spreading of the brand's knowledge and essence will happen informally. To get new employees excited about the product and brand, the product's creator will conduct live demonstrations of how the product works so they can see first-hand how effective it is. Additionally, the other members, when conducting informal dialogue with the new worker, will explain the purpose of the brand and its values and culture to assure that newcomers believe in the brand as much as the founders and that the message gets delivered further and reaches the enthusiasm of customers as well. Madiero will emphasize the brand's values and mission to the salespeople, who will have direct contact with customers and aim to make consumers believe more in the brand. Through salespeople, the product will feel alive because there will be the perception that there is a living entity passionate about it, ready to fulfill the promises and expectations of the innovative tool. Madiero's office environment is also a dynamic co-working space where everyone may share ideas, feel part of the group, and be involved in developing the strategy to make this brand successful.

Nevertheless, the ultimate goal is to be careful about who to hire to ensure that the newcomers have the characteristics that will make them love the brand, believe in it, and be passionate about it. These aspects must be strongly undertaken when employing salespeople, as they will have the central role of brand ambassadors.

4.2.4.2 Communication

Everywhere, but especially in B2B, word-of-mouth is a massive component in brand communication. How do we achieve it? By having employees that promote the brand in a way that enthusiasts customers about it. The key is turning customers into brand ambassadors. If customers deeply believe in the brand, they are happy to recommend it and will promote it by themselves. A free, spontaneous, positive promotion between other potential customers is unmatched for a business.

Based on the limited budget that the startup has, the marketing communication strategy needs to be adapted accordingly. The brand is a B2B company, but regardless, the ultimate goal is that individuals, such as visitors in hotel rooms, restaurants, stores, boats, offices, etc., will benefit from the cleaning effects of the product. So, the important aspect that needs

to be considered is that the Madiero brand does not necessarily need to be promoted only among businesses that would purchase the product, but can also be promoted among "indirect" customers who will eventually benefit from the product. The word-of-mouth approach needs to be undertaken on both levels, as once the awareness of the efficiency of the cleaning product is spread, people will then most likely want to book only hotels that have such products, or would like to get tickets only from airline companies that use this cleaning approach at the end of each flight.

The first step in this communication strategy is to have an excellent offer, a very effective, innovative, revolutionary product that will not overpromise but deliver. This Madiero has, and this is the base for a successful word-of-mouth communication strategy.

As explained, the communication strategy will also be based on B2C communication, which will rely primarily on spreading awareness about the cleaning process that the product is undertaking, increasing the buzz for it. This awareness will be spread through short videos on Instagram, TikTok, and LinkedIn. These videos will demonstrate how the product works and why it is so efficient and effective. The communication will also stress that the product neutralizes the danger of using ozone gas to reduce the stigma around it. Primarily, though, the brand on social media will spread awareness about the bacteria, viruses, and general dirt that can be present in places the public frequently visit, such as hotel rooms, airplanes, stores, restaurants, etc., to make them understand the crucial need for such products in their lives. The goal is for such videos to become viral to reach the widest audience possible and effectively spread awareness and knowledge, which will encourage word-of-mouth marketing. This tactic would also be relatively cost-efficient.

Businesses are composed of people; therefore, spreading this kind of awareness will also reach these individuals. Nevertheless, for the actual target customers of Madiero, the communication will be different. The strategy is still for them to see that the final consumers are aware of the brand, and feel "pushed" to purchase the product because it is deeply wanted. Furthermore, it is planned for B2B customers to be reached through email promotion, sales promotion, social media marketing, and public relations.

Email marketing will be undertaken by having a mailing list with target customers and emailing them explaining the product's features and why the ozone generator would be effective and perfect for their business operations. The email will also include a short description of what the brand stands for to persuade consumers about the authenticity of the brand. This approach is very appropriate, requiring a very low budget, spreading awareness, and precisely targeting the correct customer group. The end goal of email marketing is for potential clients to call Madiero and request a meeting to get more information about the product.

Public relations will be another approach that, together with social media marketing, will spread awareness. Public relations can also be very successful and low cost, as whether media write about the brand, they do it organically and without charge. The fact that articles are organic positively affects potential customers, as the source is more trustworthy. As the Madiero product is innovative, the media will most likely be willing to write about it, as it is news. Therefore, Madiero will organize a launching event, where all the benefits related to the ozone generator will be presented. This kind of event will resonate a lot and will ensure brand promotion.

Another method of communication and promotion of the brand would be sales promotion. Madiero will have salespeople who will contact potential customers and offer them a product demonstration. In such a way, the customers can reassure themselves of the product's effectiveness and get first-hand information about it.

4.2.4.3 Channels

The brand will be delivered through a direct channel, more precisely, through salespeople employed by the company. The goal of such a strategy is because the brand needs to be accurately presented to the business that is purchasing it, and the investment undertaken by the client potentially will be high. As transactions will require high investments, a trustable relationship is better to be established, and in B2B, personal selling is a prevalent approach. Potential clients will also be contacted via email, where the product and brand will be presented. Nevertheless, the interest is, especially for large companies, to have a sales representative to visit the client and explain all the features of the product and its functions.

4.2.5 Brand equity for Madiero

Six potential customers who own a hotel were interviewed to develop brand equity. The questions focused on asking respondents about awareness regarding air purifiers in general, as it was not possible to evaluate awareness of the brand Madiero yet. Furthermore, questions were developed to assess perceived quality, (potential) loyalty, and brand image.

Starting with awareness, respondents were asked whether they were familiar with ozone generators. All respondents knew about ozone generators and their purpose already, apart from one who was only aware of the harmful side of the ozone gas. Two respondents were very well aware of ozone generators as they already use them in their hotels. Furthermore, respondents were asked whether they knew any air purifiers or were familiar with other methods to disinfect the air. In this case, the answers were slightly different among respondents and needed clarification as nobody knew whether the products they mentioned disinfected air. Three of the six respondents mentioned air filtration as an air purification method, which does not disinfect the air, and two respondents mentioned spray products that

cover odors and disinfect the air simultaneously. Additionally, respondents were asked whether they knew any air purifier brands. Awareness regarding air purifier brands was very low, as many did not know any, and some mentioned the brand Dyson, which in Italy is very popular and widely advertised. The two respondents who already own an ozone generator did not remember the brand of their products either. Based on the general air purification awareness, there is indeed low knowledge about the brands that operate in the industry. Still, on a positive note, all respondents knew about the benefits of ozone, at least broadly speaking.

By further analyzing the responses obtained regarding awareness, one aspect that is important to stress is that none of the respondents think of the importance of disinfecting the air. The interview's first question asked respondents how they clean their hotel rooms. Everyone mentioned they clean the floor and the furniture and change towels and bed sheets, but nobody mentioned there is a dedication to providing clean air for their guests. Also, based on the responses of the two hotel owners that already use ozone generators, they use them primarily and only to eliminate odors and not to disinfect the air. This lack of attention to air cleaning is also shown by the fact that all respondents lacked knowledge regarding other types of air purifiers or other air cleaning methods.

Furthermore, the answers were very positive regarding (potential) brand loyalty. At the beginning of the interviews, the product Madiero ΩZ was presented and described in detail with all its benefits and features. When asked whether they would purchase the product, four out of the six respondents answered that they would buy it. One respondent was not sure whether their hotel would need the product. At the same time, another one was not sure whether they would buy it as they were worried about using ozone and concerned that clients would have the same feelings about it, even though the respondent pointed out that it seems like Madiero ΩZ solves a lot of harmful-gas-related issues. Interestingly, most respondents thought that they would like a demonstration and would like to try the product before buying it. In contrast, others believed that they would directly purchase it. Therefore, based on responses on potential loyalty, the concern about the use of ozone gas comes out, but still, it proves that Madiero ΩZ, in the eyes of potential consumers, is a good product. Furthermore, the response of a respondent who thinks their hotel would not use it further stresses that there is a lack of interest in air disinfection.

Regarding perceived quality, only positive feedback was expressed. Everyone thought the product was high quality based on the product description provided. The two respondents who already use ozone generators were impressed by certain Madiero ΩZ features. All expressed the benefit that the product is autonomous and can be managed through an app. Additionally, one of the benefits described was that the machine returns the ozone to its natural levels. Slightly disappointing was the fact that respondents did not mention the real competitive advantage of the Madiero ΩZ product. Potential users do not completely

understand the issues regarding the inaccurate evaluation of the quantity of ozone and the time needed to carry out the treatments. When asked about some negative aspects of the product, a few respondents thought that the machine could be smaller; as for hotel rooms, a smaller device would look classier and more integrated into the design. Regarding price, most respondents did not know how to answer as they had no terms of comparison. However, one respondent who already owns an ozone generator said that the Madiero price is very fair compared to the ones on the market.

In terms of brand image, the brand is perceived as effective, practical, functional, autonomous, smart, innovative, clean, advanced, safe, technological, modern, and efficient. The brand also transmits feelings of security, reliability, freedom, relaxation, reassurance, and safety. It also conveys feelings of worry, though, due to the harmful aspect of the ozone. When respondents thought about an animal that would represent the brand Madiero, they thought about fish because they are clean animals and live in a free environment. One respondent described Madiero as an ant "because ants think of what they need to do, and they do it well". In terms of brand image, Madiero has already achieved very positive results as being perceived as an advanced, clean, safe, and technological brand was the goal for Madiero since the beginning and are all aspects that the brand would like to transmit to its customers.

5 DISCUSSION

The purpose of the master thesis was to develop the brand Madiero from internal and external perspectives to be ready to be launched on the market and be successful in the air purification industry. The brand's internal perspective was developed with the three members of the Madiero team through the focus group. In the beginning, the vision and mission of the brand were created. The vision of Madiero is to be a leader among disinfectants and air purifiers in general, with products that have innovative technologies and a brand that is accessible to everyone. At the same time, the mission of Madiero is to share innovative technology with everyone so people can enjoy disinfected, clean, healthy spaces to live in.

In terms of context building blocks, specifically the industry, Madiero is planning to enter the air purification industry, which has high growth potential in the next five years due to increasingly polluted air and the fast spread of viruses and allergens, which require air to be cleaned. Additionally, the outbreak of COVID-19 in 2020 is influencing the increase in the demand for disinfecting industrial and residential air (Dorokhov, Dorokhova, Delibasic & Streimikis, 2017). Regarding customers, Madiero will target B2B consumers, specifically companies that need to clean and disinfect spaces frequented by many people. These areas, at some point of the day or night, are empty, which would allow the machine time to operate. Such spaces include offices, hotel rooms, classrooms, airplanes, stores, etc.

Furthermore, under context building blocks, Madiero's competition was analyzed. Madiero's two most important competitors are O3ZY and Sanity System. Madiero **ΩZ** is an ozone generator that releases ozone to disinfect an area. It has an app that provides reports of its treatment, signals, and, if necessary, stops whether someone enters the treated area and absorbs and converts the ozone back to its natural levels once the treatment is done. Some of these aspects, or also all, can be found in many ozone generators on the global market nowadays. These features can be found in O3ZY, while the Sanity System has most of them. What distinguishes Madiero **ΩZ** from the competition is the unique technology, as is unmatched by the competitors and for which the brand obtained a patent on the Italian level. The technology allows the machine to assess precisely in a very accurate way how much ozone to release in the environment to thoroughly disinfect it, as it takes into account not only the size of the space (as other machines on the market do) but also the temperature of the room, the humidity, whether any windows were opened through the treatment or whether people enter the room. This precise assessment is the main competitive advantage that other products on the market do not have and do not do. Nevertheless, the brand has several indirect competitors, including other types of air cleaners, such as ionizers and air disinfecting sprays. These indirect competitors may appeal more to consumers, as they are easier to use, cheaper, and less harmful, but they do not achieve the same result as ozone generators.

The product has yet to be launched on the market, but it plans to be introduced in the second half of 2023, with the company's goal to break even by the end of the year or the beginning of the next one. Madiero's team is composed of three people: the product's creator, who has the technical knowledge about the product; the financier, who knows how to develop a successful business; and the sales expert. With its heterogeneous knowledge, the team has all the requirements to implement the brand successfully.

Regarding the minimum viable brand, precisely Madiero's values, the brand established values such as sharing, honesty, consciousness, sustainability, love, and care. In terms of brand personality, it should be perceived as very caring and concerned with the health and safety of people around. It is generous, wants to share knowledge with others, and is a free spirit that is very careful about having a sustainable lifestyle. The brand name represents the product only metaphorically, as it represents something sustainable and free. Still, Madiero is more of a tribute to the brand's origins and the town where it was created. Finally, the logo is straightforward and simple. Madiero was more focused on the packaging and the product's design, which is minimal and "clean" but very pleasant and has no "machine-looking" design. It is similar to a big old-fashioned radio that everyone could have at home, also in the living room, as part of the furniture.

Concerning brand implementation, the communication strategy is centered on spreading awareness among the final users of the ozone generator Madiero **ΩZ**. The whole tactic is to

spread awareness of the product's benefits to the "B2C customers" who would then require the product when going to hotels, flying with airlines, going to the office, etc. This will push the B2B customers (Madiero's target customers) to feel the need to purchase the product. Additionally, salespeople will deliver the product to the market.

The purpose of the master's thesis was also to develop the brand's external perspective, i.e., brand equity. Therefore, in-depth interviews were conducted with Madiero's potential clients operating in the hotel industry, and brand image, perceived quality of the product, potential brand awareness, and potential brand loyalty were assessed.

In terms of brand image, Madiero can be very satisfied, as the potential clients perceive it as clean, practical, innovative, safe, technological, and advanced, all aspects the brand wants to transmit to its customers. The perception of quality was also very positive, as the potential clients perceived the product as high-quality. They were interested in the features that the product is autonomous and can be managed through the app and that once the treatment is completed, it converts ozone back to its natural levels. Furthermore, a respondent who already uses ozone generators expressed his opinion that the price is very fair for the product offered. More disappointing results occurred regarding brand awareness. The product was not launched, so general questions about air purifiers were asked. Knowledge about different kinds of air purifiers in general is very low, and awareness of other air purifier brands is low. From the interviews, it could also be deduced a general disinterest in the importance of disinfecting air. Lastly, considering potential brand loyalty, most respondents would purchase the product and appreciate a demonstration before buying it. The concern regarding the harm of ozone gas came up from one respondent, who was therefore unsure whether to purchase the product. Brand equity development before the product is introduced into the market is very relevant and provides many insights for the brand. Still, in the future, the external aspects of the brand will need to be analyzed once again to obtain results on actual brand loyalty, brand awareness, image, and perceived quality.

5.1 Gaps between brand identity and equity

There are specific gaps between the brand identity and brand equity of Madiero. These gaps will be analyzed based on some brand identity elements, such as features, benefits, personality, and relationships. As the product has yet to be launched on the market, there will be no assessment of the gap between identity and equity based on brand values and culture, as external analysis needed to provide more information.

The features and benefits that potential customers mainly stressed were that the product is autonomous and can be managed through the app at a distance. Additionally, they expressed positive remarks about the feature that the machine restores ozone to its natural levels after the treatment. Therefore, there is no gap between identity and equity for these features and

benefits. The gap is more significant in terms of product design, as Madiero is sure that one of the benefits of the product is that the machine is pleasing to look at and can be placed as a design element in any room while based on brand equity assessment the device could be smaller and have a more eye-pleasing design. Furthermore, the main competitive advantage and the true innovation of the Madiero ΩZ is the fact that the product can assess by itself the exact amount of ozone needed to disinfect a specific room and also the precise amount of time it will need to treat it, by taking into consideration all the variables that need to be considered. This feature was not regarded as important by potential consumers, which makes the gap between identity and equity quite large. One of the reasons for this may be that the knowledge regarding how to use ozone generators and what makes ozone generators work efficiently is minimal, even for those who already use them; therefore, potential users do not know what is needed to make the machine work 100% efficiently and safely. Potential consumers do not think the innovative technology is an important feature, as they may believe that assessing the time and quantity of ozone needed may be sufficient by placing information about the size of the room. Therefore, Madiero must work on creating higher value in the eyes of potential consumers.

The identity of Madiero and equity are in line in terms of personality, as the brand would like to be a person who cares for family and friends and, therefore, protects and keeps them safe, which matches brand equity as the brand is perceived as safe and reassuring. Furthermore, the brand thinks it is an adventurous person who enjoys being independent and free, which matches the perception of freedom that consumers perceive from the brand. Additionally, Madiero wants to be perceived as a brand that shares its knowledge and innovative technology with others, as is matched by the perceptions of the brand being modern, smart, technological, and innovative. What creates a small gap is that the brand feels concerned about the environment and wants to be sustainable, but potential consumers do not get any of these impressions.

The brand would like to establish a strong relationship with its clients as the selling process would occur through personal selling and demonstrating how the product works before the sale. This aspect is in line with brand equity, as most potential consumers would like to have a demonstration of the product's functions before purchasing it. To further see whether there is a gap or not between the identity and equity of the brand in terms of relationships, the product needs to be introduced into the market and relationships need to start getting built.

5.2 Future challenges in brand development for Madiero

One of the main challenges that Madiero has is to spread, with its communication strategy, a strong knowledge about ozone generators and ozone gas specifically. The brand needs consumers to understand and value the innovative technology that Madiero ΩZ is bringing, as is the main competitive advantage of the product and its assurance of success on the

market. Based on the research conducted, potential consumers, including consumers that already use ozone generators, do not see as a value-added the fact that Madiero **ΩZ** evaluates exactly the time and amount of ozone needed to thoroughly disinfect a specific space by using specific variables, such as the production of the generator (g/h), the environmental volume (m^3), HLT (half-life time, the halving time of the ozone), environmental temperature and humidity. Consumers most likely do not understand that using machines that assess the amount of ozone to be released to disinfect a room only based on the size of the space may result in a room not thoroughly disinfected, as too little ozone may have been released, or in the case of a spread of too much ozone, may result in surfaces being damaged and more extended gas disposing times. Madiero needs to spread knowledge and make potential consumers understand the products' actual value and the innovative technology importance.

Madiero will also need to be careful in terms of competition. The product has a very innovative technology right now, but technology nowadays is constantly evolving, and as the market for ozone generators grows, it will become more and more appealing for new entries, which would try to bring new advanced technologies that would provide improvements. Madiero must constantly be up to date with competition and research new ways to improve its product.

Additionally, from the brand equity analysis, it could be deduced that at the moment, even if in "theory" everyone knows it is important to have clean, disinfected air, nobody is implementing the air cleaning process in their businesses, which means that in practice they do not consider it as important. With its communication strategy, Madiero needs to spread awareness regarding the importance of air disinfection to make the audience (B2B and B2C consumers) understand the need for disinfected air when staying in a hotel room or providing a hotel room. Nevertheless, there is a high risk that other air purification methods may be adopted, i.e. ionizers or air sprays, as they are significantly cheaper. Also, in this case, the communication strategy that Madiero will be undertaking has to be strong and needs to prove the effectiveness of ozone generators and the fact that other, cheaper substitutes do not bring the same accurate result.

Another challenge that Madiero will have in the future will be to start spreading globally, per the brand's vision. On a global level, ozone is already used a lot, especially in certain countries, for water cleaning purposes (for example, in China or the USA); therefore, the benefits of ozone generators are already recognized there and will provide a good opportunity for Madiero to sell its product. Nevertheless, as ozone generators are already very popular in America and Asia, the competition will be much stronger compared to Europe, which most likely will require a different and adjusted brand implementation strategy.

Madiero, in the future, might also use an intermediary to sell its products. Therefore, it must be chosen accordingly for the brand to always be delivered by businesses that share the same values, vision, etc., as Madiero. The same goes for new employees that might be employed. The brand needs to carefully choose candidates that are in line with the core values of the brand and share the vision and mission of the brand to ensure a positive working environment and a dynamic and excellent working team.

A brand is something that constantly evolves. Madiero is now entering the market with an ozone generator, only one product. In the future, the brand would like to expand its product portfolio with other products with high technology for cleaning purposes. Still, not necessarily another ozone generator and not only focused on the B2B market but might create something directly for the end consumer. Because of this, Madiero may need to change some of the brand implementation aspects and some context building blocks. Furthermore, as the brand will be operating on the market for a while, brand vision and mission will need to be adapted, and also, as the brand matures, its values may mutate and evolve.

5.3 Limitations

To receive a proper picture of potential customers' points of view, it was planned to interview 10 to 12 potential customers, i.e., small to medium hotel owners. Unfortunately, and this being one of the main limitations of the master's thesis, only six interviews were carried out due to the low responsiveness and unwillingness to participate in the interviews. Six interviews still provided good insight into the customers' points of view, but more respondents would represent the sample better.

Of the six respondents, two already use ozone generators for air cleaning in their hotels, which provided more insightful answers, as they had terms of comparison. Gathering respondents who already use air purifiers in their hotels was not previously planned, as the goal was to collect data regarding the "impartial" opinion hotel owners might have regarding the gas ozone. Nevertheless, having two respondents who use ozone generators provided more insightful information; therefore, it would have been better to conduct interviews on two samples: hotel owners who already use ozone generators and those who do not.

Finally, the brand equity analysis was developed even though the brand has yet to launch. To properly assess brand equity, therefore, to analyze brand awareness, loyalty, perceived quality, and brand image, the Madiero ΩZ product would need to be introduced on the market, and several customers that have tried the product and have developed actual opinions about it could have been interviewed. It is still insightful to gather information about brand equity on potential customers to get feedback from consumers' perceptions of the brand. However still, it does not provide the best picture to assess brand equity. Therefore, another

limitation of the master's thesis is that brand equity is based on customers' perceptions of the brand and its product. In the future, Madiero will need to assess the actual brand equity.

CONCLUSION

The brand is a crucial aspect of marketing. A brand, without a doubt, brings a lot of marketing advantages to firms; it increases loyalty, decreases the impact of competition, decreases the fragility in case of a marketing crisis, and increases the firm's margins. Under a brand, consumers are less sensitive to price increases, and the marketing communication impact is more significant and effective. A brand also enables licensing opportunities and increases chances for brand extension (Keller, 2003; Keller, 2013). Madiero is a company that operates in the B2B market. As firms are composed of individual people whom branding strategies can strongly influence, the importance of developing a brand for B2B companies is recognized (Leek & Christodoulides, 2011). This is why the purpose of the master's thesis was to create the brand for Madiero Srl. both from the internal and external perspective, to provide a balanced approach to the brand.

Ozone generators are machines that release gas ozone. Gas ozone disinfects spaces; more specifically, it removes odors, bacteria, viruses, molds, and insects from closed rooms. Madiero created an ozone generator, called Madiero ΩZ, with innovative technology that enables the machine to analyze and assess the space where the device operates carefully and autonomously carries out the cleaning process. The user, remotely, through the app, can check how the cleaning system is going on and when it is terminated and is safe to enter the room again. Madiero developed an innovative product, and as with every innovation, it needs to be branded to assure them to own the creation, ensure high visibility, and add credibility and legitimacy (Aaker, 2007; Alsaaty & Sawyer, 2019).

The first part of the master's thesis was the theoretical part, which was based on a detailed literature review of scientific papers published in academic journals and books. The brand is generally defined as a means to differentiate a product or service from the competition (Maurya & Mishra, 2012). It is considered the business's most valuable and important intangible asset (M'zungu, Merrilees & Miller, 2010). When a company develops a brand, it needs to assess it from an internal and external perspective (Guzman, 2005; Ruzzier & Ruzzier, 2015). The internal view is identified in brand identity; in the literature, different models can be found on how to develop it (Kapferer, 2012). Mainly, brand identity focuses on how the company wants the brand to be perceived by its actual and potential customers (Aaker & Joachimsthaler, 2002; Black & Veloutsou, 2017; Nandan, 2005). The external perspective of the brand is called brand equity. Brand equity can be measured in two ways: one is financial brand equity, which is the value of the brand on the market, and the second one is customer-based brand equity, which is the value of the brand to customers (Guzman, 2005; Tanveer, & Lodhi, 2016).

The second part of the thesis, precisely the empirical part, was dedicated to developing the brand Madiero following the steps of the Startup branding funnel. A focus group with the three members of the Madiero team was conducted to develop the internal part. Madiero's vision is for the brand to have high awareness worldwide as the brand leader in the air and surface disinfecting sector. The brand's mission is to share with many people the innovative technology developed for people to have disinfected, clean, healthy spaces to live in. Furthermore, the context building blocks were analyzed, contributing to a better understanding of the environment where the brand will operate. Madiero is planning on entering the air purification industry, which has significant growth potential due to the air nowadays being highly polluted, people having higher cleaning standards, and the consequences of the COVID-19 crisis. The brand Madiero targets B2B customers who own spaces used regularly by different people, such as offices, classrooms, hotel rooms, etc. Madiero has a solid competitive advantage, as the software with which the product is equipped is unmatched by the competition. Nevertheless, the brand's main competitors are O3ZY, Sanity System, Repure, Pureozone, Ekonore Srl, and Trotec. Other indirect competitors of the brand are ionizers, electrostatic precipitators, and filtering HEPA and air disinfectant sprays.

The Madiero brand's values are sharing, honesty, consciousness, sustainability, and love and care. The brand wants to be perceived as a person who cares about the health of everyone around them and the environment. Madiero wants to do good for the environment and the people. It is an adventurous person who is independent and loves freedom. The brand's personality characteristics can also be seen in the name Madiero, which derives from the Italian term "madiere", which, in summary, means boat, thus symbolizes the navigation of freedom on the sea by respecting the nature around it. The last part of the development of brand identity is dedicated to brand implementation. Regarding internal branding, the spreading of brand knowledge will occur informally by having the three members of the Madiero team talk about the purpose, values, and culture of the brand and the product's creator to precisely and in detail explain the product's characteristics. Regarding communication, the strategy will be to employ salespeople who will be brand promoters to customers, with actual product demonstrations as well. Additionally, the plan is to rely on social media to spread awareness about the product, its benefits, and, in general, the benefits and importance of having clean air. In such a way, it will be possible to raise awareness about the importance of air purification to the general public, with the goal for them to want ozone generators when staying in hotels, working in offices, traveling on planes, etc.

The last part of the brand development process, therefore of the empirical research, was centered on brand equity. To develop brand equity, in-depth interviews were carried out with potential customers that operate in the hotel industry. To build brand equity, awareness, perceived quality, (potential) loyalty, and brand image were taken into account. Based on

brand equity development, it can be concluded that the brand has very high possibilities of success, as most respondents feel like Madiero **ΩZ** is a high-quality, useful, and innovative product, and almost everyone would purchase it. Also, when analyzing the gap between brand identity and equity, there are no significant differences. Nevertheless, there is one main issue that arose from the obtained analysis. The brand values its competitive advantage, which is also the feature for which the brand received a patent in Italy and for which the brand is different than other ozone generators, is better than others and for which the product is believed to have a higher value. This feature that provides a competitive advantage is that the machine can assess by itself, thanks to the innovative software created, the amount of ozone, and the time that the device needs to operate to disinfect a room by considering all the variables that need to be considered. However, the problem is that due to the lack of knowledge regarding ozone, how the ozone behaves, and what is needed to assess the quantity and time it takes to carry out treatment, potential customers cannot see the real value that the product has. They value other aspects that are still important but that other ozone generators present on the market have. Finally, an insightful part of the analysis is that people are not concerned so much about air quality. In "theory" there might be a concern, but when it comes to "practice", specifically to room cleaning in hotels, they do not care as much regarding clean, disinfected air, which also plays a disadvantage for the brand.

All this considered, Madiero needs to implement its communication strategy, spread awareness about the importance of clean air and awareness about ozone, and spread accurate information on how ozone needs to be used. This way, the brand will increase the value of its product in the eyes of potential customers and succeed in the industry. The master's thesis is concluded with the research limitations and the description of future challenges in the development of the brand.

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APPENDICES

Appendix 1: Abstract in Slovene language

Ameriško združenje za trženje (AMA) opredeljuje blagovno znamko kot "ime, izraz, znak, simbol ali dizajn ali kombinacijo le-teh, ki so namenjeni identifikaciji blaga in storitev enega prodajalca ali skupine prodajalcev in njihovemu razlikovanju od blaga in storitev konkurence." V literaturi najdemo različne definicije blagovne znamke (Alsaaty & Sawyer, 2019). Obstajajo tudi druge različice definicije blagovne znamke, kjer se verjame, da je blagovna znamka kreacija zavedanja, ugleda, prepoznavnosti itd. na trgu (Keller, 2003; Keller, 2013). Ne glede na definicijo so blagovne znamke izjemno pomembne v trženju, saj predstavljajo kakovost za potrošnike, vzpostavljajo vez med potrošnikom in proizvajalcem, zmanjšujejo stroške iskanja in tveganja za potrošnike ter pomagajo prepoznati vire izdelkov. Za podjetja pa so blagovne znamke način za zaščito edinstvenih lastnosti, so vir konkurenčne prednosti, sredstvo finančnega donosa in način zagotavljanja izdelkov z edinstvenimi asociacijami (Keller, 2003; Keller, 2013).

Pri ustvarjanju oziroma razvoju blagovne znamke je treba k njej pristopiti uravnoteženo (Konečnik, 2006; Konečnik Ruzzier, 2018; Ruzzier & Ruzzier, 2015), kar pomeni, da je treba blagovno znamko obravnavati tako z notranjega kot zunanjega vidika (Guzman, 2005). Pri razvoju ali analizi blagovne znamke je treba upoštevati različne deležnike. Ti različni deležniki so tako notranji, torej zaposleni, podjetniki, izvršni direktorji, ustanovitelji, kot tudi zunanji, to je kupci (Ruzzier & Ruzzier, 2015).

Notranja perspektiva je prepoznana v identiteti blagovne znamke (Aaker, & Joachimsthaler, 2002; Black & Veloutsou, 2017; Nandan, 2005). V literaturi so skozi leta razviti in predstavljeni različni modeli identitete blagovne znamke (Kapferer, 2012). Kapferer (1997) je razvil model imenovan prizma identitete. Model je sestavljen iz šestih dimenzij: fizične lastnosti, osebnost, kultura, odnos, odsev in samopodoba (Kapferer, 2012). Nazadnje je Aaker (1991) izrazil identiteto blagovne znamke kot izdelek, organizacijo, osebo in simbol (Aaker in Joachimsthaler, 2002).

Zunanji pogled na blagovno znamko je identificiran v premoženju blagovne znamke (Konečnik, 2006; Konečnik Ruzzier, 2018; Tanveer in Lodhi, 2016). Premoženje blagovne znamke je bilo opredeljeno iz dveh vidikov: finančnega in strankinega. Finančni kapital blagovne znamke je vrednost blagovne znamke na trgu, medtem ko je kapital blagovne znamke, ki temelji na kupcih, vrednost blagovne znamke za kupce.

Najnovejši model za razvoj blagovne znamke se imenuje lijak blagovne znamke (Ruzzier, Ruzzier, 2015). Ta model je v primerjavi s prejšnjimi bolj dinamičen, celotna ideja v ozadju modela je, da je znamka razvijajoča se entiteta. Lijak je sestavljen iz petih gradnikov. Gradnik nič je vizija, sledi ji gradnik predanaliza, ki ga sestavljajo analiza panoge, analiza porabnikov, analiza konkurentov in lastna analiza. Tretji gradnik so gradniki razvoja blagovne znamke, ki vključujejo zgodbo in vizualne elemente. Sledi uvajanje blagovne

znamke, z notranjim brandingom, trženjsko komunikacijo in tržnimi potmi. Nazadnje je vključen gradnik premoženja blagovne znamke. Ta model je zelo inovativen, saj v celoti zagotavlja uravnotežen pristop do blagovne znamke (Ruzzier & Ruzzier, 2015).

Blagovna znamka, čeprav jo pogosteje upoštevamo za B2C trg, je zelo pomembna tudi na trgu B2B. Predsodek, ki stoji za B2B trgom, je, da je odločanje strank v nakupovalnem procesu popolnoma racionalno, zato kupci upoštevajo izdelke le na podlagi »trdnih dejstev«, kot so lastnosti, funkcije, prednosti, cena, storitve, kakovost itd. v nasprotju z blagovnimi znamkami, katerih glavni cilj je vzpostaviti močan odnos med njimi in svojimi kupci, da bi imeli koristi od zvestobe (Bergstrom, Blumenthal & Crothers, 2002). Kljub temu so podjetja B2B sestavljena iz posameznih ljudi, tako kot na trgu B2C, ki sprejemajo odločitve za podjetje (Kotler & Pfoertsch, 2007), zato lahko podjetja B2B izkoristijo to in razvijejo svoje blagovne znamke.

Zagonsko podjetje je podjetje, ki na trgu deluje kratek čas in nima operativne strukture (Rode & Vallaster, 2005). Zagonsko podjetje nastane zaradi razvoja novega, inovativnega izdelka. Pogoji, v katerih tako podjetje deluje pa so negotovi, zato je tveganje za neuspeh zelo veliko (Ries, 2011; Ruzzier & Ruzzier, 2015). Ker zagonska podjetja prinašajo kar nekaj inovacij in imajo velik potencial rasti, morajo uvesti strategije z razvojem blagovne znamke (Rus, Konečnik Ruzzier & Ruzzier, 2018).

Madiero Srl. (s sedežem v mestu Monfalcone, Italija) je zagonsko podjetje, ki je ustvarilo inovativen izdelek; generator ozona (Madiero ΩZ). Ozonizator ima funkcijo razkuževanja prostorov, natančneje odstranjuje vonjave, bakterije, viruse, plesni in mrčes iz zaprtih prostorov. Dandanes je na trgu že veliko ozonizatorjev za razkuževalne namene, vendar vsi imajo več praktičnih težav, ki jih Madiero s svojo inovativno programsko opremo rešuje. Blagovna znamka podjetju omogoča, da je lastnik inovacije, zagotavlja večjo prepoznavnost ter dodaja kredibilnost in legitimnost (Aaker, 2007; Alsaaty & Sawyer, 2019). Ker je Madiero ΩZ očitna inovacija na tem področju, je potreben uravnotežen pristop k blagovni znamki.

Namen magistrskega dela je razviti uravnotežen pristop k blagovni znamki Madiero, torej razvijati blagovno znamko z notranjega in zunanjega vidika po modelu lijaka blagovne znamke. Namen je razviti blagovno znamko Madiero, da bi jo pripravili za uvedbo na trg in da bi imela blagovna znamka vse, kar je potrebno za uspeh v industriji čiščenja zraka. Cilj bo nato, kjer je to mogoče, oceniti razmik med razvito in dojeto blagovno znamko.

Raziskava je temeljila na primarnih in sekundarnih virih. Opravljen je bil podroben pregled strokovne literature, knjig in člankov, objavljenih v akademskih revijah, da bi razvili definicije in pomene blagove znamke ter opredelili vse modele gradnje blagovnih znamk. Empirična raziskava je temeljila na kvalitativni raziskavi, natančneje individualnih poglobljenih intervjujih in skupinskega poglobljenega intervjuja. Skupinski poglebljeni

intervju je bil izveden s tremi zaposleni in lastniki podjetja Madiero, eden od njih je razvijalec izdelka Madiero **Ω**Z. Namen skupinskega intervjuja je bil pridobiti vpogled v zagonsko podjetje za razvoj identitete blagovne znamke. Poleg tega so bili opravljeni poglobljeni intervjuji s potencialnimi kupci, ki delujejo v hotelski industriji, da bi razvili premoženje blagovne znamke.

Magistrsko delo sestavlja pet vsebinskih poglavij, ki so nato razdeljeni na različna podpoglavja. Prvo poglavje opisuje definicijo in pomen blagovne znamke, modele razvoja blagovne znamke in pomen blagovnih znamk na B2B trgih. Poleg tega sta v drugem poglavju opisana definicija in pomen zagonskih podjetjev. Poglavje tri je namenjeno podrobni analizi in opisu lijaka blagovne znamke. Namen četrtega poglavja je razvoj blagovne znamke Madiero, kjer je v prvem podpoglavju podrobno opisan metodološki pristop k razvoju blagovne znamke, natančno opisane empirične raziskave, ki so bile uporabljene za razvoj identitete blagovne znamke in premoženja blagovne znamke. Poleg tega drugo podpoglavje predstavlja blagovno znamko Madiero in opisuje njeno vizijo, predanalizo, identitetne elemente in vizualne elemente, navaja uvajanje blagovne znamke in premoženje blagovne znamke za Madiero. Na koncu je peto poglavje namenjeno diskusiji, kjer je opisan razmik med razvito in dojeto blagonvo znamko. Opisani so tudi prihodnji izzivi pri razvoju blagovne znamke in priporočila za vzdrževanje blagovne znamke za Madiero ter omejitve raziskave. Zaključni del magistrske naloge je namenjen sklepnim ugotovitvam.

Appendix 2: Focus group questions for the Madiero team

1. What will be the role and influence of your brand 5 years from now? How important of a player will you be, and what will be your unique position on the market?

   Example to provide an idea:
   APPLE VISION: "To make the best products on earth and to leave the world better than we found it."

2. Why do we exist?

   Example to provide an idea:
   APPLE MISSION: "To bringing the best user experience to customers through innovative hardware, software, and services."

3. What type of ozone generator is Madiero's ozone generator? Is it corona discharge, cold plasma, Electrolytic ozone generator or ultraviolet ozone generator?

4. What are the barriers to entry to the market? Are there any particular investments that need to be undertaken? And patents are challenging to get?

5. Is the machine expensive to produce? Is the material expensive, therefore the machine price is expensive and hard to be available to the general public?

6. Do you have enough financial resources for brand development, and for how long? How fast are you going to use them? Where and when you might get some additional resources?

7. Can you use your professional and personal networks to get access to the lacking resources, information and knowledge?

8. How does the knowledge of each of you contribute to the brand development and success? Do you believe in the brand? Why?

9. Write 5 to 10 values that your proposed brand should have. Which are your personal values? How are they related to the proposed brand values?

10. What would your brand be if it were a person? What personality traits can you relate to your brand?

11. What will you charge the customers? (for example for products, additional services, space for advertising…) How will you charge them? (which pricing mechanism is used?)

12. What is the cost structure of your brand? Does it differ from each target customer group?

13. How do you think customers will perceive the price? Will they think is too much or too little?

14. Explain the story behind the name Madiero. How is the product called?

15. Explain the story behind the logo. Which Are the main brand characteristics that you want to stress in the brand logo?

16. Does Madiero have a website? Can you register a domain and other social media?

17. How long does it take to produce one ozone generator? How much would be your capacity per month?

18. Does the product consume a lot of electricity?

Appendix 3: In-depth interviews questions

The brand Madiero and its product, Madiero ΩZ, characteristics were presented and described.

1. How do you clean your hotel rooms?

2. Are you familiar with ozone generators?

3. Do you know for any other types of air purifiers? Are you familiar with any other methods to disinfect the air?

4. Which brand comes to your mind when you think of air purification/cleaning systems? Or more precisely ozone generators?

5. What three words would best describe the Madiero brand?

6. What brand's features and benefits are the most useful in your opinion?

7. What kind of feelings come to your mind when thinking about Madiero?

8. In your opinion which quality lacking characteristics does Madiero have? Do you perceive it as a high quality product? (Here also the image of the product was provided)

9. What animal would you associate with Madiero?

10. The price of the product is around 2000€. What would you think about it? Is it fair?

11. Do you think Madiero is unique compared to the competitors?

12. Would you purchase the brand Madiero for your business? In case yes, how would you like to purchase it? Try it first or directly buy it?

13. Do you feel safe using ozone generators for cleaning purposes for your business?

14. Do you know that ozone is a harmful gas?

Appendix 4: In-depth interviews transcripts

Interview	Respondent	Date	Hotel size	Hotel Location	Interview method	Interview language
Interview 1	Respondent 1	6th June 2023	Small – 10 rooms	Sistiana. Italy	In person	Slovene
Interview 2	Respondent 2	6th June 2023	Small – 8 rooms	Duino, Italy	In person	Italian
Interview 3	Respondent 3	6th June 2023	Small – 12 rooms	Gorizia, Italy	In person	Italian
Interview 4	Respondent 4	8th June 2023	Small – 7 rooms	Duino, Italy	Via phone call	Italian
Interview 5	Respondent 5	8th June 2023	Small – 10 rooms	Sistiana, Italy	In person	Italian
Interview 6	Respondent 6	12th June 2023	Medium	Trieste, Italy	Via phone call	Italian

Interview 1

The following interview was conducted on the 6th June, 2023. The respondent is a small hotel owner. The hotel has a capacity of 10 hotel rooms. The interview was conducted in person, at the hotel, which is located in Sistiana, Italy. The interview was carried out in Slovene, as the respondent felt the most comfortable replying in Slovene.

Interviewer: The brand Madiero and its product, Madiero ΩZ, characteristics were presented and described.

Interviewer: How do you clean your hotel rooms?

Respondent 1: The cleaning lady cleans the rooms every day and then in case some odd odor remains in the room, we put an ozone generator to remove the bad smell. Especially in a room that is located very close to the restaurant, often kitchen odors enter the room, therefore we pass the ozone generator there often. We leave the ozone generator for 30 minutes to operate and then we wait for two hours until the ozone returns to normal levels.

Interviewer: Are you familiar with ozone generators?

Respondent 1: Yes.

Interviewer: Do you know for any other types of air purifiers? Or are you familiar with any other methods to disinfect the air?

Respondent 1: I think the sprays that are used in the bathrooms, to eliminate odors? Those I believe disinfect as well. This is what my hotel was using to eliminate odors before we bought the ozone generator, but the spray was not as effective.

Interviewer: Which brand comes to your mind when you think of air purification/cleaning systems? Or more precisely ozone generators?

Respondent 1: I do not know the brand of our ozone generator. It was offered to us by the Clean Store, the hotel supplier for cleaning products.

Interviewer: What three words would best describe the Madiero brand?

Respondent 1: Effective, practical, functional.

Interviewer: What brand's features and benefits are the most useful in your opinion?

Respondent 1: The fact that right after the treatment the person can enter the room is very good for me. In the summer the clients leave at around 11.00 and then the check-in for the next clients is around 15.00. The problem is that many times it happened that we needed to postpone the check-in because it was not possible to enter the room, as the ozone did not disappear yet.

Interviewer: What kind of feelings come to your mind when thinking about Madiero?

Respondent 1: Security, reliability.

Interviewer: In your opinion which quality lacking characteristics does Madiero have? Do you perceive it as a high quality product? (Here also the image of the product was provided)

Respondent 1: A smaller one would work better, as we would purchase one and then we would move it from room to room when we would need it. But it seems of high quality, yes.

Interviewer: What animal would you associate with Madiero?

Respondent 1: An animal that is clean, I do not know, fishes give me an idea of a clean animal.

Interviewer: The price of the product is around 2000€. What would you think about it? Is it fair?

Respondent 1: I would not know, I do not remember how much I paid the other ozone generator.

Interviewer: Do you think Madiero is unique compared to the competitors?

Respondent 1: Compared to my ozone generator it seems to be way better.

Interviewer: Would you purchase the brand Madiero for your business? In case yes, how would you like to purchase it? Try it first or directly buy it?

Respondent 1: I would purchase it, but I would like a demonstration before, so I understand how it works and if it would work good for me.

Interviewer: Do you feel safe using ozone generators for cleaning purposes for your business?

Respondent 1: Yes, I do not encounter any issues.

Interviewer: Do you know that ozone is a harmful gas?

Respondent 1: Yes, I knew, but to be honest I didn't know it is that serious. When we purchased the ozone generator they told us that we need to wait before letting customers in and that's it, I didn't know that it could harm people's health and also the environment.

Interview 2

The following interview was conducted on the 6th June, 2023. The respondent is a small hotel owner. The hotel has a capacity of 8 hotel rooms. The interview was conducted in person, at the hotel, which is located in Duino, Italy. The interview was carried out in Italian, as the respondent felt the most comfortable replying in Italian.

Interviewer: The brand Madiero and its product, Madiero ΩZ, characteristics were presented and described.

Interviewer: How do you clean your hotel rooms?

Respondent 2: The cleaning ladies come and clean the rooms. They change sheets, towels, clean the dust from the furniture, they vacuum … They do all the basics of cleaning.

Interviewer: Are you familiar with ozone generators?

Respondent 2: Well, I am familiar with ozone generators now, because of your description, but otherwise I am familiar with the ozone gas. In the sense that I know that is harmful, didn't know that can be used to clean spaces, well to disinfect and eliminate odors, as you mentioned.

Interviewer: Do you know for any other types of air purifiers? Or are you familiar with any other methods to disinfect the air?

Respondent 2: Dyson is an air purifier that is not ozone generator, but I do not know how it works, based on the shape of the product I assume it filters the air. Also, air conditioning to some extent I feel like cleans the air.

Interviewer: Which brand comes to your mind when you think of air purification/cleaning systems? Or more precisely ozone generators?

Respondent 2: Dyson, but it does not have the functions of an ozone generator.

Interviewer: What three words would best describe the Madiero brand?

Respondent 2: Autonomous, smart, innovative.

Interviewer: What brand's features and benefits are the most useful in your opinion?

Respondent 2: That is autonomous, can be activated in distance and can do by itself all that is needed to do.

Interviewer: What kind of feelings come to your mind when thinking about Madiero?

Respondent 2: Worry. I still worry that ozone is dangerous. I do not completely trust it.

Interviewer: In your opinion which quality lacking characteristics does Madiero have? Do you perceive it as a high quality product? (Here also the image of the product was provided)

Respondent 2: I don't know, it does seem like it reduces the danger involved with ozone a bit.

Interviewer: What animal would you associate with Madiero?

Respondent 2: An ant, because ants think of what they need to do and they do it well.

Interviewer: The price of the product is around 2000€. What would you think about it? Is it fair?

Respondent 2: I guess it is a fair price, but would not really know.

Interviewer: Do you think Madiero is unique compared to the competitors?

Respondent 2: I do not know.

Interviewer: Would you purchase the brand Madiero for your business? In case yes, how would you like to purchase it? Try it first or directly buy it?

Respondent 2: I do not know if I would buy it, but I would like to try it first, yes.

Interviewer: Do you feel safe using ozone generators for cleaning purposes for your business?

Respondent 2: That's the reason why I do not know if I would buy it, because I am a bit worried about using ozone, therefore, I believe also some clients would have the same feelings. I guess they will not know my cleaning methods, but still I would be worried if something happens, in case a kid enters the room by accident… it does seem like the machine has it all covered, but I feel a bit uneasy about it.

Interviewer: Do you know that ozone is a harmful gas?

Respondent 2: Yes, I know.

Interview 3

The following interview was conducted on the 6th June, 2023. The respondent is a small hotel owner. The hotel has a capacity of 12 hotel rooms. The interview was conducted in

person, at the hotel, which is located in Gorizia, Italy. The interview was carried out in Italia, as the respondent felt the most comfortable replying in Italian.

Interviewer: The brand Madiero and its product, Madiero **ΩZ**, characteristics were presented and described.

Interviewer: How do you clean your hotel rooms?

Respondent 3: We have two cleaning ladies that clean the 12 rooms of our hotel every morning. Usually, guests leave at 11.00 and then new ones come at 14.00, therefore, in that time frame they clean.

Interviewer: Are you familiar with ozone generators?

Respondent 3: Yes, but I did not know it is a thing, like that hotels actually use that to disinfect spaces, also because it is harmful.

Interviewer: Do you know for any other types of air purifiers? Or are you familiar with any other methods to disinfect the air?

Respondent 3: I never really thought of disinfecting the air, I would just open the windows. That is actually what our cleaning ladies do.

Interviewer: Which brand comes to your mind when you think of air purification/cleaning systems? Or more precisely ozone generators?

Respondent 3: I do not know any, once I remember the brand Dyva was promoting an ozone generator though.

Interviewer: What three words would best describe the Madiero brand?

Respondent 3: Clean, safe, sanitized.

Interviewer: What brand's features and benefits are the most useful in your opinion?

Respondent 3: That it cleans the air and surfaces.

Interviewer: What kind of feelings come to your mind when thinking about Madiero?

Respondent 3: Feeling of being in a windy forest, breathing fresh air.

Interviewer: In your opinion which quality lacking characteristics does Madiero have? Do you perceive it as a high quality product? (Here also the image of the product was provided)

Respondent 3: In my opinion it is a bit ugly and it could be smaller.

Interviewer: What animal would you associate with Madiero?

Respondent 3: An anteater.

Interviewer: The price of the product is around 2000€. What would you think about it? Is it fair?

Respondent 3: I would not know honestly.

Interviewer: Do you think Madiero is unique compared to the competitors?

Respondent 3: I do not know.

Interviewer: Would you purchase the brand Madiero for your business? In case yes, how would you like to purchase it? Try it first or directly buy it?

Respondent 3: I would buy it directly and then learn how to use it by myself.

Interviewer: Do you feel safe using ozone generators for cleaning purposes for your business?

Respondent 3: I had some preconceptions about ozone generators to be honest, but the machine that you described seems very reliable and safe, therefore, I think I would use it.

Interviewer: Do you know that ozone is a harmful gas?

Respondent 3: Yes.

Interview 4

The following interview was conducted on the 8th June, 2023, via phone call. The respondent is a small hotel owner. The hotel has a capacity of 7 hotel rooms. The hotel is located in Duino, Italy. The interview was carried out in Italian, as the respondent felt the most comfortable replying in Italian.

Interviewer: The brand Madiero and its product, Madiero ΩZ, characteristics were presented and described.

Interviewer: How do you clean your hotel rooms?

Respondent 4: As per usual, the floor is made of wood, so it gets both vacuumed and mopped. All the furniture gets dusted and also passed with a disinfecting product. Bed sheets get changed only when the customers leave and towels get changed per customers' request.

Interviewer: Are you familiar with ozone generators?

Respondent 4: Yes!

Interviewer: Do you know for any other types of air purifiers? Or are you familiar with any other methods to disinfect the air?

Respondent 4: I believe there are machines that filter the air. In such way it cleans it, I think.

Interviewer: Which brand comes to your mind when you think of air purification/cleaning systems? Or more precisely ozone generators?

Respondent 4: No brands come to my mind.

Interviewer: What three words would best describe the Madiero brand?

Respondent 4: Advanced, safe, practical.

Interviewer: What brand's features and benefits are the most useful in your opinion?

Respondent 4: The fact that it can kill all bacteria, I think is very good.

Interviewer: What kind of feelings come to your mind when thinking about Madiero?

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Respondent 4: Relaxation, reassurance.

Interviewer: In your opinion which quality lacking characteristics does Madiero have? Do you perceive it as a high quality product? (Here also the image of the product was provided)

Respondent 4: By the description it looks like of high quality and I do not think it has any lacking characteristics.

Interviewer: What animal would you associate with Madiero?

Respondent 4: A cleaner fish.

Interviewer: The price of the product is around 2000€. What would you think about it? Is it fair?

Respondent 4: I do not know.

Interviewer: Do you think Madiero is unique compared to the competitors?

Respondent 4: I do not know.

Interviewer: Would you purchase the brand Madiero for your business? In case yes, how would you like to purchase it? Try it first or directly buy it?

Respondent 4: I do not know if I really need it for my hotel.

Interviewer: Do you feel safe using ozone generators for cleaning purposes for your business?

Respondent 4: I would feel safe using this ozone generator for my hotel, but I don't think i need it.

Interviewer: Do you know that ozone is a harmful gas?

Respondent 4: Yes of course! That is the reason why I am not sure I need it, because even though to me it really seems safe, is still ozone and I bet some customers would be concerned knowing I am using it to clean the rooms they sleep in.

Interview 5

The following interview was conducted on the 8th June, 2023. The respondent is a small hotel owner. The hotel has a capacity of 10 hotel rooms. The interview was conducted in person, at the hotel, which is located in Sistiana, Italy. The interview was carried out in Italian, as the respondent felt the most comfortable replying in Italian.

Interviewer: The brand Madiero and its product, Madiero **Ω**Z, characteristics were presented and described.

Interviewer: How do you clean your hotel rooms?

Respondent 5: In case there are odd smells, for example, very often customers smoke in the rooms, then I put the ozone generator in the room. I leave it there for 20 minutes and then I enter the room and I air it in order to allow customers to enter the room immediately, or, in case there are no customers that need to enter the room the same day, I avoid entering the room for approximately five hours, for the ozone to disappear.

Interviewer: Are you familiar with ozone generators?

Respondent 5: Yes, I use it in my hotel.

Interviewer: Do you know for any other types of air purifiers? Or are you familiar with any other methods to disinfect the air?

Respondent 5: I do not think anything eliminates odors as ozone generators. For example, Dyson, I see it on the internet all the time, filters the air, so I think it cleans it too, but for example I need to eliminate smoke odors and I believe only ozone generators are that effective. You know, smoke odor is very strong and remains in the fabric. The same goes with those sprays, you know like Lysoform (brand), people told me to try that to eliminate odors, but it did not work at all.

Interviewer: Which brand comes to your mind when you think of air purification/cleaning systems? Or more precisely ozone generators?

Respondent 5: Dyson, but just because I receive a lot of ads about it on Google or Instagram. I do not remember the brand of my ozone generator to be honest.

Interviewer: What three words would best describe the Madiero brand?

Respondent 5: Technology, modern, advanced.

Interviewer: What brand's features and benefits are the most useful in your opinion?

Respondent 5: The fact that it has the app and that it can be managed remotely, is the best. The most useful thing in my opinion. The fact that it rebalances the ozone to its natural level is not as important as the app feature for me.

Interviewer: What kind of feelings come to your mind when thinking about Madiero?

Respondent 5: Anger, because every time I think about ozone generators I think of people that smoke in the rooms.

Interviewer: In your opinion which quality lacking characteristics does Madiero have? Do you perceive it as a high quality product? (Here also the image of the product was provided)

Respondent 5: I do not know, it seems very good already.

Interviewer: What animal would you associate with Madiero?

Respondent 5: A fish. Not a specific one, to a fish in general.

Interviewer: The price of the product is around 2000€. What would you think about it? Is it fair?

Respondent 5: It does not seem expensive, it looks like a fair price.

Interviewer: Do you think Madiero is unique compared to the competitors?

Respondent 5: I do not know compared to all the competitors, but certainly compared to the one I have is unique yes.

Interviewer: Would you purchase the brand Madiero for your business? In case yes, how would you like to purchase it? Try it first or directly buy it?

Respondent 5: I would buy it yes, but no demonstrations needed, I prefer to figure out the product by myself.

Interviewer: Do you feel safe using ozone generators for cleaning purposes for your business?

Respondent 5: Yes, no problem at all.

Interviewer: Do you know that ozone is a harmful gas?

Respondent 5: Yes, but with the right precautions is fine, nothing happens.

Interview 6

The following interview was conducted the 12th June, 2023. The respondent is a medium hotel owner. The interview was conducted via phone call. The hotel is located in Trieste, Italy. The interview was carried out in Italian, as the respondent felt the most comfortable replying in Italian.

Interviewer: The brand Madiero and its product, Madiero **Ω**Z, characteristics were presented and described.

Interviewer: How do you clean your hotel rooms?

Respondent 6: We have cleaning staff that is in charge of that.

Interviewer: Are you familiar with ozone generators?

Respondent 6: I know are machines that create ozone, yes, and can be used to disinfect rooms and get rid of odors.

Interviewer: Do you know for any other types of air purifiers? Or are you familiar with any other methods to disinfect the air?

Respondent 6: Nothing comes to my mind really.

Interviewer: Which brand comes to your mind when you think of air purification/cleaning systems? Or more precisely ozone generators?

Respondent 6: Dyson.

Interviewer: What three words would best describe the Madiero brand?

Respondent 6: Practical, efficient, technological.

Interviewer: What brand's features and benefits are the most useful in your opinion?

Respondent 6: The aspect that it calculates by itself how much time is needed for the sanitizing process seems very useful and also the fact that I can control it all from the app. Very practical.

Interviewer: What kind of feelings come to your mind when thinking about Madiero?

Respondent 6: Safety.

Interviewer: In your opinion which quality lacking characteristics does Madiero have? Do you perceive it as a high quality product? (Here also the image of the product was provided)

Respondent 6: It might be too big. To place it in hotel rooms, it could be smaller.

Interviewer: What animal would you associate with Madiero?

Respondent 6: I read once that polar bears are very clean animals, so I would associate polar bears to Madiero.

Interviewer: The price of the product is around 2000€. What would you think about it? Is it fair?

Respondent 6: I really do not have terms of comparison, so I do not know. I guess that it becomes a bit expensive when a person needs to buy more of them.

Interviewer: Do you think Madiero is unique compared to the competitors?

Respondent 6: I do not know the competition.

Interviewer: Would you purchase the brand Madiero for your business? In case yes, how would you like to purchase it? Try it first or directly buy it?

Respondent 6: I would buy it, but I would like to try it first, also to see how many I would have to buy for the whole hotel.

Interviewer: Do you feel safe using ozone generators for cleaning purposes for your business?

Respondent 6: The ozone generator you described seems safe to me. I do not know any others, so I cannot tell really.

Interviewer: Do you know that ozone is a harmful gas?

Respondent 6: Yes.