

Corporate brand building and portfolio management in a South African state-owned organisation

Justine Alexandra Cullinan

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requirements for the degree of Master of Management: Strategic Marketing**

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ABSTRACT

State-owned enterprises share many similarities with their purely commercial counterparts. There are however, a number of factors that these organisations are obligated to account for that set them apart from traditional product and service brands. This makes them unique in terms of how and why they build their corporate brands and manage their brand portfolios.

State-owned enterprises (SOEs) are prolific across the world. Enterprises controlled and funded entirely or partially by governments are involved in a broad spectrum of business ranging from arms manufacture to communications and media. These state-owned enterprises often command marketing budgets and resource their businesses with brand managers for the purposes of building strong corporate brands and managing their brand portfolios effectively. In short, SOEs often behave as brands and yet their objectives differ from the very definition of what building a brand is intended to do; deliver bottom-line value to the business.

The main problem in this study then was to identify the decision-making factors in corporate brand building and portfolio management in a South African state-owned organisation. This was in a bid to resolve how these factors are prioritised to achieve organisational objectives and what value there is in building a corporate brand in such a state-owned organisation.

To do this a qualitative research strategy was selected as a means of identifying insights from key personnel at a state-owned organisation. A single case study method was utilised and the South African Broadcasting Corporation (SABC) was identified as an ideal SOE in which to conduct the study.

The key findings indicated a worrying level of confusion regarding the true objectives of the organisation. This was attributed to be due to two factors. Firstly, that there is a conflict between the mandate of an SOE or its altruistic, normative objective to serve the country and its people and the commercial imperative to build consumers (or audiences in the case of the SABC) and attract revenue to be self-sustaining. Secondly, that due to political influence and the nature of state-

ownership of the organisation, the objectives documented and approved differ to those that are truly practiced by managers in the organisation.

Further to this it was found that there is a lack of clarity regarding the structure of the brand portfolio and relationships between brands, many of which have strong heritage in and of themselves and form key touchpoints for sizeable audiences. It was found that building a strong corporate brand was essential for the SABC's success and that each brand in the portfolio should fall under the umbrella corporate brand however this again brought forth the conflict between how things should be and how they can practically be done. Due to its SOE nature, and the public context of the SABC, it was found that the portfolio brands tended to distance themselves from the corporate brand due to its instability and negative corporate reputation which impacted on individual brand performances in the portfolio.

Based on the findings in this study, this thesis recommends a clear prioritisation of the three areas of influence within the SOE in the order of audiences followed by mandate and then revenue. The thesis recommends a corporate brand audit, taking stock of the heritage elements of the SABC corporate brand and its brand portfolio so as to mine the value in its 80-year-old history and to turn these heritage-based elements into advantages for the organisation upon which its corporate brand can be built.

This thesis recommends the building of a strong corporate brand for the SABC with links between each brand in its portfolio leaning to the branded house side of the spectrum of classical brand relationship typology. The study also proposes practical applications to achieve prioritisation of the corporate brand which requires high level management attention. To this end, it calls for the appointment of a Chief Marketing Officer to the executive of the SABC and a core corporate brand management team. The function of this team would be to articulate the objectives and the prioritisation of these objectives to all stakeholder groups, to audit and reorganise the brand portfolio for effective management according to theory-based guidelines, and to establish and implement a corporate brand building strategy that will deliver value to the SABC and all its stakeholders, using the corporate brand and its messaging as a bridge to connect the brand promise of the organisation to the brand reality experienced by those stakeholder groups most especially its audiences as priority.

DECLARATION

I, Justine Alexandra Cullinan, declare that this research report is my own work except as indicated in the references and acknowledgements. It is submitted in partial fulfilment of the requirements for the degree of Master in Management: Strategic Marketing, in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

JUSTINE ALEXANDRA CULLINAN

Signed at:

7 Douglas Avenue

Craighall

2196

On the day of 2017

DEDICATION

For my mother, Anne Norval, and my grandmother, Peggy Cottrell, both women to whom a tertiary education of their choosing was never an opportunity afforded them.

Thank you for never questioning, always believing and being ever proud.

I am humbled and honoured to be the first in our family to study towards a Master's Degree.

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CHAPTER 1. INTRODUCTION

1.1 Purpose of the study

The purpose of this research is to investigate the influences and decision-making factors that determine corporate brand building within a government owned organisation that contains an extensive portfolio of brands.

While corporate branding and the value of building a strong corporate brand is extensively documented across product and service oriented organisations (Aaker, 2004; Abratt & Mofokeng, 2001; Balmer, 1995; Balmer & Gray, 2003; Hatch & Schultz, 2003; Kay, 2006; Powell, Balmer & Melewar, 2007), the attention to government owned corporations is limited in the current literature (Burton, 1999; ; Hansen & Ferlie, 2016; Högström, Davoudi, Löfgren & Johnson, 2016).

Globally government (also known as state-owned or public) organisations (herein referred to as SOEs) offer a variety of discretionary and non-discretionary services and products, and exhibit market activities, such as the employment of marketing and branding techniques, but their business goals and therefore their strategy, approach and influences in attempting to deliver on those business goals are necessarily different (Hansen & Ferlie, 2016; Högström, Davoudi, Löfgren & Johnson, 2016).

Osborne and Brown (2005) describe corporate brand building in public organisations as more challenging in context compared with private sector companies due to the public policy issues and rate of change that are dominant influencing factors. There are however numerous other decision-making factors that are revealed in this study when it comes to the task of building and managing corporate branding and the brand portfolio of a government-owned organisation.

This study aims to uncover these factors and explore their intensity and impact on the corporate brand building and portfolio management task in such an organisation. By investigating the factors that influence the corporate brand, this study aims to provide a framework that enables the assessment of these influences in corporate brand building and brand portfolio management decisions differently from a commercial organisation.

1.2 Context of the study

There are two noteworthy contexts in which this study is lodged namely that of state-owned enterprises (SOEs) and that of the emerging market context that is South Africa.

1.2.1 *State-owned enterprises*

This study was conducted during a time when South African state-owned enterprises are under severe scrutiny (Business Day, 2016; Masuthu & Le Roux, 2016). SOEs have been referred to as South Africa's 'Achilles heel' when it comes to rating agencies who greatly influence the ability of a nation to attract international investment and secure financial support for the development of infrastructure (Khuzwayo, 2016). Further to this a report regarding state-capture from the outgoing Public Protector suggests that President Jacob Zuma was influenced by the wealthy Gupta family in appointing public officials at a number of South African SOEs (Business Day, 2016; Khuzwayo, 2016). It is therefore a pertinent time to discover challenges faced by employees of SOEs, particularly with regards to brand and portfolio management as these aspects of the business come under attack.

Government or state-owned organisations have unique landscapes of stakeholders to appease and manage (Chew & Vinestock, 2012; Donaldson & Preston, 1995; Gatenby et al., 2015; Wiewiora, Keast & Brown, 2016). According to Wæraas, Bjørnå and Moldenæs (2015) we treat SOEs not only as geographically lodged service-providing organisations but also as political institutions. Politicians, to a significant degree, decide the degree of autonomy that an SOE has or does not have and this is considered a constraint with regards to effective management (Hansen & Ferlie, 2016). This means that such an organisation's branding priorities may be different from a privately-owned organisation selling a product or service to another business or an end-user.

Burton (1999) espouses that marketing plays a crucial role in public organisations whether this be for the purposes of changing behaviour or proactively promoting government programs. Branding as a science is a relatively new undertaking for SOEs while marketing activities may not be (Wæraas et al., 2015).

These authors call for a better understanding of how SOEs integrate political concerns into their corporate branding strategies. Their studies show significant and thought-provoking

differences between the branding strategies in public and private sectors. Further to this Balmer's studies of the British Monarchy as a corporate brand (2006, 2009, 2011b, 2011c) suggest very different decision-making factors with regards to corporate brand building and portfolio management when compared with commercial product and service selling enterprises. These studies point to the need to meet both physiological and psychological requirements from multiple stakeholder groups and implementing a multidisciplinary approach to managing a corporate brand in this context.

This study aims to unpack how decisions by key stakeholders in an SOE are made with reference to the corporate brand and brand portfolio. It examines the wealth of literature related to corporate branding and brand portfolio management of traditionally structured commercial private enterprises and then shows how these concepts are relatable to the SOE environment. The study then examines what makes the SOE different from private sector organisations and how these factors necessarily influence decision-makers in those SOEs in terms of how they build their corporate brands and manage diverse brand portfolios. Literature on university branding, monarchy branding and place and nation branding are examined to this end.

As demonstrated by Thompson and Rizova (2005), to focus too much on economy and efficiency misconceives the foundational purpose of government operating in a competitive market. This necessarily means that the goals of a corporate brand and the approach to brand portfolio management is and must be different in an SOE.

1.2.2 *South Africa: an emerging nation*

In an emerging country such as South Africa there are a number of factors that influence the perceived role of an SOE, both in terms of those who manage the organisations and those who the organisations serve (Burgess & Steenkamp, 2006; Olivier, 2007). The theory of stakeholder management takes the view that a corporate is "an organizational entity through which numerous and diverse participants accomplish multiple, and not always entirely congruent, purposes" (Donaldson & Preston, 1995, p.70). Hansen and Ferlie (2016) argue that goals in an SOE are ambiguous and complex because the process of decision-making is more political and involves multiple stakeholders.

If the purposes of SOEs are not always clear in terms of whom they serve and which stakeholders take precedence in the brand context, the question of corporate brand building in this environment becomes multi-faceted at best and highly complicated at worst.

In South Africa the Department of Government Communication and Information Systems lists 130 SOEs valued at over R14.5 Billion (GCIS, 2015). This is evidence of the magnitude of the role that SOEs play in the landscape of an emerging country such as South Africa. SOEs range from water and forestry management organisations, arms producers and airlines to regulators, councils and standards boards.

All these SOEs are simultaneously governed by both *The Companies Act of South Africa* and the Constitution of South Africa under Section 55(2), which outlines that executive organs of state are accountable to parliament, and under the governance of the Public Finance Management Act (National Treasury, 2006).

SOEs are required to generate revenue, to conduct commercial activity such as human resources management, supply chain management and procurement and marketing activities. They are however making use of public funds, to an extent, that are sourced via tax payers through the Reserve Bank of South Africa and are therefore governed by a variety of regulations, laws and governance practices from a national government level (National Treasury, 2006).

These requirements make for a challenging environment in which organisations must operate to build their corporate brands and manage brand portfolios to leverage effective strategic management and remain competitive in the market. Like many organisations, SOEs are aware of the benefits of adopting corporate brand strategy (Aaker, 2004; Anabila & Awunyo-Vitor, 2014; Balmer, Brexendorf and Kernstock, 2013). Many of them have a corporate marketing manager, robust and fully-employed marketing teams, a marketing budget and make use of various marketing services and agencies. They are however serving a much more diverse group of stakeholders than a product or service organisation with a consumer or business facing target market (Donaldson & Preston 1995; Dholakia & Acciardo, 2014; Klijn, Eshuis & Braun, 2012). This presents SOE management with a nuanced series of challenges in building a corporate brand and managing an often varied portfolio of brands while still attempting to meet the requirements of diverse and often contradictory stakeholders and objectives.

1.2.3 *The Research Gap*

Upon review of corporate brand building and portfolio management literature there is a dearth of classical brand theory and recommendations in the context of SOEs. While there is significant literature on corporate brands that do not fall neatly into a traditional product or service industry and significant research in public management, public policy and political marketing, these two fields have not been linked via a practical business lens.

There remains a lack of empirical theory, particularly in relation to brand theory, deriving from organisations that are wholly owned by the state and yet their size, scope and prolific presence means these organisations are worthy of research focus.

The gap here is that SOEs have different stakeholders, and therefore a different emphasis and set of objectives, compared to commercial product or service organisations.

In light of these observations, this study aims to answer the following questions:

- 1 – What are the decision-making factors and objectives that managers within SOEs take into account when building the corporate brand?
- 2 – How do SOEs manage brand portfolios and their relationships to the corporate brand?
- 3 – How do managers within SOEs prioritise stakeholders and their objectives in building the corporate brand?
- 4 – Normatively, what value is there in building a corporate brand in an SOE? What is the purpose of the corporate brand in an SOE?

1.3 Problem statement

1.3.1 *Main problem*

The main problem is to identify the decision-making factors in corporate brand building and portfolio management in state-owned organisations and to resolve how these factors are prioritised to achieve organisational objectives and what value there is in building a corporate brand in a state-owned organisation.

1.3.2 *Sub-problems*

There are **three** sub-problems to this research problem.

The **first** sub-problem is to identify the decision-making factors in corporate brand building and portfolio management in state-owned organisations. There are three research questions related to the first sub-problem namely:

1. What are the decision-making factors in corporate brand building of a state-owned organisation?
2. What are the organisational objectives that impact the building of the corporate brand within a state-owned organisation?
3. How are brand portfolios of state-owned organisations structured and managed?

The **second** sub-problem is to resolve how decision-making factors in corporate brand building are prioritised to achieve organisational objectives. There is one research question related to the second sub-problem which is:

1. How do managers within state-owned organisations prioritise stakeholders and their objectives in building the corporate brand of a state-owned organisation?

The **third** sub-problem is to resolve what value there is in building a corporate brand in a state-owned organisation. There are two research questions related to the third sub-problem namely:

1. What value is there in building a corporate brand in an SOE?
2. What is the purpose of the corporate brand in a state-owned organisation?

1.4 **Significance of the study**

This study aims to contribute to research in three different ways.

Firstly it is theoretically significant because it aims to add to the existing body of literature on the practice of corporate brand building and brand portfolio management in SOEs. These organisations are under increased pressure to find innovative and cost-effective methods of responding to the needs of their consumers while balancing stakeholder

objectives (Chew & Vinestock, 2012; Hankinson, 2010; Klijn, Eshuis & Braun, 2013). Like monarchies, who have incorporated what Balmer (2007) calls “an explicit organisational focus” (p.20) at the same time as having a public or stakeholder focus, SOEs are required to recognise legal ownership of their brands by the state while emotional ownership of their brands resides with their end-users or brand community (Balmer, 2007). To add to this complexity, in truth the SOE corporate brand, although under the responsibility of management, does not belong to management or even the employees or consumers themselves but to society in the broader and vaguely understood sense (Biraghi & Gambetti, 2015).

Secondly the study aims to be significant because of its selected research context. This research is situated within the context of an embattled SOE with a large and diverse brand portfolio in the emerging market of South Africa. The significance of conducting research in Africa is made clear when reviewing the literature on nation or place branding, which shows a close kinship with SOE corporate brand management due to its political influences and multifarious stakeholders.

Dinnie (2007) demonstrates the negative image that African countries struggle against because of their poorly defined identities as nations and the halo branding effect that they suffer by virtue of their close proximity to other countries with whom they share the continent. They are painted with the same brush as it were, rather than being able to benefit from a differentiated identity set apart from their 52 other continental neighbours with their own socio-economic challenges and brand management approaches. From a national level, it is clear that a deeper understanding of African challenges is needed in the building of corporate brands and the management of the brand portfolio in organisations that are strongly linked to the state and its brand image in the eyes of the world.

Though corporate brand and portfolio management studies have been conducted in South Africa (Abratt & Mofokeng, 2001; Siso, Bick & Abratt, 2009), these have not focussed on the SOE context.

Thirdly this study aims to contribute normatively by suggesting how corporate brand building can assist SOEs who find themselves competing with the private sector. As Walsh (1994) writes SOEs need to practice politically aware marketing which can be seen as a

drawback or limitation on marketing practice in some cases and in others a great advantage due to the alliances with influential decision-makers and access to resources controlled by the state. Chew and Vinestock (2012) found that marketing certainly has a role to play in SOEs however the impact of policy decisions by the state affects commercial decisions around customer orientation and market competition. Hogstrom et al, (2016) argue that relationships between end user experiences and service requirements in SOEs are a key concern because of the pressure they experience in trying to allocate resources effectively and efficiently.

This raises ethical issues such as what the application of branding theory and practice should be to SOEs, in whose name should the products and services supplied by SOEs be offered and the concern that the needs of the collective community or nation may be compromised in favour of commercial interests. Conversely there are ethical implications for SOE management professionals when it comes to putting the needs of the state above the demands of the market (Dinnie, 2007).

The study aims to provide guidance to SOE management professionals who are required to address these concerns in a multitude of different business contexts. Further to this the study aims to benefit corporate branding and brand portfolio management academic work by reviewing various valid and reliable theoretical models and concepts through the relatively unexplored African SOE lens.

Finally the research proposes further investigation of the challenges facing corporate brand building and portfolio management in the modern environment with increasing numbers and types of stakeholders who regularly disagree on the construction and propagation of the corporate brand as an asset.

1.5 Delimitations of the study

To narrow the scope of the study the following delimitations apply to this research:

- This study is focussed on corporate branding and brand portfolio management within the SOE context. Due to the specific nature of the decision-making factors that affect the building and application of the corporate brand in this environment, this study will involve analysis unique to that context.

- The organisation in which this study is situated requires a diverse portfolio of brands, which ideally include both product and services brands, both support and consumer-facing brands, as well as a corporate brand that is recognisable within its country context.
- The study is limited to a single case (organisation) so that it may obtain a deep degree of insight and gather rich input from key decision-makers within the organisation.
- Respondents are selected based on their specific portfolio of management within the organisation and their highly influential decision-making power within the hierarchy of that organisation so that the study reflects the decisions made in practice which in turn drive the corporate branding direction of the organisation as a whole. This necessarily limits the number of respondents significantly as in practice there are very few individuals who are making these types of decisions around the corporate brand and portfolio management of these constituent brands.

Key words:

- State-owned organisation
- Government organisation
- Public management
- Public policy
- Corporate branding
- Brand portfolio management
- Strong brands
- South Africa
- Emerging market

1.6 Definition of terms

For this study there are two types of terms that require definition. These are divided into business context terms and acronyms and corporate branding and marketing terms. The business context terms and acronyms relate to the space in which the study is conducted and refer to institutions or concepts that are contextually relevant. The corporate branding

and marketing terms are defined here so that they form usable concepts in the literature review.

1.6.1 *Business context terms and acronyms*

DTT – Stands for Digital Terrestrial Television. South Africa is on the brink of rolling out a long-awaited digital terrestrial platform for all television and radio channels in the country, converting their land-based wave signals to binary code. This will deliver a digital dividend meaning that regional access to certain platform is no longer a prohibiting factor for South Africans (Belter, 2010).

Emerging markets – Refers to countries in specific geo-politically defined areas, of which Africa is one. There are also economic implications in defining an emerging market. Burgess and Steenkamp (2006) describe South Africa specifically in terms of how the United Nations and the World Bank define emerging markets. The United Nations utilises a human development index and classifies an emerging market as one that has limited access to skills, education and necessities with a widespread informal sector due to unemployment proliferation. The World Bank views emerging markets in terms of gross national income per capita (the GINI coefficient). Some of the characteristics that an emerging market like South Africa exhibits include a mass market that have a low level of human development, limited access to skills, education and even necessities and widespread informal sector activity due to a lack of employment opportunities. Jain (2006) offers further insight into emerging markets and says that the multicultural society redolent in these countries increases diversity due to immigration and urbanisation.

ICASA – refers to the Independent Communications Authority of South Africa. This organisation is the regulator for the South African communications, broadcasting and postal services sector established by act of statute in 2002 (ICASA, 2015). ICASA is empowered to monitor licensee compliance regarding the terms, conditions and regulations for communication, broadcasting and postal services nationally. It also makes decisions and manages the allocation of the country's radio frequency spectrum and protects the consumers of those products.

PFMA – The public finance management act (Reserve Bank, 2006) refers to legislation in South Africa that governs the way in which money is managed and spent by all SOEs

SABC – The South African Broadcasting Corporation (Reserve Bank, 2006) refers to the wholly owned public broadcaster of South Africa comprising television and radio platforms as well as a burgeoning number of digital platforms that supply programmes and services to the nation in all 11 official languages (SABC, 2015).

SOEs – State-owned enterprises (Teer-Tomaselli, 2004) refers to all organisations wholly owned by the country or government. These are also sometimes called parastatals. The Organisation for Economic Co-operation and Development defines SOEs as enterprises where the state “has significant control through full, majority or significant minority ownership” (Lide, 2015).

1.6.2 *Corporate branding and marketing terms*

Corporate Branding – Aaker (2004) defines the corporate brand as that which an organisation delivers and supports regarding the product or service that a consumer purchases. Unlike a product brand, a corporate brand relies on a full gambit of stakeholders’ perceptions (Hatch and Schultz, 2003) therefore corporate brands are discernible from product brands both theoretically and managerially (Balmer & Gray, 2003). Therefore the process of corporate branding is how an organisation progressively “maintains and develops its reason for being” (Siso et al., 2009, p.31) with reference to all stakeholders including the community and environment in which it operates.

Corporate Marketing – is defined as a philosophy implemented in practice through an organisation and its culture (Balmer, 2011a). This philosophy should translate into a strategy that can be defined as an organisation’s pattern of decisions in creating and communicating its corporate brand delivery so that it can achieve its particular objectives (Varadarajan, 2010).

Brand Portfolio – Chailan (2009) describes a company’s brand portfolio as a four-part concept that determines:

1. How all brands are structured alongside each other

2. What the scope of each brand is
3. What the role of each brand is
4. What the relationships between the brands are

Heritage brands – In 2003 Urde explained that heritage brands are those that demonstrate longevity and sustainability. Balmer (2011b) defines heritage brands as those brands that contain a perennial promise to consumers that they have endured over time, linking the past, the present and the prospective future, which underpins the organisation's corporate brand. As Wiedmann, Hennigs, Schmidt and Wuestefeld (2013) describe more recently, corporate heritage brands are able to emphasis history, traditions and culture without losing contemporary relevancy.

1.7 Assumptions

- Respondents are willing to answer interview questions, honestly and to the best of their abilities. There was a concern that due to my position within the organisation, that this would influence answers by other stakeholders. This could have caused very different outcomes to this aspect of the study and was therefore treated with extreme care and consideration. In addition respondents may have been fearful of answering certain questions due to the highly politicised environment in which they work.
- Respondents have sufficient time and knowledge required to answer the asked questions. Research of this design is time-consuming for participants.
- Respondents are critical decision-makers in the corporate branding and portfolio management process of the organisation.
- Brands and their management are fluid and constantly changing therefore recommendations made or outcomes derived in this research must be viewed within context. It is noteworthy that two members of the research sample exited the organisation within two months of being interviewed by the author due to extreme leadership instability in the current climate of the SABC.
- Due to the nature of SOEs the political climate is likely to influence the intensity or focus of respondents' answers. As a result this research needs to be viewed in its particular time-frame.

1.8 The South African Broadcasting Corporation (SABC)

In order to achieve the objectives of the research and provide a relevant framework for the assessment of stakeholder influence in corporate brand building in an SOE, it is necessary to conduct research inside a relevant emerging market organisation. This study uses the SABC as a single case study to provide answers to the research questions.

1.8.1 *The history of the SABC*

The South African Broadcasting Corporation (SABC) was formed in 1936 and at the time contained only a portfolio of radio brands. These radio brands were supplied to a holistic South African target market along racial and language lines. In 1976 television came to South Africa and the SABC controlled the only television channels available in the country at the time (SABC, 2015; Bosch, 2014; Bosch & Mullins, 2012).

During the 1980's the SABC underwent a transformation from its traditional role as a propaganda organisation to a more pragmatic approach (Teer-Tomaselli, 2006). Due to constraints on budgets the SABC sought to drive a more commercial approach. Until this point in its history 70-80% of its revenue was secured via commercial sponsorship and advertising models with another 20-30% funded by government through specifically earmarked projects primarily concerned with health and education programming (Teer-Tomaselli, 2006).

At the end of the 1980's the first commercial television broadcaster, MNET, formed the first true audience competitor to the SABC. This was the catalyst for a restructuring process at the SABC in order to compete by cost-saving. This action also marked the beginning of an arguably schizophrenic approach within the SABC of attempting to be both a holistically public broadcaster while simultaneously acknowledging commercial logic which meant providing inexpensive content that appealed to a mass market, especially the attractive wealthy but very small share of the audience (Teer-Tomaselli, 2006). It is argued that this greatly compromised the public mandate of the SABC.

In an attempt to compete the SABC brought internationally renowned consultants, McKinsey, in to make recommendations on cost-saving and profiting from the organisation. This led to a retrenchment of one third of the staff and a decline in local content programming (Duncan, 2001).

Duncan (2001) points out that local content production is more expensive than importing foreign programming from America. Although this was argued to be highly detrimental to the SABC at the time, it was acknowledged that this alleviated cost constraints both in terms of acquisition of the content and by being able to attract more advertising revenue.

In 1995, off the back of the country's first democratic elections, the Minister for Public Enterprises released the *Discussion Document on the Consultative and Implementation Framework for the Restructuring of State Assets* (RSA 1995).

According to this document South Africa's SOEs were divided into three categories:

Category 1 – central organs of state where offering the private sector controlling ownership without effective regulatory protection would compromise the state's ability to provide effective service provision. SOEs in this category included Telkom and the SABC (communications), Eskom (power supply) and Transnet (transportation).

Category 2 – SOEs with a public policy or public interest dimension, but whose defining characteristic was their strategic position in terms of the safety and security of the country. Examples include armament manufacturers like Denel and Armscor as well as petroleum producers Mossgas and Sasol.

Category 3 – SOEs with no public policy role in meeting basic needs. This category is further divided into profitable and unprofitable enterprises. Such organisations include parks such as Freedom Park or the Airports Company South Africa.

The new Broadcasting Act was drawn up in addition to a special charter for the SABC that articulated clear objectives for the organisation (RSA, 1995). The SABC refers to the period when the Act came into effect and the Charter was drawn up as the period of 'unbundling'. This is because the SABC was incorporated into a limited liability company

consisting of two operational entities namely public broadcast service (PBS) and public commercial service (PCS). It was accepted that there would be cross subsidisation between the two entities (Teer-Tomaselli, 2006). The organisation at this point transformed into a corporate share structure, governed by the Company's Act, whereby the Minister of Communications would act on behalf of the South African government as its sole shareholder (National Treasury, 2006).

The Broadcasting Act has been revised three times since it came into effect in 1996. It was revised in 1999, 2002 and 2006 (SABC, 2015).

According to the SABC's charter (SABC, 2015) the organisation needs to:

- Make its services available throughout the Republic of South Africa
- Provide sound and television broadcasting services of information, education and entertainment funded by advertisements, subscription, sponsorship, license fees or any other means of finance.
- Be responsible for the needs of audiences and to account as to how to meet those needs
- Provide ancillary services to support the charter's needs
- Provide free-to-air programming as outlined in Section 33 of the Act
- To commission, compile, prepare, edit, make, print, publish, issues, circulate and distribute books, magazines, periodicals, journals, printed matter, records, cassettes, compact discs, video tapes, audio-visual material whether analogue or digital and whether on media known or hereafter invented, as may be conducive to any of the objectives of the corporation
- To establish and maintain libraries and archives containing materials relevant to the organisation and to make available the public such libraries and archives without charge.
- To organise, present, produce, provide or subsidise concerts, shows, variety performances, music and other productions and entertainment whether live or recorded in connections with broadcasting and program supply services
- To carry out research and development work in relation to any technology relevant to the objects of the Corporate

- To nurture South African talent and train people in production skills and carry out research and development for the benefit of audiences
- To develop and extend the services of the Corporation beyond the borders of South Africa

1.8.2 *The SABC today*

The SABC (assisted by the Department of Communications) is able to draw up shareholder agreements, approve the business strategy of the corporation, approve restructuring plans (such as the disposal of assets or the significant retrenchment of employees), determine the value of the SABC's assets and make determinations on the dividends policy. This is in accordance with the goals of the national policy on the restructuring of state assets (RSA, 1995) which insists on accountability and the possible return of dividends to the public purse. According to the SABC's corporate plan (SABC, 2015) all profits derived from the organisation are reinvested into the company either for content or employee reward.

In her prolific writing on the South African broadcasting and media environment Teer-Tomaselli (2006) discusses the unique nature of the communication sector. She points out that it is expected to be both the site and the instrument of change. As such this sector is highly vulnerable to contested politico-economic tussles that affect the organisation's ownership and shareholding, its control and management both of the workforce and the products and services and the make-up of its content in terms of the local and international mix. The SABC is therefore prone to what Thompson and Rivoza (2005) call arbitrary and capricious changes to rules.

The SABC is fundamental as an instrument of transformation by its very nature as a communicator, educator, informer and entertainer (Teer-Tomaselli, 2006). It is an essential platform for debate and holds immense power in that it can frame the stories that shape the nation through the instillation of identity in the diversity of South Africa.

As an emerging nation, South Africa simultaneously embraces globalisation at phenomenal speed while supporting a highly influential rhetoric around cultural identity and ensuring that stories once suppressed are given a much-needed voice, something that the SABC feels acutely responsible for (Teer-Tomaselli, 2006). This rhetoric espouses concepts like national interest, nation-building, efforts to embrace diversity, national culture and values.

Today the SABC is guided by its corporate plan which is a document approved by parliament through the Minister of Communications and is made public to the nation. In this document and the majority of those listed in appendix G, the SABC speaks about its commitment to social cohesion. To define social cohesion, which is a normative value, there are five aspects to this term (Andrews, Guarneros-Meza & Downe, 2016). These are:

- Common values and civic culture
- Social order and social control
- Social solidarity and reductions in wealth disparities
- Social networks and social capital
- Place attachment and identity

Here it is clear to see that the SABC behaves very much as a public broadcaster and SOE. Research demonstrates that the work of national politicised organisations are critically involved in developing cohesive society (Andrews, Jilke & Van De Walle, 2014).

The SABC is organised into various portfolios and contains a variety of brands and business units as explained in figure 1.

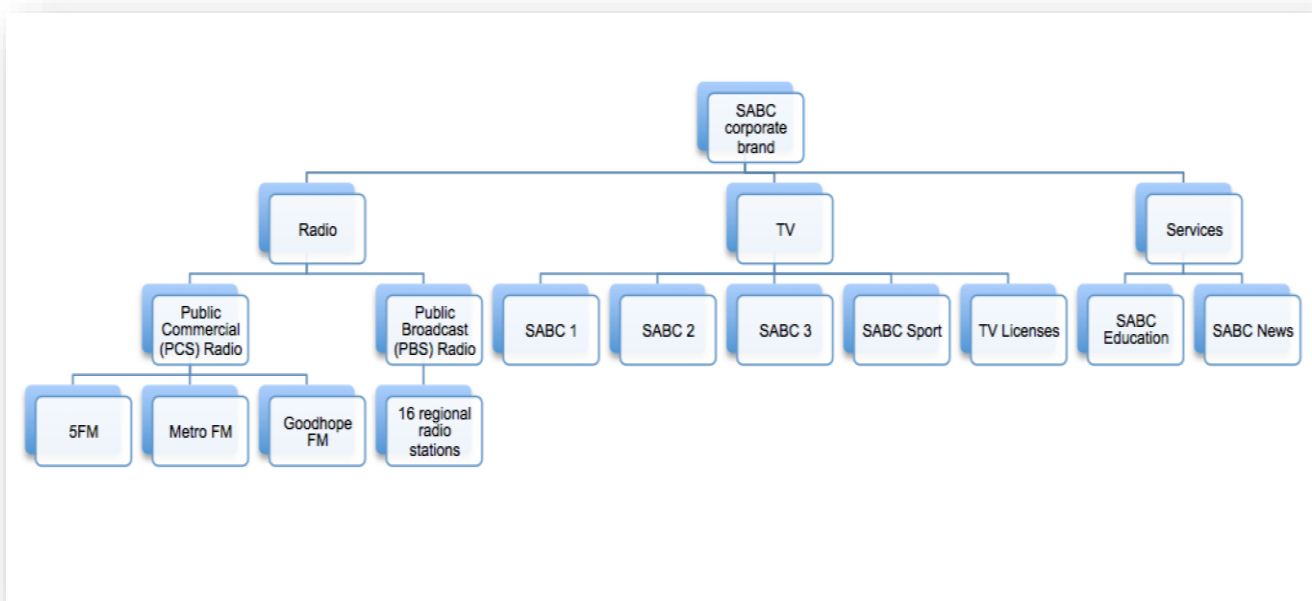


Figure 1: Corporate Brand Portfolio of the SABC contained in SABC strategy documents (Appendix G)

In 2016 the SABC regularly found itself a contentious topic in the public space and a headline grabber throughout South Africa's journalism industry. It's controversial Chief Operating Officer (demoted to Group Executive: Corporate Affairs in October 2016) has faced more than one court battle during 2016 related to claims that he was appointed illegally. The Public Protector declared him to have misrepresented his qualifications and abused his power (Saba, 2016). Naturally this has imposed a series of ongoing challenges on those who manage the SABC brand and its brand portfolio.

In addition the COO or GE made a number of far-reaching decisions during 2016 which had a profound effect on the perception and reputation of the SABC corporate brand. These have been widely documented in the press. Some of these decisions included:

- Enforcing a 90% local music strategy on all 19 stations of the SABC
- Enforcing a 80% local content strategy on all three TV stations of the SABC
- Increasing the value of music rights payments made by the SABC, via various collecting agencies, to South African music artists

- Directly and personally appointing new staff members and freelance personnel to on-air and off-air teams
- Disallowing content features on-air that talk about newspaper headlines

As such the SABC forms a valuable and multi-faceted site for this study and likely yields very useful results in terms of an SOE's corporate brand and portfolio management activities.

CHAPTER 2. LITERATURE REVIEW

2.1 Introduction

This literature review commences by introducing the topic and providing a background for the research and its context. The focus here is to articulate why this research is relevant by looking at the most recent published material that inform the topic.

The sections following deal with two distinct variables or concepts contained in the stated research problem namely; corporate branding and corporate brand building and brand portfolio management. The first concept of corporate branding is introduced and then investigated with a specific focus on the concept in brand settings outside of traditional service and product brands.

As this study is situated within the SOE context the literature hones in on three specific types of non-traditional brandscapes in order to bring together a broad base of literature in context. These types have been chosen because they exhibit two important characteristics shared by SOEs. Firstly they have a multitude of stakeholders including politically situated and motivated stakeholders with significant influence, and secondly because they do not produce products or services in the traditional corporate sense and yet they are mandated to meet commercial objectives akin to traditional corporate brands. These non-traditional organisation types are:

- Universities
- Monarchies
- Nations, destinations or places

The second concept of brand portfolio management is then introduced and looked at in reference to seminal models that offer structure of the brand portfolio and the relationship between brands in the portfolio for product and service brands. These models are used to extrapolate how brand portfolio management applies in a non-traditional brandscape such as that of an SOE.

The review then briefly explores the nature of the media brand environment in terms of the brand portfolio. It unpacks the challenges involved in managing a bouquet of rapidly

expanding brand extensions that have begun to perform in ways that they were either not intended to or that they were not expected to.

The review then takes a brief look at heritage brands, as there is a pertinent link between the concepts of corporate brand building and brand portfolio management, and that of the concept of heritage brands, particularly for non-traditional organisations and SOEs. SOE's often contain established brands that have been consumer-facing for many years and have a variety of vested interests from numerous stakeholders with a particular heritage quality.

Finally the literature review deals with the context of the study which is that of SOEs (also called government institutions or public companies in the literature depending on its genesis) and moves to review and interpret literature on public administration, public management and marketing as well as public policy from various cases and studies, both internationally and in South Africa, in order to derive the relevant research questions to focus this research.

2.2 Definition of topic and background discussion.

Brands are one of the most valuable intangible assets that a company can have (Keller & Lehmann, 2006). In light of the fact that all types of brands are integral to everyday existence (Sherry, 1995) and that corporate brands now form part of our everyday business framework and transactions (Balmer & Gray, 2003; Biraghi & Gambetti, 2015; Knox & Bickerton, 2003; Ugglä, 2006), brand types that do not fall neatly into product or service conditions set up by theorists have emerged.

A body of work has been building up among academics researching the antecedents, effects and normative terms of managing and implementing branding practice in organisations impacted by a multitude of stakeholders including political players. This research includes studies conducted in universities (Curtis, Abratt & Minor, 2009; Dholakia & Acciardo, 2014; Drori, Delmestri & Oberg, 2013; Hansen & Ferlie, 2016; Kittle, 2000; Melewar & Akeel, 2005; Williams, Osei & Omar, 2012), monarchies (Balmer, Greyser and Urde, 2006; Balmer, 2009; Balmer, 2011b; Balmer 2011c) and places or nations (Davies,

2009; Dinnie, 2002; Dinnie, 2007; Hankinson, 2010; Hankinson, 2007; Klijn, Eshuis & Braun, 2012; Martinez & Nicolás, 2014).

Wæraas, Bjørnå, and Moldenæs (2015) produced an article looking at three strategies for municipal branding. In this study they encourage a stronger focus on the branding of political institutions and point out that this form of branding is something we currently know very little about. At the same time Aula, Tienari, and Wæraas (2015) published an article on the players, interests and politics involved in the university branding game. They find that branding is characterised differently among players who all have varying levels of influence on brand development. They link the arena of higher education branding to organisational politics and demonstrate that extant research has overlooked this link.

Added to this are the findings from Gatenby et al. (2015) and Hogstrom et al. (2016) regarding the complex normative and structural web that constrains the capacity of managers and their ability to create public value for the end user within the public service environment. Van der Voet, Kuipers and Groenewald (2016) describe this as the pluralistic environment of SOEs which make the possibility of achieving unity of purpose and mutually supported objectives highly challenging. This then causes employees in SOEs to rely heavily on their report line managers to communicate, explain and provide meaning for decisions made at the top level.

The building of corporate brands requires managers to adopt techniques and practices of their private sector counterparts, defined by Gatenby et al. (2015) as the role of entrepreneurial leadership, in order to ensure they can keep pace in the contested market place within which they operate. This while managing complex people and constraint issues as argued here by virtue of their SOE status.

Further to this there is still a certain haziness within academic literature about the convoluted relationship between corporate and product or service levels of brand management (Balmer, Brexendorf & Kernstock, 2013). If organisations are to benefit fully from the building of a corporate brand, they need to clarify the structure of the brands within the organisation and create transparency about how those brands engage with each other and how they align to the corporate brand.

There is clearly a call for further investigation into the nature of the corporate brand and the brand portfolio management in institutions where there are a variety of different stakeholders outside of the commercially espoused and more linear notion of customer-orientated brands (Bick, 2009; Hankinson, 2010; Masume, 2011; Ricci, 2003; Shah, Rust, Parasuraman, Staelin & Day 2006).

2.3 Corporate brand building

The body of literature on corporate brands and corporate branding has evolved significantly in recent years (Powell, 2014). The concept of corporate brand management emerged in the mid-90's when Balmer (1995) and Aaker (1996) saw the need to evolve the idea of product and service brands to the perspective of a brand as an organisation. The purpose of companies acting as brands themselves, called the corporate brand, is to ensure a sustainable competitive advantage (Balmer & Gray, 2003; Knox & Bickerton, 2003; Masume, 2011; Muylle, Dawar & Rangarajan, 2012; Siso, Bick & Abratt, 2009). They are distinguishable from brands owned by products and are differentiated as having a multitude of stakeholders rather than a simple customer orientation.

Knox and Bickerton (2003) defined the corporate brand as “the visual, verbal and behavioural expression of an organisation's unique business model” (p. 1013). Aaker (2004) defined the corporate brand as that entity that is supported and delivered by an organisation with reference to its products and services that are made available for customer consumption. A simplified way of expressing the corporate brand then is that it is a brand that represents the organisation and includes its heritage, values, culture, people and strategy (Aaker, 2009).

While product brands are reliant on the perceptions that customers have of them, corporate brands are reliant on a plethora of stakeholder perceptions and these stakeholders vary widely in their representation of different target markets (Hatch & Schultz, 2003; Lowe, 2011). Balmer and Gray (2003) found that corporate brands are distinguishable from product brands both in terms of theory and management.

Balmer (2001) listed five characteristics of corporate brands in order to demonstrate their presence and relevance in management and theory. These are as follows:

- Cultural relevance – corporate brands have powerful roots in culture
- Intricacy – corporate brands are inherently intricate, multidisciplinary and are shared and communicated through numerous channels
- Tangibility – corporate brands contain a variety of qualities and issues ranging from architecture and imagery, such as logos, to distribution and business and geographical scope
- Ethereality – corporate brands elicit style and sense as well as association and emotional responses, most easily show through nationality or country-of-origin association
- Commitment – corporate brands elicit devotion from people and resources, with specific reference to the multitude of stakeholders and their networks

Encompassed in this are concepts such as being driven by quality, customers and innovation as well as by an increased awareness of the need to be socially conscious and to develop and implement social responsibility programs. In 2010 Balmer famously wrote:

Since the mid-1990's, the ascendancy of corporate brands has permanently altered our comprehension of the brandscape, challenged traditional approaches to marketing and has given rise to a new branch of marketing thought: corporate marketing (p.193).

If the process of branding is a series of dynamic and systematic endeavours to lodge a particular impression of a firm in the minds of a variety of its observers (Aaker & Joachimsthaler, 2012), then corporate branding is directing those endeavours inwards to the organisation in order to build an image in the minds and hearts of all the organisation's relevant stakeholders. As further defined by Siso, Bick and Abratt (2009), corporate branding is in fact a process of generating, developing and sustaining mutually beneficial relationships between an organisation and its internal and external stakeholders.

Aaker (2004) describes corporate brands as containing seven distinct components which can be leveraged to build and strengthen the corporate brand's capacity and pervasiveness. These are:

- Heritage – what made the organisation special or successful at its origin

- Assets and capabilities – that which the organisation can promise and deliver to the market by means of innovation and value
- People – those who work within an organisation upon whom the corporate brand's image is built
- Values and priorities – the essence of the organisation in terms of what it deems to be important such as quality, innovation and customer concern
- Orientation – whether global or local this component affects customer relationships with the brand
- Citizenship – the people and values behind the organisation that engender positive attitude and loyalty among stakeholders
- Performance and size – the ease with which the organisation gains talkability, exposure, positive word-of-mouth and breeds positive attitudes and confidence among stakeholders

Adding all these components together Aaker (2004) points out that the corporate brand acts as a vehicle to deliver the company's unique value proposition to its stakeholders.

It is clear then that corporate brands exist and that they differ from product or service brands (Urde, 2013). Looking at both Balmer (2001) and Aaker (2004) there are components of corporate brands that are worth building for a number of positive reasons. It then follows that building corporate brands is a work pursued by numerous companies as a means of managing multiple stakeholders and driving efficiency across brands in the company's portfolio. Balmer and Gray (2003) describe corporate brands as key components of the company strategy that attract management attention. This is because corporate brands can extend latent value from their capacity which can be applied to new markets, they can offer an edge in terms of seeking investors and they can be represented in the company balance sheet as a worthy asset (Balmer & Gray, 2003; Urde, 2013). Corporate branding then is a functional lens through which organisations can be comprehended by myriad stakeholder groups.

The purpose of corporate brand building then is to deliver value, differentiated from company competitors, to the full complement of stakeholders (Muyllé, Dawar & Rangarajan, 2012; So, Parsons & Yap, 2013). As such the corporate brand is considered a company asset that is both differentiated and mobile (Biraghi & Gambetti, 2015). The

corporate brand is proven to impact its organisation positively, even in tough economic times (Biraghi & Gambetti, 2015). It is therefore strategically important for any organisation to “find a way to participate in a healthy value market in order to remain economically viable” (Aaker, 2009, p. 15).

To best leverage this asset all stakeholders in the organisation need to have a consistent understanding and perception of the corporate brand (Balmer, 2010; Harris & De Chernatony, 2001). This is where a key problem reveals itself. There is a lack of clarity and consistency in what corporate brand building is both theoretically and in terms of practice at a management level (Cornelissen, Christensen & Kinuthia, 2012).

As many authors point out, large-scale corporate brands have “literally millions of stakeholders” (Balmer et al., 2013, p. 719). A stakeholder is defined as any person or organisation with a legitimate interest in a project (Wiewiora et al., 2016). Wiewiora et al. (2016) go on to argue that large groups of stakeholders, representing differing and myriad interests and influence, are “far more unpredictable and difficult to manage” (p. 489) than the organisation’s work itself. So being able to successfully identify each stakeholder level and its relevant capabilities becomes critical to success and essential therefore to successful corporate brand building as the corporate brand must speak to all these stakeholder groups.

This begs the question of how these stakeholders are to be prioritised and managed. When an organisation is state-owned, this simply adds another layer of stakeholders with a variety of needs and views. The nature of organisations today is such that they may have large portfolios of product or service brands and that the life spans of these products are likely shorter than the life span of the business itself (Hatch & Schultz, 2009).

In order to classify and prioritise stakeholders Wiewiora et al. (2016) developed a matrix to attempt to sort and define these stakeholders. These are demonstrated in figure 2 to elucidate on the variety and number of stakeholders affecting corporate brand building.

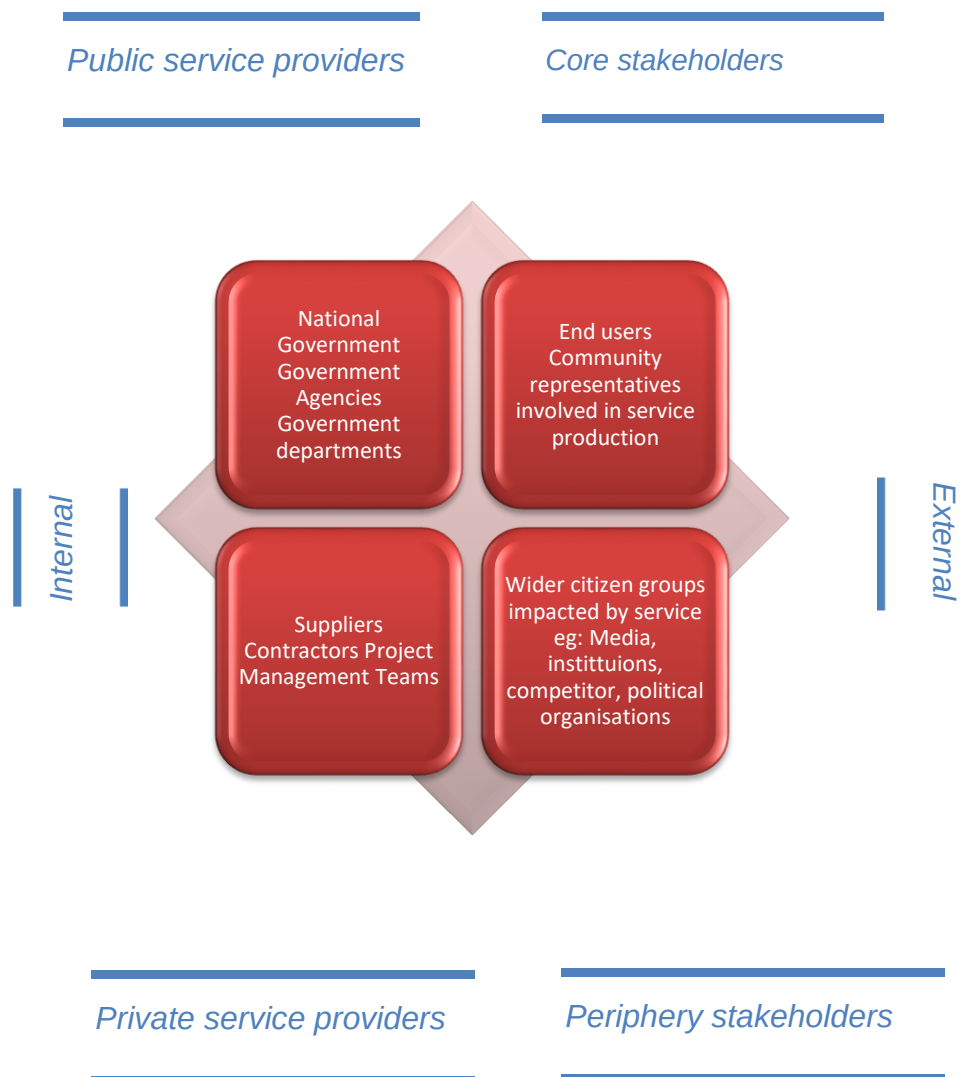


Figure 2: Stakeholders in public infrastructure delivery (Wiewiora, Keast & Brown, 2016)

Due to the variety and number of stakeholder groups Wiewiora et al. (2016) accept that decision-making in such organisations is asymmetric. In Australia specifically these authors found that decision-makers are increasingly protected from engaging with citizens and this results in restrictions on their ability to listen and respond to the demands of the public. Internal stakeholders have a greater influence despite the fact that external stakeholders are generally more directly affected by the organisation's outputs.

Positioning this stakeholder theory within the corporate brand building context, there are a variety of stakeholders all of whom require the corporation to communicate with them in order to deliver on the objectives (Donaldson & Preston, 1995). Respondents in Wiewiora

et al.'s study (2016) agreed that there was a deep-seated need for strong connection between government and citizens and that their jobs were to facilitate and account for the voices of those citizens in decision-making within their organisations. Hogstrom et al. (2016) agree that private competitors are likely to be more successful at satisfying user needs to a larger degree when compare with public counterparts simply because of the regulation and requirement to comply with many standards and the paradox that public managers face in balancing societal, organisational and individual stakeholder requirements.

If stakeholders have the view that the state is an unpredictable shareholder that does not regard delivering value to the public and other stakeholders as a priority then it will have a negative impact on the SOE in many spheres (Lide, 2015). Also noteworthy is that if the organisation only informs the community about outcomes as opposed to engaging them in the process of decision-making and co-production of products and services there will be negative consequences in terms of the disapproval and dissatisfaction of citizens (Wiewiora et al., 2016). The job of the corporate brand is therefore not only to espouse the organisation's positive results but to facilitate inclusion of citizens in the establishment and delivery process of those products and services.

Wiewiora et al (2016) further argue for the proactive management of stakeholders saying that,

Meeting community needs and expectations is not always about providing the community with what they want; rather it is about providing leadership that realistically assesses resources and educated the community about the best options. Leadership should focus on achieving the overall public interest (p. 499).

As a result, the establishment of a corporate brand to facilitate this communication to all stakeholders in figure 2 is an essential tenet of robust and consistent corporate brand building. It therefore benefits the business to invest in corporate brand building as an exercise and approach to management.

The benefits of building and nurturing a corporate brand are seen to be numerous and distinct (Balmer, 1995). These include:

- Underpinning world class marketing organisations
- Creating consistency in consumer demand
- Adding value to products and services
- Positively contributing to the bottom-line
- Offering protection from competitors
- Attracting quality employees
- Representative of financial worth on the balance sheet

According to Balmer (2001), corporate branding is influenced by values, promises and behaviours but characterised by cultural roots, intricacy, tangibility, ethereality and commitment. In order to determine IF an organisation has a corporate brand it must meet the characteristic requirements. In order to understand what influences the corporate brand the values, promises and behaviours of that corporate brand must be outlined. The process of corporate brand building can then begin. This process involves relational and social processes that comprise multi-faceted communication and sense-making between the organisation and its stakeholders (Cornelissen, Christensen & Kinuthia, 2012).

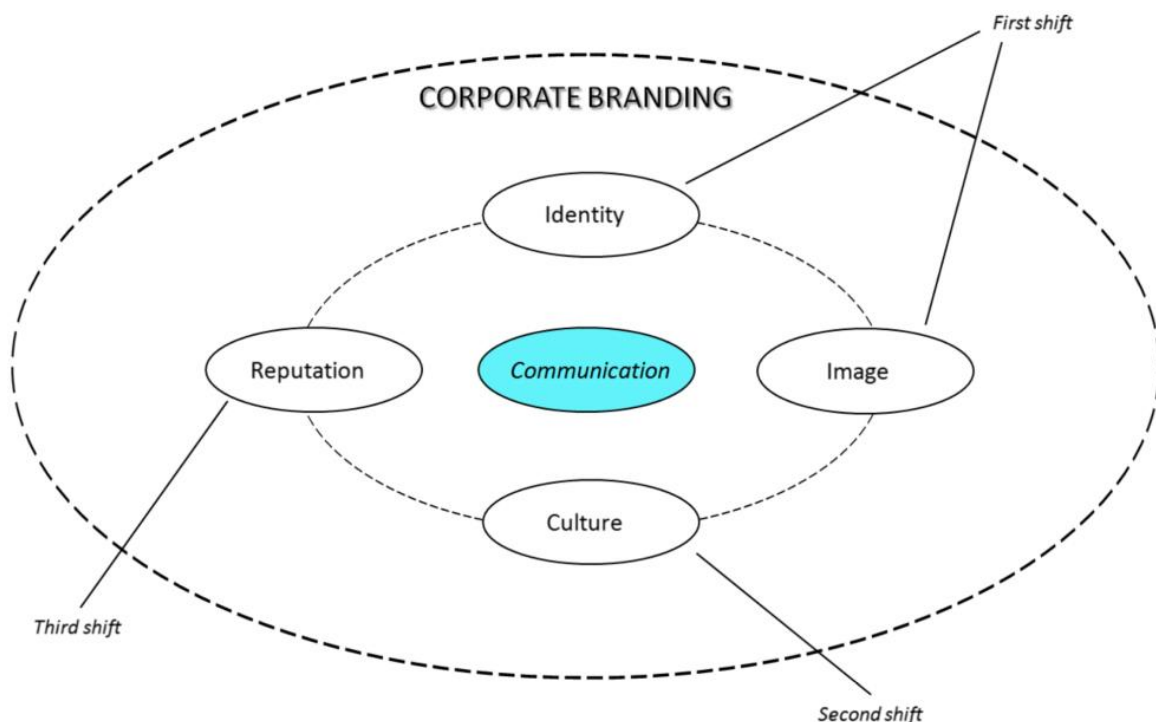


Figure 3: Conceptual framework at the foundation of corporate branding literature (Biraghi & Gambetti, 2015).

To tie up the chronology of literature regarding the definition of corporate brands and the process of corporate brand building, Biraghi and Gambetti (2015) derived the model represented in figure 3 displaying the key assets of the corporate brand and the three phases of shift through which the literature has progressed since its inception in the early nineties.

To conclude corporate brand building and the value and attraction of having a strong corporate brand has been a case in point both in terms of theory and practice for many years. As this theory evolves the components of successful corporate brands are re-analysed and imitated by companies in different ways to address their particular product or service portfolios. There are however organisations that do not offer products or services specifically but who need their corporate brands to play an even more complex role because of their hybrid product-service natures or their less tangible brand portfolios (Van der Torre, Fenger & van Twist, 2012). These are non-traditional brandscapes such as SOEs.

2.4 Corporate brand building in non-traditional brandscapes

This study looks at the nature of brand building and brand portfolio management in a state-owned enterprise consisting of both product and service brands. This introduces a number of new challenges and considerations to the already complex concept of corporate brand building and portfolio management. As Hankinson (2010) articulates, this is an area requiring considerable adaptation in that it necessitates coordination between stakeholders rather than the kind of line management that is practiced in traditional organisations. Questions arise around whether an entity owned by the state and utilising public money to some extent should in fact invest in corporate brand building.

It is argued that strategic management practices, such as that of corporate brand building, is increasingly important in order to shape the performance of SOEs (Hansen & Ferlie, 2016). While it is contested that an SOE can adopt a full range of new management policy tenets, there is consensus among public management authors that adoption of more 'business-like' and 'market-oriented' approaches is necessary in order to remain competitive (Chan-Olmsted, 2011; Diefenbach, 2009; Dixon & Dogan, 2005; Lowe, 2011; Thompson & Rizova, 2015).

Lide (2015) explains that though the motivations of SOEs may be different to their private sector counterparts, their shareholders expect accountability and they operate in the same marketplace. This means that establishing a strong corporate brand and managing it will assist in setting the SOE apart from its very real marketplace competitors.

Further to this the mix of brands within the portfolio and how they relate to the corporate brand require further examination. To this end a review of three different types of corporate brand building in non-traditional brandscapes is considered as a solid literature base for the study.

2.4.1 *University branding*

There is no doubt among academics that universities behave more and more as corporate brands. Branding as the differentiation and communication of competitive advantage is a key consideration in the university space across the world (Dholakia & Acciardo, 2014).

Indeed according to Drori et al. (2013) the 21st century has seen branding of universities become a ritualised practice due to immersion of not-for-profit organisations in the global culture of marketing. As Drori et al. (2013) plainly points out:

All universities teach advanced studies, all members of a university faculty are distinguished scholars and all universities offer similar academic degrees in a similar range of academic disciplines (p. 142).

Universities have therefore increasingly had to implement market principles (marketization) due to projected shrinking of the university-going population and, more globally, decline of state funding, and are under pressure to be externally accountable (Aula et al., 2015; Dholakia & Acciardo, 2014; Hansen & Ferlie, 2016). This has meant that branding has become a kind of lifeline to universities across the world, as the need to differentiate and compete has risen.

The practice of university branding sees a tussle about other commercial challenges that demonstrate how universities behave as corporate brands, such as pricing. Universities must increasingly decide whether they move into a cost leadership position as a strategy to compete in the marketplace or whether they should establish their corporate brands on

the grounds of quality and pursue premium fees for that reputation (Hansen & Ferlie, 2016).

Universities also behave as corporate brands in that they embody an evolving sense of identity and represent a specific and measurable community (Drori et al., 2013). Instead of a university being an organisation that trades in the commodity of higher education, the buildings, logos, emblems and portfolio of products and services that a university provides, makes it a complex, politicised, professionalised and increasingly international organisation with a multitude of traditional and non-traditional corporate brand building and brand portfolio management challenges.

As a result universities have implemented corporate branding practice to distinguish themselves from their competitors and to have a platform and communication mix from which to declare their reputation. Drori et al. again points out that “competition is the driver for branding; branding is a technique of market differentiation” (2013, p. 143).

Jevons (2006) describes higher education as having multiple stakeholders with unique motivations and allegiances that inevitably makes corporate branding and the management of a brand portfolio a very difficult activity both to initiate and to maintain.

By using Donaldson and Preston’s stakeholder theory of the corporation which defines stakeholders as “persons or groups with legitimate interests in procedural and or substantive aspects of corporate activity whether the corporation has any corresponding functional interest in them or not” (1995, p. 67), it’s possible to unpack the number and type of stakeholders that a university must manage and prioritise as follows:

- Funders (alumni, donors, governments, corporations and independent organisations)
- Academics (due to the competitive nature for renowned academics who produce research as a currency of the university and who attract students)
- Students (considered consumers of the university and as such need to be attracted and retained in the way a product or service-based organisation would do)
- Employees (non-academic employees who may be considered internal stakeholders and who are important players in “consolidating organizational identity and allowing for constituent buy-in” (Drori et al., 2013, p. 143).)

- Independent bodies (higher education quality assurance boards, examination boards, international ranking firms)

At the same time universities have a uniquely ideological requirement from corporate branding. Brooks (2003) points to a discomfort among academic institutions when it comes to the practice of branding and marketing which necessitates a different kind of application somewhere between commercial and social marketing (Peattie & Peattie, 2003). In Drori et al. (2013) Täljedal, former Vice Chancellor of Umeå University and Lord Mayor of the same city in Sweden comments as follows:

Undoubtedly there is a tendency among some to view the university as a kind of company under allegedly rational business-like management, rather than as a guild of truth-seeking seniors and juniors who essentially govern themselves, collegiately, with the ultimate purpose of increasing knowledge for knowledge's sake. As the typical academic sees it, and that includes myself, universities must honour truth as their supreme value. Literally nothing, not even undeniable utilitarian achievements, can justify the slightest compromise with honest truth-seeking in research and education (p.149).

Täljedal (in Drori et al., 2013) goes on to say that universities should have ambitions to satisfy all their stakeholders through branding activities that range from adapting course programs for the benefit of the student market to contributing to local and regional development. These are on opposing ends of the spectrum where one goal is purely commercial while the other is purely normative and speaks to the aspect of corporate branding which is social responsibility.

There is a school that feels that normative values linked to corporate social responsibility and commercial mandates narrowed to profit and brand equity are irreconcilable (Friedman, 2007). However in the case of universities certainly, these seemingly opposing requirements from the variety of stakeholders are expected objectives and pragmatic influences of the building of the university corporate brand and the management of the brand portfolio. As Thompson and Rizova (2015) argue, “a good normative theory is merely a good positive theory run backwards” (p. 566).

In light of this it isn't surprising that, as Chapleo (2010) says, there is a worrisome lack of understanding as to the aims of university branding and the objectives of the corporate marketers of universities.

Though universities in South Africa are not listed SOEs, they are fundamentally reliant on government for the bulk of their funding. In 2015 university operating subsidies rolled up to R72.4 Billion and a further R3.2 Billion was allocated for new universities to increase accessibility to South Africans (Nene, 2015). This while the Fees Must Fall movement took root and saw the destruction of university property as well as the displacement of the academic program due to students demanding free education from the state. Many analysts believe this movement is what caused a noticeable shift in support for an opposition political party during the 2016 municipal elections in South Africa. Without the state, universities would not be able to be self-sustaining enterprises. That means that the state is a key stakeholder.

Analysing this literature it is clear that there is a tension in identifying all the stakeholders of a university, understanding the influences of that university's corporate brand and how to prioritise both the stakeholders and the objectives of the university, which are quite clearly numerous and sometimes conflicting in nature. In this way the university shares many of the corporate brand building and portfolio management challenges that SOEs do.

2.4.2 *Monarchy branding*

Seeing a monarchy through the lens of the corporate brand has produced valuable literature regarding the nature of corporate brands and the necessary and sufficient conditions for those brands. In their earliest work on this, Balmer et al. (2006) concluded that the monarchy is an institution very much like a corporate brand steeped in heritage.

Though monarchies are not corporations or even organisations as such, they are brand-like institutions (Balmer et al., 2006). The following 'brand-like qualities' are pointed out with reference to monarchies:

- Ability and willingness to adapt to change
- Financial value in terms of benefits (to the country and tourism)
- Adds value to key constituencies (including foreign investors)

- Amenability to being managed
- Creates a consistent image that garners support from a community
- Symbolises stability
- Generates revenue from endorsed products
- Represented by numerous members and managed by even more members

Through this lens, Balmer et al. (2006) proposed a management framework by which monarchies could be managed as corporate brands and could generate the full benefit of behaving like a corporate brand by implementing a corporate brand strategy.

In a later work Balmer (2008) draws a distinction between organisations that are functional in their establishment and purpose as opposed to those that are normative and have an emotional or symbolic role to play. He proves that monarchies are organisations that have a hybrid identity (Van der Torre, Fenger & van Twist, 2012) in that they provide both. This speaks to the normative and commercial requirements of SOEs in the building of their corporate brands and the management of their brand portfolios. Analogously to monarchies, SOEs need to manage their identity and image proactively or they will experience external definition, probably by media and critics (Balmer et al., 2006). This necessitates the building of a strong corporate brand.

Having shown the analogies and similarities between the monarchy as a brand and traditional corporate brands, Balmer et al. (2006) points out a very distinct difference between them. He says that while companies build their corporate brands to leverage them for financial improvement and shareholder value, a monarchy does so to “enhance the country’s social balance sheet and core values” (p. 160). This is echoed in terms of SOEs by Diefenbach (2009) who explains that the increased market-orientation of SOEs is demonstrative of an ethical shift in governance from the founding principle of public welfare to the commercial concept of value-for-money. He drives this point home further by arguing that the adoption of commercial strategies wholly by SOEs would go against the idea that the services provided by SOEs are universal entitlements that are warranted regardless of the intensity of the need, the height of the cost or the ability of the end user to pay for them.

Later Balmer writes that though the Crown has both a symbolic and constitutional role, it's branding is designed to relate to the public and the polity of the UK rather than as a ruling power anymore and it's main priority is, like any other brand, to win the respect of its people (2009). The sovereign now reigns instead of rules. This means that it is more accountable than ever to its consumers as its protection as an organisation is reliant on the collective stakeholders rather than an historical or legal right to exist.

It is possible to see SOEs in a similar way to monarchies in this sense. Organisations that are owned by the state are set up for both symbolic reasons and to provide functional services and products to the nation. Symbolically they fulfil various functions for the community that may otherwise not exist, if left solely to commercial enterprise and free-market regulation. Further to this SOEs are very accountable to their brand community in that taxpayers fund them. Though their stakeholders, through issuance of their budgets and enforcement of legalities and policies, reside with governments, their performance, or lack thereof, is measured and critiqued by those they serve, namely the greater public.

To observe Balmer's (2009) checklist of how a monarchy behaves as a corporate brand, table 1 compares these observations with those of an SOE.

Table 1: Corporate branding criteria of the British Monarchy (Balmer, 2009) compared with those of state-owned enterprises in South Africa

	Monarchies	SOEs
Brands have distinctive visual and verbal signifiers	• Crown as symbol • Use of the word royal	• Government crest • Ministerial endorsements
Brands are associated with key values	Representative of hierarchy, tradition and ceremony	Representative of nation-building, upliftment and correcting past injustice

Brands may rent their prestige through endorsements	• Royal warrant • Royal prefix • National endorsement eg: New Zealand and Canada	• Provide event endorsement • Provide visual and verbal endorsements through representatives of national, provincial and municipal government
Brands are supported by brand communities	• Monarch and head of Commonwealth • Media consumption of news on the Royal Family across the world	• Accountability to the public through public funding • Media presence is ongoing • Interest in public events such as sports bids, budget speech and state of the nation address
Brands can be iconic and heritage based	Monarchy represents familiarity and meaningfulness in a changing world	Government forms the central organisation in any country for establishing regulation, protecting the rights of all citizens and setting the precedence for all activity taking place in the country.

Like universities then, monarchies have a variety of different stakeholders to whom they are accountable and behave like corporate brands with a portfolio of brands to which priorities must be assigned.

2.4.3 *Nation and place branding*

Place branding is considered the most common example of corporate branding in the public sector (Hankinson, 2010; Klijn et al., 2013). The concept of place branding has become so relevant as to develop its own dedicated journal, the *Journal of Place Branding*, established in 2004. This action was born out of strong arguments that developments in the theory of corporate branding are particularly relevant to place branding (Hankinson, 2010). Like corporate brands, place brands act as umbrella brands for a number of smaller product and service brands and like all organisations, managers involved in promotion of destinations and places have identified that creating a unique identity is a way of standing out from the competition (Hankinson, 2010).

What makes place branding so relevant for SOEs is that it involves both public and private parties ranging from tourist boards and hotels to chambers of commerce and municipalities. In the classical sense, branding of places is about communicating carefully selected physical, utilitarian and emotional attributes that translate into meaning for the target audience. It also demands a wide net of communication and a diverse mix of media to do this and is fraught with political conflict (Hankinson, 2010; Knox & Bickerton, 2003).

Pasawan et al. (2003) conducted a study on place branding within a university context due to the intangibility of education as a service. This brought together both nation and university branding in order to derive the intensity of loyalty among students to their country versus a traditional service brand. They found that the brand must project attributes and symbols of place that are familiar to the target market because this increases confidence in the university as a destination.

Similarly, though in a very different context, Martinez and Nicolás (2014) conducted a study of institutional advertising in Spain where the Spanish government sought to promote Andalucía as a destination for tourism both internationally and for local Spanish tourists. The primary objective of the government in this regard was to strengthen the image of the

destination they advertised but Martinez and Nicolás (2014) noted that there is an economic benefit here as well. Though the government is held to stringent legal criteria to control spending and to uphold principles of transparency and equality, the investment in advertising Andalucía as a destination was intended to secure both tourism profit and investment into business in the area. They conclude that it is necessary to create a singular brand image of a destination so as to narrow the understanding of the target market to a singular intangible value of the brand.

Place branding occurs in a multi-stakeholder context where there is a fair amount of involvement in the brand building process. These stakeholders are involved in co-branding and endorsing and many have the power to prevent the entire process regardless of where it is in its progression (Klijn et al., 2013). The quality of stakeholder relationships is at the heart then of successful place branding (Hankinson, 2010).

Place brand managers have less control over the image they are able to create due to the stakeholders that they need to assimilate into the process. Whereas in the private sector brands are constructed and marketing activities are undertaken, in place branding the brand manager must add a governance process and a normative objective to this. Diefenbach (2009) describes these normative values as “commitment to impartiality, social equality, integrity, equity and communitarian values, a care for the qualitative dimensions and the uniqueness of each individual and individual case, the socio-philosophical ideas of citizenship, representation, neutrality, welfare and social justice” (p. 895). With many stakeholders espousing different perceptions and therefore viewpoints about the ideal brand for a place, coupled with these normative objectives and philosophies, solutions to building the brand confers a multitude of challenges.

In their quantitative study conducted in The Netherlands in 2013 Klijn et al. found that increased stakeholder involvement in the development of a brand concept and the process of brand building lead to a clearer brand outcome as well as greater clarity of and ability to attract the desired target market. It can therefore be acknowledged that while the numerous stakeholders of an SOE can challenge corporate brand managers in terms of resolving their priorities and the very role of a corporate brand in their environment, the outcome of building a strong SOE brand and good management of its brand portfolio is very beneficial to all stakeholders.

Place branding also shares the challenge of funding with many SOEs. While there is government funding for places, this is limited and requires 'top-up' from the private sector who then in turn fall into the category of stakeholders that need to be managed and appeased (Hankinson, 2010).

In all three types of non-traditional corporate branding and portfolio management environments outlined in this literature review, there are different decision-making factors that influence the priorities and purposes of their corporate brands. This literature then resolves to answer the following research question.

2.4.4 Research Question 1

RQ1 - What are the decision-making factors and organisational objectives in corporate brand building of a state-owned organisation?

2.5 Brand portfolio management and the corporate brand

According to Laforet (2015), a brand portfolio is quite simply a set of different brands owned by an organisation, that sometimes compete with each other. The brand portfolio includes all those brands managed by an organisation including the corporate brand (Aaker, 2009).

The purpose of having a large portfolio of brands is to "better meet the demands of segmented markets" (Kapferer, 2012, p.347). The structure of the brand portfolio is an important decision for organisations as it impacts a stakeholder's perception of the company and its brands (Keller & Lehmann, 2006; Laforet, 2015). At the same time flexibility and dynamism is needed in the ongoing management of the brand portfolio (Aaker, 2009).

It must also be acknowledged that brand theory has been widely adopted by firms and has produced significant clutter in the marketplace causing consumers to be overwhelmed by brand messaging and communication. As Laforet (2015) states in her studies regarding the highly contested FMCG market, only those brands with a clearly defined positioning and a strong platform base will successfully attract the attention of their target market.

The concept of managing the brand portfolio involves critical decision-making that will generate a cohesive and energised brand portfolio (Aaker, 2009). This is especially critical in contexts with multiple stakeholders and competitors. The risks of not having a cohesive brand portfolio strategy range from customer confusion externally to inefficiencies and unmotivated employees internally (Aaker, 2009). Decisions in implementing a cohesive brand portfolio strategy include:

- Adding, deleting and prioritising brands
- Extending brands to other categories and how extensions are named
- Extending brands to other value spaces
- Using the corporate brand on the offering
- Developing brand alliance
- Defining or associating with new categories
- Adding associations, features, services etc

As Aaker (2009) explains,

The brand portfolio should operate as a team of brands that work together with assigned roles to enable and support the business objectives...the strategy should not have an internal perspective that aims to reflect an organisational chart. While the internal organisational structure may change frequently as the firm adapts to its changing environment, the customer-facing brand architecture should be more stable. Customers will not be motivated to learn new organisational labels (p. 14).

It has been argued that the corporate brand acts as a driver of the corporate brand portfolio and plays the role of providing both clarity and synergy for the company's varied brands (Aaker, 2004). Unlike product brands, corporate brands offer consumers the opportunity and indeed inspire the likelihood of associating certain attributes, benefits, relationships and values with a company and its brand portfolio (Keller & Lehmann, 2006). Even large organisations with a multitude of strong product brands that are directly consumer facing, have increasingly leveraged their corporate brand to build their company visibility and reputation among consumers (Kapferer, 2012; Laforet, 2015).

If a brand portfolio is defined on its most basic level as a set of brands (Laforet, 2014), then it follows that organisations with large and diverse brand portfolios are prone to

problems of attentiveness and coordination which in turn exposes the individual brands in the portfolio to cannibalisation and resource constraints (Kapferer, 2012; Laforet, 2014). Organisations must ensure a coherent and consistent structure and resist the streamlining of the portfolio as a means of reducing costs as this impacts on stakeholders' image of the organisation (Laforet, 2015). As soon as reassessment of the portfolio begins, it is because there is a question of what target segments should be retained or developed (Kapferer, 2012). It follows then that the brand portfolio indicates the company's attempt to better meet the demands of the market. The way in which the brand portfolio is organised then reflects the organisation's chosen market segmentation (Aaker, 2009; Kapferer, 2012) and is based on objectives such as reinforcing competitiveness and communication efficiency (Srivastava & Thomas, 2015).

Brand portfolios are able to improve loyalty to organisations with multiple products and services and they are proven to serve both customers and the bottom-line better (Keller & Lehmann, 2006). While a large portfolio of brands only makes sense if over time each brand constituting the portfolio has its own territory (Kapferer, 2012), it is essential to leverage the centricity and umbrella-nature of the corporate brand to surmount challenges and enhance the performance of the brand portfolio.

In an organisation with a large brand portfolio it is challenging to discern the extent to which individual brands need to adopt and reflect the core values of the corporate brand. The interpretation of the corporate brand by consumer facing brands in the portfolio can also vary extensively unless a clear and considered corporate brand building strategy is established and communicated to all stakeholders (Shah, 2015; Shahri, 2011).

In order to conduct corporate brand building, an organisation must draw up and implement a corporate brand strategy, which comprises two intertwined and mutually reliant parts. Firstly a brand portfolio, which determines the scope of each brand and how it relates to the other brands in the organisation (Chailan, 2009). Secondly a brand architecture, which supplies an outline as to how much emphasis and where the emphasis on each brand in the portfolio must go (Aaker & Joachimsthaler, 2000; Uggla, 2006). At base this means that the corporate brand is responsible for deciding what each of its product and service brands will be called, where it will reside, how it will relate to other brands around it and what degree of attachment it will have, in operation and in naming, to the corporate brand.

The selection of the brand architecture is not necessary an exercise driven by formality and certainly not by mathematical modelling. Srivastava and Thomas (2015) state that in reality brand architecture expresses a company's strategy and must therefore be unique to each organisation.

To understand this in more detail this review looks at two different brand portfolio, typology and architecture models and gives examples of well-known brands that are organised and managed in this way.

In 1995 Balmer offered a typology of corporate to product brand relationships in arguably the first academic piece dedicated to corporate brands. These are represented in table 2.

Table 2: Corporate/Product Brand Relationship Typology (Balmer, 1995)

Type	Description	Examples
Brand Dominance	The product or service brand is in no way related to the corporate brand.	• Ola ice-cream • Flora margarine • Pantene hair care products
Equal Dominance	The product or service brands are linked to the corporate brand in some way.	• BBC Radio 1 • Courtyard by Marriot • SABC News
Corporate Dominance	The product or service brands are named for their parent company.	• BMW • Virgin • Nike

This typology has evolved through additional models by various authors. In 2002 Aaker and Joachimsthaler proposed the brand relationship spectrum as presented in figure 4. This in response to the growing challenge for managers in a digital era which has caused

market fragmentation, media channel blurring and intensified competition for consumer attention and market share (Aaker & Joachimsthaler, 2002).

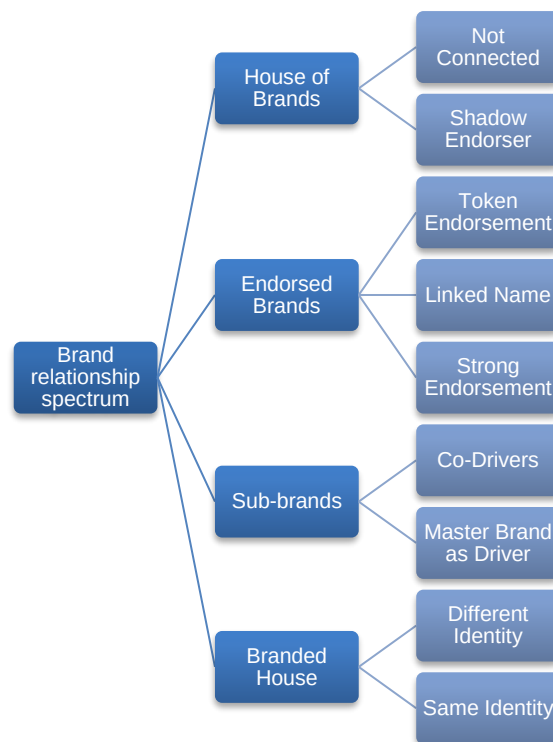


Figure 4: The Brand Relationship Spectrum (Aaker & Joachimsthaler, 2002)

When viewed in this light it becomes clear how the corporate brand affects the brand portfolio. The corporate brand can take a dominant role in the brand's presentation to market (such as that of the corporate dominant or branded house models above) or it can take a backseat role in the product or service brand's presentation to market (such as that of the brand dominant or house of brands models above).

There are risks and benefits involved in all these types of structure. A branded house provides an umbrella that can shelter its business operations but it puts a lot of eggs in one basket (Aaker & Joachimsthaler, 2002). It can limit an organisation's ability to target specific groups which means there are compromises but at the same time it allows each brand in the portfolio to have clarity, synergy and leverage. Aaker and Joachimsthaler (2002) suggest that the structure of a branded house should be the default option for organisations however when taking heritage and history into account, it makes sense for some organisations, such as SOEs that cover a very large territory and aim for a very broad target market, to opt for a house of brands structure.

A house of brands structure has numerous benefits including an ability to distance the brand from its corporate association. This is beneficial sometimes, particularly in the SOE environment where the numerous stakeholders involved in the derivation of the corporate brand can sometimes create a negative perception of the brand (Osborne, Radnor, Vidal & Kinder, 2014). Lide (2015) goes as far as to say that “state ownership can destroy value if best practices in management are not applied” (p. 23). In this structure, each constituent brand in the portfolio can be clearly positioned in terms of its functional benefits and can therefore dominate niche segments (Aaker & Joachimsthaler, 2002).

Building on the understanding of brand portfolio structure articulated in these two models, it must be understood that a house of brands and a branded house are clearly polar opposite points on a spectrum but there is, according to Srivastava and Thomas (2015), a third, somewhat overlooked, typology of brand portfolio architecture, that of the source brand. This style of corporate brand is able to project its organisation’s benefits and values onto the brands in its portfolio. The authors are clear to distinguish the source brand from the endorsed brand where the clear hero is the product while the corporate brand simply stamps its credibility and acts as a trusted mark (Srivastava & Thomas, 2015). The source brand doesn’t simply ‘sign below’ its products. Such product examples include Apple, specifically the tell-tale ‘i’ that prefaces many of its products such as iPhone and iPad and L’Oréal.

When looking at the ways in which a portfolio can be structured, particularly when it comes to non-traditional corporate brands like universities, monarchies, places or destinations and, the case of this study, SOEs, there is a rigorous process that needs to be followed in order to ensure that all portfolio brands are carefully aligned and that their engagement with each other is transparent and manageable. While SOEs with a diverse portfolio of consumer-facing brands might wish to follow a house of brands strategy, the multiplicity of stakeholders as well as the normative goals of the organisation, require the corporate brand to be dominant and to strongly inform the brand portfolio of the organisation’s objectives and stakeholder priorities. If brands in the portfolio are treated as silos and owned by appointed managers or units of managers, there will likely be a misallocation of resources and a failure to generate and exploit synergy (Aaker, 2009). Consequentially the brand portfolio in its entirety will not be able to operate optimally.

In fact, SOEs are expected to be even more transparent and accountable in terms of their communication due to the fact that the public is the ultimate owner (Lide, 2015). Thompson and Rizova (2015) define SOEs entirely in terms of their ability to generate public value as the central activity of the organisation. A brand portfolio must speak, in all events, to the needs of the citizen so as to ensure public value and to derive ways in which to improve service quality and enhance citizen morale (Wiewiora et al., 2016). This causes a proverbial muddying of the water when it comes to how the brand portfolio of SOEs are structured and managed.

2.5.1 *Brand portfolio management of media brands*

Media companies are faced with an increased number of brands in their portfolios which tend to take on a life of their own (Ots, 2008). It is clear that media firms have the opportunity, like any traditional corporate brand, to build equity and they have a unique opportunity to expand and extend that equity (McDowell, 2006; Wolff, 2006). This is because of the fact that they own and manage the very tools with which millions of consumers engage with on a daily basis. The distribution devices they own are both the product and the service. This allows for media brands to cross-promote their different products and services, connecting audiences by using their brand portfolios (Norbäck, 2005).

Constructing and managing the portfolio of brands becomes complex due to the very number and live nature of various brands. Each TV or radio channel has numerous shows which in themselves behave as brands and have merchandise and other kinds of brand extensions (Wolff, 2006). In addition, the pressure to maximise revenues in an increasingly digital environment make the extension of brands into other products and services an attractive proposition for large traditional media organisations (Lowe, 2011; Ots, 2008). This makes careful brand management of a diverse portfolio a priority for media organisations.

Due to these challenges, media companies have established or at least have had the appetite to explore how their brands can act as bridges to relate products to each other and to provide mutually beneficial brand partnerships between the brands in their own portfolios (Chan-Olmsted, 2011; McDowell, 2006). This collaboration approach is

challenging to manage and is frequently promoted in strategies but often it is reported to lack effectiveness in delivery (Andrews, Guarenerso-Meza & Downe, 2016). This idea of cross promotional activity and collaboration between media brands in the portfolio is referred to in the SOE media environment as transversal marketing.

Further to these challenges of managing the media brand portfolio is the intrinsic duality of the nature of the media business. This is relevant in terms of the long chain of stakeholders that a media business in the SOE environment must deliver results to. The portfolio of SOE media brands is one that must interface with the consumer market to build audiences while simultaneously interface with large business-to-business brand base to sell those audiences to advertisers (Chan-Olmsted, 2011; Ots, 2008). People derive value from the products and services that a media organisation offers them but they attach weight to more than effectiveness and efficiency. As Alford (2016) explains people value that which transcends their own self-interests and that which is founded in normative principles and their social context. As such they desire, and increasingly they expect, the opportunity to participate in the derivation of the products and services they consume (Alford, 2016) particularly in a reciprocal communication industry such as that of the media. Indeed many media businesses no longer refer to audiences but to 'viewers', 'prosumers' or 'co-creators' as a means of embracing the co-production nature of their products in the digital era (Kant, 2014).

This means that the brands in the portfolio need to relate to each other in a way that they can fulfil obligations to an advertiser who may view the portfolio as a whole to generate economies of scale in their advertising spend rather than the way in which consumers view the portfolio, engaging with one or more brands that they may or may not realise form part of a total portfolio but which they have normative expectations of.

It must also be stated that, albeit contentiously and imperfectly, citizens (or the public or audiences) convey what they want through a form of democracy. A democratic system is considered the most acceptable form of government to a country or citizenry (Alford, 2016). As such the brand portfolio must be structured internally to the benefit of the effective management of the business but must also be structured in such a way to be accessible and understandable from a messaging point of view to the citizens being served by an SOE.

If successful brand portfolio management delivers multifarious benefits to the corporation then it is imperative that media businesses, particularly in the form of SOE media organisations, are able to do this despite the unique challenges they face. With the particular advantages that cross-promotion or transversal marketing can offer media businesses, it is certainly worth getting the nature of brand portfolio management right.

These challenges combine to give rise to the following research question.

2.5.2 *Research Question 2*

RQ2 - How are brand portfolios of state-owned organisations structured and managed?

2.6 Heritage Brands

While the term heritage is possibly easy to interpret, this review aims to understand the concept of heritage specifically in terms of the corporate brand space. As such corporate heritage can be defined as the collection of the organisation's traits and elements that tie it to its past, present and future in a meaningful way (Balmer & Burghausen, 2015). Specifically, corporate heritage is defined through the eyes of an organisation's stakeholders. The corporate heritage of the organisation is that which stakeholders deem to be valuable to the point that it needs to be nurtured and maintained for the future welfare of the organisation and the society it serves. It is also that which can be utilised through elevation and appropriation for contemporary purposes (Balmer & Burghausen, 2015).

When Balmer (2006, 2007 & 2009) looked into monarchy brands such as the British and Swedish monarchies, the most defining characteristic they shared was their longevity. The Japanese and Swedish monarchies have existed over 1000 years which supersedes any other kind of brand known across the globe. In 2007 Urde, Greyser and Balmer created a five-part framework called the heritage quotient proving how corporate heritage brands have strategic organisational value. Track record and longevity were two of these items that are necessary dimensions of corporate brands.

Returning to the discussion on university branding, Drori et al. (2013) observed that a number of university brands exhibited powerful heritage qualities though they had moved significantly to shed their semiotic references to traditional fields of learning and research as well as to a specific place in order to derive value from a more universalistic identity. This became necessary due to the increased commercialisation and globalisation of their products and the desire to attract lucrative and top achieving international student candidates (Drori et al., 2013).

One of the founding academics to write about place branding, Anholt (2004), explains that developed nations tend to make use of their provenance as a kind of brand extension to various products and services that they want to market internally and externally. Examples include Swiss chocolate, German motor vehicles, Egyptian cotton and one might suggest African wildlife and hospitality experiences.

More recently studies on corporate heritage branding have been conducted longitudinally within two large luxury brands, namely Tiffany's and Burberry, both of which exhibited a strong revitalisation and turn-around strategy founded in a return to their heritage and leveraging heritage as an asset (Cooper, Miller & Merrilees, 2015b). This study specifically espouses the importance of ongoing heritage brand stewardship and protection as well as a tenacious management approach for successful recovery of a corporate heritage brand (Urde, Greyser & Balmer, 2007).

Another study conducted within the motorbiking brand of Vespa, found that there was a disconnect between what the company communicated through its corporate brand as heritage components and what the consumers of the brand understood to be heritage aspects of the Vespa brand (Rindell, Santos & de Lima, 2015). Here the authors coin the concept of consumer-based corporate image heritage which they introduce to Urde, Greyser and Balmer's original 2007 heritage quotient framework. This elevated the temporal concept that consumers have a vested interest and particular idea of a corporate brand's heritage which needs to align with the brand behaviour and messaging of the corporation in order to leverage corporate heritage as an asset for the organisation.

Our modern understanding of heritage brands is founded on the concept that the emotional ownership of the brand resides with that brand's community (Balmer, 2009). That lends an obligation to the brand, more so than in traditional commercial brands where profitability is

the primary reason for the brand's existence. Once the number and diversity of stakeholders is increased to include the public, as it is in Balmer's studies of the British Monarchy (2009, 2011b, 2011c) as well as universities and nations or places, and as argued here, SOEs, the management of the heritage brand becomes a far more nuanced process with an arguably more concentrated requirement due to the normative expectations that the brand community has.

When there is attachment by various stakeholder groups to a brand because of its heritage, the process of building and maintaining a corporate brand can be very challenging. When the University of Rhode Island rebranded from a house of brands into a branded house, the steering committee elected to take each and every stakeholder group through the process in order to ensure all stakeholders could be involved (Dholakia & Acciardo, 2014). This was extremely time-consuming, something that would have taken a traditional organisation much less time. As internal stakeholders are critical for branding success, being involved in delivering the brand while simultaneously being a target group for the corporate branding effort, it was imperative for the steering committee to involve them in the creation of the corporate brand and the structure of the branding portfolio to derive buy-in (Vasquez, Sergi & Cordelier, 2013).

Further to this social theory proposes that internal stakeholders need to be free from the exercise of power and deception (Dixon & Dogan, 2005). While it's accepted that the variety of stakeholders involved in the management of SOEs, particularly when the portfolio consists of heritage brands, makes management of that portfolio complex, all those involved in corporate brand building decision-making should be, as Dixon and Dogan (2005) state, "equally and fully capable of making and questioning arguments and should be competent actors" (p. 14).

Dixon and Dogan (2005) add that it is possible to facilitate constructive engagement from all perspectives which is a better solution for the derivation of the corporate brand and brand portfolio than allowing for silos to form which suppresses and polarises perspectives.

Many SOEs are and/or contain heritage brands and/or act holistically as corporate heritage brands purely by virtue of the fact that those particular organisations, products and services have been around for a long time. Balmer (2009) says that decision-makers in such organisations need to be knowledgeable and respectful of the history of heritage

brands in order to find their future. The brand's history is often its primary resource. Monarchies, nations and universities have all demonstrated efficacious use of adopting such a perspective. As shown through the literature, SOEs are very similar to these types of brands and therefore are also likely to greatly benefit from utilising their brand heritage both in terms of their corporate brand and brand portfolio in order to build strong brands and sustain profitable management thereof.

Balmer (2009) goes on to advocate the following steps in managing heritage brands:

1. Chronicling (unearthing and citing those events that have shaped the brand).
2. Assembling (bringing custodians together so as to set out the corporate brand narrative and noting that employees of the non-management variety should be included for their wealth of insight into the brand's history and experiences through time).
3. Documenting and communicating (all elements of point 1 and 2 above so that this may become a strategic resource for brand planning and marketing activity).
4. Marshalling (a series of historical insights so as to guide management particularly when crises occurs).
5. Revisiting (regularly updating and including additional perspectives so as to guide the organisation when potentially uncharted territory is encountered).

It is clear from the literature that organisations with corporate heritage are from a variety of disciplines and geography. The applicability of the corporate heritage brand concept ranges from monarchies (Balmer, 2007; Balmer 2009; Balmer 2011c; Balmer, Greyser & Urde, 2006) to family businesses and small and medium term enterprises (Balmer & Burghausen, 2015) to luxury brands (Balmer & Burghausen, 2015). Studies on corporate heritage brands have been documented from Australia and New Zealand to Europe and the United Kingdom to China (Balmer & Burghausen, 2015).

This literature assists the study by connecting the nature of the SOE corporate brand and brand portfolio to the heritage nature of both the brands in the portfolio and the organisation as a heritage brand. It helps the SOE understand what considerations, outside of commercial gain, there are in building a corporate brand and setting up the brand portfolio in a valuable way so as to benefit the organisation and its numerous stakeholders. It is also an important factor in corporate brand building and portfolio management decisions

up front and is often a key factor in determining stakeholder priorities and objectives. This impacts the priorities and objectives of different stakeholders in that SOE.

The concept of heritage brands and the nature of stakeholder relationships with them then lead to research question three.

2.6.1 *Research Question 3*

RQ3 – How do managers of state-owned organisations prioritise stakeholders and their different objectives when building the corporate brand?

2.7 Public policy and administration in state-owned enterprises

2.7.1 *Introduction to state-owned enterprises*

Unpacking the value and purpose of SOEs requires us to look at the role of national and regional government. According to Castells (2001), a national government's reason-for-being is to set up basic infrastructure to prevent a country from being marginalised in the global market. Thompson and Rizova (2005) suggest that governments create public value almost entirely by managing risk. They provide essential services such as water, waste removal, communication and fire protection, in a dependable way so that they may be deployed when demands are made on them by citizens.

While the private sector utilises its capital to offer products and services in order to achieve profit as its primary goal, SOEs utilise their capital (whether by taxation, fees, commercial transactions or a hybrid of these) to offer products and services as a means to achieving outcomes for citizens (Lide, 2015). If SOEs did not exist it is likely that certain essential services might be unavailable in their entirety even though at times are vitally needed (Thompson & Rizova, 2005).

Wiewiora, Keast and Brown (2016) argue that long-lived and large-scale public infrastructure, such as health care, transport, energy and communication, are crucial for national functioning. Further to this they outline concern over the fact that the end users of the services provide are often the least involved in the development of those services

which undermines the public value of the outputs of SOEs. They argue that the infrastructures themselves exist to fulfil the needs of citizens (Wiewiora et al., 2016).

When scanning any nation's structure and resources it is clear that only the state itself has the capacity to provide capital, the legitimacy to negotiate conflicting interests between capitalist and labour issues, and the ability to monitor and approve the path forward (McGregor, 2008; Teer-Tomaselli, 2004). This does however reveal an implicit contradiction – the state is both expansionist and commercial in nature (trying to compete on a global stage) and protectionist and altruistic in nature (trying to preserve autonomy, independence and nation-nuanced society).

The way in which SOEs operate, particularly in terms of marketing activity, has come under scrutiny. Osborne et al. (2014) point out that the attempt by SOEs recently to 'de-market' or to operate in a 'lean' way have compromised these organisations while their intention was to create sustainable business for an ever under-pressure organisation. They argue that an organisation must move beyond a transactional approach, founded in product branding, to a service-dominant approach that emphasises three facets (Osborne et al., 2014):

1. Building relationships between SOEs
2. Internalising the concept that knowledge and professional experience are fundamental to the SOE service delivery process
3. Accepting and embracing co-production with the service users or brand community

This is echoed by Lide (2015) who articulates that it is vital that the state's investments deliver societal outcomes desired so as to offer public value despite private and third sector competition in a purely commercial environment. SOEs of the future need to be able to pass four tests (Lide, 2015):

1. Clarity – being able to articulate purpose and objectives of their role clearly
2. Capacity – creating the time and resources to conduct their role effectively
3. Capability – employing and retaining the relevant expertise and experience to manage and direct the SOE
4. Commitment to integrity – operationalising the need to serve citizens to create societal value

Osborne et al. (2014) propagates that SOEs must implement a cultural change so as to direct focus beyond internal efficiency and accountability to the state. The SOE must not only realise it serves the public but that by developing an end-user-driven culture, it will enjoy more effectiveness and better public value thereby satisfying its stakeholders even more. Lide (2015) adds that it is the responsibility of the leaders of SOEs to energise employees (also stakeholders) “through a positive culture and ensure open dialogue and healthy relationships” (p. 34). This is reiterated by Wilson (2001) that the beliefs and values of employees, as they derive them from the corporate brand and the corporate culture, impact strongly on how stakeholders view the corporate brand. This claim also mirrors Balmer’s theory of incorporating the public as stakeholders in the management of a portfolio of heritage brands (2009, 2011b, 2011c).

Here there is a strong link between the brand concept of customer-centric organisations (Shah et al., 2006), heritage brands and the modern movement in how SOEs may be managed to add value to stakeholders. The next section of the review connects the business activity of corporate brand building within the SOE environment to align and deliver communication and a positive brand perception to all members of the diverse stakeholder group.

2.7.2 *Corporate brand building in state-owned enterprises*

Burton (1999) argues that marketing models created for private sector organisations are believed by theorists to be easily transposable to the public sector or that as a science, branding is unimportant to these public-sector organisations and therefore doesn’t warrant attention. She goes on to outline six differences in marketing within SOEs and their private competitors. These are:

1. The willingness of customers or clients – SOEs must often persuade or compel people to use their service
2. The nature of the customer – Often customers may be reluctant or unwilling end users. This feeds into greater public and in turn media scrutiny when compared with private organisations

3. The nature of the product or service – SOEs usually provide products for free or for a fraction of the actual cost or they are trying to generate behavioural change in the customer base
4. Price of the product or service – SOEs are not able to use the forces of demand and supply to derive pricing and thus their products and services are over-used by some end users and resisted entirely by others
5. Promotion – Multiple stakeholders are involved in the provision of products or services in SOEs. The brand message is therefore under pressure to appeal to a variety of different audiences. In addition the very nature of promotion itself may sow dissension such as with tax payers who object to applying budgets to advertising or corporate brand building
6. Clarity of objectives – Quite simply put “determining the core strategy is usually more problematic for public organisations” (p. 377).

This last point is likely the most challenging aspect of corporate brand building in the SOE context. As stated by Gupta and Kohli (1990), if the primary difference between a private organisation and an SOE is that private organisations exist to maximise profit and SOEs must maximise the sum-of-benefits to society, then the problem becomes deciding on what exactly does maximise public benefits.

The appropriateness of a corporate brand building strategy for an SOE is a hotly contested topic (Burton, 1999; Peattie et al., 2012). This is related to the misalignment of values due to SOE business objectives. Simply put, if the private sector is in pursuit of commercial goals, and the public sector is in pursuit of social goals, how can an SOE be driven equally by its public mandate and by profit? Peattie et al., (2012) draw a distinction at this point between applying corporate brand building techniques to public services with the aim of improving service delivery versus social marketing, which they define as utilising marketing techniques to create behavioural changes in a socially positive context. Their research outlines how a marketing campaign aimed at educating the public about the danger of causing fires in the Welsh countryside both utilised key marketing tools with the sole aim of motivating a behavioural change in citizens of the area.

However as demonstrated a decline in funding of SOEs can force them into pursuing profits over social welfare. At the same time, if the state is the ultimate stakeholder of an

SOE, does that not leave the organisation itself open to political influence that may jeopardize the ability to promote ideological services for the welfare of society. Phiyega (2011) points out that a funding model for the development of public infrastructure must be based on a clear distinction between economic and social infrastructure. With normative and commercial stakeholder contentions at play in the SOE space, it is imperative to provide a framework with which to assess stakeholder influences and evaluate what the corporate brand's purpose is in an SOE.

Branding the public sector is not a new phenomenon when viewed through a political lens. Politicians for centuries have made productive use of branding techniques and employed marketing tools in their campaigns however as Klijn et al. (2013) point out, it has lagged behind the private sector in both budgets and classical branding knowledge and research.

Fundamentally the survival of modern corporate organisations, whether they be SOEs or not, is often dependent on their ability to be understood and managed as corporate brands (Balmer, 2009). Though their makeup may be nuanced by a plethora of conflicting stakeholders or an arcane history like monarchies steeped in heritage, their ability to compete and remain profitable in current times simply requires them to be managed as corporate brands.

It is also worth viewing the context of SOEs as both functional and normative institutions from the opposite direction. While SOEs have consistently had social responsibilities, traditional corporate brands are increasingly expected to function within a normative social context (Maignan & Ferrell, 2001). Businesses are expected to measure their corporate social performance in that they must configure their principles of social responsibility and must create policies, programs and outcomes for their societal relationships.

As far back as 1979 Carroll proposed that the responsibility of any organisation is to produce goods and services that are desired in broad society so as to contribute to sustainable economic results for a nation. Further to this an organisation must follow behavioural regulation as set out by its appropriate society, whether defined in law or standards of ethics, and it must take on discretionary responsibilities to reflect the needs of the society it serves for the betterment of that society beyond basic economic and ethical standards (Carroll, 1979). Knox and Bickerton (2003) also tout that the corporate brand

has a broader social responsibility and an ethical imperative to its variety of stakeholders through multifarious contact points.

This is expressed effectively and more recently by Marquand (2005) who fervently argued against purely economic and competitor market strategy being present in public service organisations as follows:

The language of buyer and seller does not belong in the public domain. Doctors and nurses do not 'sell' medical services; students are not customers' their teachers and policemen and policewomen do not 'produce' public order. The attempt to force these relationships into a market model undermines the service ethic, degrades the institutions that embody it and robs the notion of common citizenship of part of its meaning (cited in Apple, 2005, p. 18).

Viewed through the customer's perspective, the demand by consumers for ethical brands that empower them to do things rather than expecting them to buy things, has increased making the need for a transparent and positive corporate brand ever more important (Jones, 2012). Here we see a shift away from product centric attributes to the organisation's particular approach to empowering its users which is, in all effects, communicated by the corporate brand.

We are therefore able to conclude that SOEs demonstrate various attributes of commercial business and the private sector however they must simultaneously behave in a uniquely public service manner to fulfil their SOE status.

Using Balmer's 2008 model for categorising the British monarchy as a corporate brand it is possible to confirm that an SOE fulfils the necessary and sufficient conditions of a corporate brand as follows:

Institution-wide phenomenon – SOEs grant rights and issue tenders to the community at large, they support and endorse activities events and other types of community goings-on, they have emblems and other corporate branding marks and are recognised widely as public institutions by the nation they serve.

Relevant to multiple stakeholder groups – in addition to customers (who pay for products and services) and to employees (who serve the organisation) SOEs must serve the

government as 'sole shareholder' and various politicians who serve constituencies within the government sector.

Represents an informal contract between organisation and its brand community – the public has certain expectations of SOEs particularly in terms of how they behave, where they are seen endorsing or supporting activities and how they spend their money to the community's benefit.

Reliant upon corporate and not only upon marketing communications – SOEs vary in this sense but on the whole all of them conduct primary, secondary and tertiary forms of communication. They offer collateral on products and services, they buy advertising spend and engage with creative and planning agencies to conduct marketing activity to the mass market and they house internal and external communications functions that control budgets and generate creative elements for corporate advertising and PR.

Inextricably linked with corporate identity – SOEs are distinctive and clearly derived from their state-owned status. This is carefully controlled through state-owned brand marks.

Ultimate responsibility of senior management – Ultimately the C-Suite is responsible for acting as brand custodian in SOEs.

Lide (2015) proposes a different scorecard for SOEs to evaluate their success and effectiveness in light of the balancing of objectives and trading off of purpose that becomes necessary in this non-traditional brandscape. This is illustrated in figure 5.

It is clear from this model that the SOE's brand is a key measurement criteria in its success as an organisation. To secure sustainable growth the corporate brand of an SOE needs to be purported positively and to deliver value to the end user in the form of the public as well as all other stakeholders involved in the business. As Lide (2015) outlines:

Auditors should consider expanding from financial to holistic or integrated reporting, recognising that a broader set of integrated information is needed to satisfy and increasing number of stakeholders – all with potentially different perspectives of value (p. 32).



Figure 5: Future scorecard of state-owned enterprises (Lide, 2015)

Burton (1999) takes this a step further and advocates a new model for SOEs based on a stakeholder-focussed marketing model so that stakeholder opinions and perceptions can be managed. This is relevant for the role that a corporate brand plays in meeting the needs of the full gambit of stakeholder groups in an SOE and is demonstrated in figure 6.

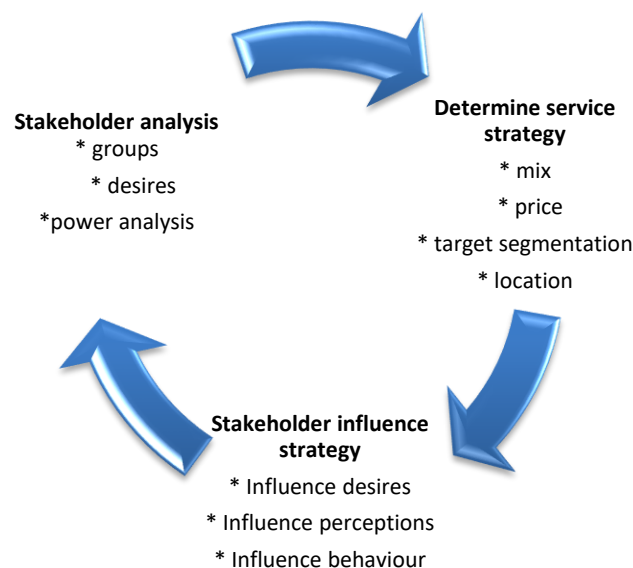


Figure 6: Public marketing model (Burton, 1999)

In this model, Burton (1999) acknowledges that the marketing strategy of SOEs should be driven by the total sum-of-benefits to society (Gupta and Kohli, 1990) however the fact can't be ignored that some stakeholders have more power than others and can therefore stymie the implementation of a strategy that will be beneficial to society. Through this model she proposes that the aim of the corporate brand in an SOE is to assess, manage and influence stakeholders so that society can benefit from the services as its true end users. As a result the role of branding activity in an SOE is to influence the beliefs and attitudes of stakeholders rather than promoting sales such as would be the case in the private sector (Burton, 1999).

Results from studies conducted in Britain show that managers within SOEs describe their workplaces as very complex and often affected by political dissension (Gatenby et al., 2015). While SOE managers might be willing agents of change, their SOE environment requires them to navigate complex politicised operating settings typified by stringent resources and demanding targets (Gatenby et al., 2015). Looking at the concept of public value (and its centrality to the existence of SOEs) Thompson and Rizova (2005) argue that it would be remiss to allow the preferences of elected officials to represent the public interest. It must be accepted that such officials are prone to disregard social development, the welfare of the public and justice in general.

Having unpacked some of the differences and similarities that SOEs have with private organisations, and how both behave as corporate brands with constituent brand portfolios, this review will take a brief look at the South African SOE context.

2.7.3 *South African state-owned enterprises*

Branding in the public sector is significantly under-studied (Klijn et al., 2013) while studies conducted in a very African-specific context are even more scarce (Burgess & Steenkamp, 2006). In South Africa, and similarly other emerging markets, the 'nation-state' is a key role-player in the transformation and restructuring of a post-apartheid government (or post-colonial government as is common in African countries) (Teer-Tomaselli, 2004). Phiyega (2011) points out the particular significance of SOEs in South Africa as follows:

If the country is to attain improved quality of life underpinned by a robust democracy and a just society, along with other initiatives, the state must preside over viable, efficient, effective and competitive SOEs (p. 7).

The state's 'assets' are expected to be self-sustaining and even in some cases, profitable though not at the expense of the nation's agenda. Such public utilities in South Africa include telecommunications and broadcasting (where this particular study was conducted), transport and power supply. Teer-Tomaselli (2004) writes that these are "particularly susceptible to restructuring, commercialisation and privatisation" (p.8). As a result, these kinds of SOEs are simultaneously pursuing commercial interests as well as socio-economic imperatives of an emerging market with a rapidly changing society (Burgess & Steenkamp, 2006).

Since 1994 commercial enterprises in South Africa have marked the social and economic landscape by rapidly re-examining and attempting to restructure ownership, control and budgetary allocation to align with a new political and cultural ethos (Teer-Tomaselli, 2004). Teer-Tomaselli expresses this as follows:

At every level of society there has been an attempt to change the ways things were done, and to introduce new and better, more democratic, more demographically equitable, more politically and gender sensitive ways of doing this (2004, p.8)

Wright et al. (2014) argue the need to balance organisational efficiency with a concerted effort to reduce social inequality and advocate inclusiveness in SOEs. These issues are even more prevalent in South Africa and other emerging nations where extreme inequality is still an everyday reality for the nation and where the recent history of inequality enshrined in law is still a wound that the economic state must endure and work to eradicate (Blyth, Hubbard & Radebe, 2016).

The South African SOE does not operate in a political or regulatory vacuum. It is deeply embedded in the wider project of state transformation. As state-owned, these enterprises are subject to the same impulses of state-driven initiatives to transform and restructure as are other state-owned entities (Teer-Tomaselli, 2006). Added to this South African SOEs suffer the same challenge in terms of serving citizens. Unlike shareholders, citizens (or the public) have disparate preferences and different risk tolerances. They also care about

the means by which outputs are realised whereas their expectations of private companies tend to be more relaxed in that the outcomes themselves are often sufficient to satisfy their expectations (Thompson & Rivoza, 2005). This means that SOEs, particularly in South Africa, are very much in the media's spotlight due to the desire of citizens to understand how they benefit from their SOEs and whether those benefits are derived fairly in a way that they approve of.

SOE boards site political appointments as common in South African SOEs causing a high turnover of directors and poor succession planning, selection and development of individuals in management positions. This applies to the full gambit of management personnel and results in the disruption of a necessary accumulation of institutional memory and competencies so that good branding practice can be implemented in the management of the corporate brand and brand portfolio (McGregor, 2008). This is further supported by Diefenbach (2005) who explains that ruling classes or powerful alliances in SOEs are first primarily concerned with their own aspirations and prospects. Saunders (2006) pinpoints this challenge by saying, "Alliances are formed, favours are asked, deals are made, debts are owed, careers are advanced" (p. 14).

Further to this Gatenby et al. (2015) acknowledge that "hierarchical control and vertical accountability endure" (p. 1128). SOEs are mired in social, political and economic norms that exert pressures to conform and cause tensions and ambiguities for managers. Gatenby et al. (2015) conceptualise the roles of middle managers within the SOE as three-fold namely as 'government agents', 'diplomat administrator' and 'entrepreneurial leader' (p. 1127). This, they argue, causes structural inertia arising from internal stakeholders and external stakeholders.

In terms of the flow of information SOEs tend to reward staff that do what they are told as opposed to those that think innovatively or independently (Diefenbach, 2009). The way in which information is received by employees is dependent on how that information is shared and communicated (Van der Voet, Kuipers & Groenewald, 2016). While leadership is heavily influenced by the context within which it operates, it simultaneously relies heavily on management's top-down communication as a primary mechanism for implementing mandates and policies which in turn directly give rise to the existence of many SOEs (Van

der Voet, Kuipers & Groenewald, 2016). Russ (2008) describes this flow of communication in SOEs as 'telling and selling', both insisting on hierarchical compliance and convincing employees to uphold decisions in an attempt to win them over for more effective application of these decisions within the business.

In 2011 the President of the Republic of South Africa, H.E. Mr J.G. Zuma, commissioned a report to be compiled by a presidential review committee on SOEs. This report says that there are approximately 715 entities serving various social and commercial objectives for the South African government (Phiyega, 2011). The report details five critical recommendations to the South African government for the management of all South African SOEs as follows:

1. Clearly define and communicate a consistent strategy for SOEs
2. Ensure governance policies and practices are in place
3. Define the purpose of SOEs and manage and monitor performance against that purpose using relevant economic AND socio-political key performance indicators
4. Enable high operational performance to be able to meet both economic and developmental objectives
5. Ensure sufficient operational independence and adequate access to funding

Bearing all these factors in mind it can be concluded that the South African SOE has a very real need to understand the objectives of its stakeholders, conflicting as they may be, and to derive value from the corporate brand to this end. It is likely that issues of communication flow and clarity of position and area of influence in the hierarchy of an SOE are contributing factors to the objectives and prioritisation of stakeholders all of whom have expectations of and form the target market for the corporate brand. Further to this there is a strong need to be transparent and consistent in communication and reporting within an SOE. Necessarily this will influence how the corporate brand is built and what value there is in managing it in the SOE.

2.7.4 Research Question 4

RQ4 – What is the purpose and value of the corporate brand in a state-owned enterprise?

2.8 Conclusion of Literature Review

By understanding the corporate brand present in non-traditional organisations it is clear that an SOE behaves as a corporate brand as much as any traditional organisation despite additional challenges or objectives that SOE needs to accommodate in the act of building the corporate brand. Further to this it is argued that the SOE usually either utilises or is affected by heritage brand formats.

It is also clear that media businesses experience added complexity regarding the management of their brand portfolio but with an enhanced brand building benefit in the form of transversal marketing. This adds two additional layers to the challenges of building an SOE corporate brand in the media business and managing its brand portfolio.

The literature finds clear value conflicts in terms of societal versus economic priorities in SOEs (Burton, 1999; Gatenby et al., 2015; Klijn et al., 2013; Wiewiora et al., 2016). While the British Monarchy respects its heritage, it is constantly under pressure to evolve and become relevant for the times (Balmer, 2009; Balmer 2011c). Braun (2012) proposed that place branding be reconceptualised and renamed as urban governance because of its inextricable link to policy processes that are established in a heterogeneous stakeholder environment. Universities must uphold knowledge and truth while simultaneously utilising their heritage brands to attract students and drive revenue objectives through a mechanism of corporate branding (Dholakia & Acciardo, 2014; Drori et al., 2013; Kittle, 2000; Melewar & Akel, 2005). SOEs must embrace communication and participation as the primary methods by which they stimulate support for decisions and change (Van der Voet, Kuipers and Groenevald, 2016), a fact most relevant in the development and building of a corporate brand and in the management of the brand portfolio.

In order to resolve these value conflicts the literature suggests that it is necessary to understand the following elements in corporate brand-building and brand portfolio management in SOEs:

- Decision-making factors and objectives
- Structure of the brand portfolio and its management
- Stakeholder priorities and their communication
- Purpose and value of the corporate brand

These questions result in four research questions as outlined here.

2.8.1 *Research Question 1*

RQ1 - What are the decision-making factors and organisational objectives in corporate brand building of a state-owned organisation?

2.8.2 *Research Question 2*

RQ2 - How are brand portfolios of state-owned organisations structured and managed?

2.8.3 *Research Question 3*

RQ3 – How do managers of state-owned organisations prioritise stakeholders and their different objectives when building the corporate brand?

2.8.4 *Research Question 4*

RQ4 – What is the purpose and value of the corporate brand in a state-owned enterprise?

CHAPTER 3. RESEARCH METHODOLOGY

This chapter defines, outlines and describes the method by which the research was designed, gathered, analysed and stored. Kothari (2004) defines research methodology as a systemised effort to gain knowledge and solve the research problem. As human beings we are naturally inquisitive which causes us to probe to attain a fuller and deeper understanding of matters. It is this process that Kothari terms research (2004).

There are three objectives to this chapter. Section 3.1 will identify and describe the research strategy that the study uses. Section 3.2 will detail the research design while the procedure and methods will be defined and described in Section 3.3. Lastly validity and reliability measures will be identified and described in Section 3.4. to understand what applications there were in the study to deliver credibility while acknowledging limitations of the research procedure and methods.

3.1 Research strategy

This study made use of a qualitative research strategy in order to gain insights into the decision-making factors involved in building the corporate brand and managing the brand portfolio of a South African state-owned enterprise.

When it comes to research into heritage brands, the qualitative method is widely used by some of the most prolific authors on the subject. One of the leading minds on heritage brands, Mario Burghausen, conducted an in-depth qualitative single case study of Britain's oldest brewer, Shepherd Neame, as recently as 2013 for his PhD thesis. Further to this Keller and Lehmann (2006) specifically state a lack of integration between work on corporate brand and brand portfolio management and qualitative insights gained in the arena.

Saunders, Lewis and Thornhill (2011) explain that a research strategy is a general plan that outlines how the researcher will conduct a process that will answer the research questions. Kothari (2004) defines the research approach by unpacking the main objectives of research that are defined as follows:

1. To reach a level of familiarity with a phenomenon or at least achieve insights into it.
2. To clearly demonstrate characteristics of individuals, situations or groups.
3. To determine either how frequently or in what respect that frequency is associated to another variable.
4. To test a hypothesis which involves variables that are causally related

Bryman (2012) defines a research strategy as a “general orientation to the conduct of business research” (p. 30) and goes on to distinguish between two strategic options when embarking on research – qualitative and quantitative strategy. These have paradigmatic approaches that differ in terms of their ontological and epistemological views however both are research strategies or approaches. The third strategic position is that of mixed-methods which incorporates both qualitative and quantitative approaches.

Qualitative research, according to Saunders et al. (2011), involves studying the participants’ meaning and developing a conceptual framework around that while Quinlan (2011) argues that it focuses on words as opposed to numbers in data collection. As a strategy qualitative research is inductive, subjective, constructivist and/or interpretivist. Blumer (1984) offers a useful description of the interpretivist paradigm that is to say that reality, as people live it, is constructed through social interaction and experimentation. Robson (2011) describes qualitative research as accounts that are offered verbally or at least in a non-numerical form. Naturally this suggests that statistical analysis cannot be performed on qualitative data.

This study utilises qualitative research for four reasons. Firstly there is scant empirical research to date on the nature of corporate branding and brand portfolio management in SOEs (Chew & Vinestock, 2012). Secondly the use of what Preston and Donaldson (1995) call “simple description” is both widespread and desirable in new areas of investigation. This is considered the “seek now and test later” approach that qualitative research is most suited towards. Thirdly the purpose of qualitative research is to “describe, decode, translate or otherwise come to terms with the meaning, not the frequency, of certain more or less naturally occurring phenomena in the social world” (Van Maanen, 1979, p. 520). This research is in its embryonic phase. It is not clear what the factors influencing the decisions are and the tone of the investigation is more normative and epistemological than

numerical or ontological. Fourthly the qualitative method allows for the generation of more testable questions that future research, in this established new area of consideration, can utilise going forward (Wæraas et al., 2015).

The research problem and its resulting research questions are exploratory in nature and are a function of attitudes, opinions and behaviour. Solving them thus lends itself to qualitative research. The benefit of utilising this research strategy is that a concept or theory can be developed before discovering if it has a measurable basis. The 'why' is understood before the 'what'.

3.2 Research Design

A working interpretation for this study, which these authors agree with, is that research design is the way in which data is collected. The way in which the data reported in this study has been collected is in the form of a single case study.

According to Saunders et al. (2011) a research design is a framework constructed under which data collection and analysis can occur to meet research objectives. The framework also provides justification of the choice of data sources, collection methods and analysis techniques. Bryman's (2012) definition of research design agrees with this but adds that the selection of research design mirrors decisions about the relevance and priority of the process of research. Robson (2011) posits that design deals with "aims, purposes, intentions and plans within the practical constraints of location, time, money and availability of staff" (p. 532). There are five types of research design according to Bryman (2012). These are:

1. Cross-sectional
2. Longitudinal
3. Quasi-experimental
4. Case study
5. Comparative

Robson (2011) claims that case studies are well established research designs that allow a group, setting or organisation to be focussed on in its own right. A case study also takes

into account the context of that organisation or group. Saunders et al. (2011) say that a case study research design involves empirical investigation of a specific phenomenon within a live context and includes several sources of evidence. Bryman (2012) describes a case study as involving intensive analysis of one or more situations that provide the researcher with an in-depth understanding of a specific group.

Bosch (2014) makes use of the case study design in her study of Goodhope FM listeners and non-listeners in Cape Town's coloured community. A number of narrative perspectives are captured from respondents from a particular area relevant to the field of study. The rationale behind doing this is to create a full and rich context of the community and to gather evidence from multiple sources. In this study Bosch is using case studies to uncover a rare phenomenon. The case study design offers good sources of evidence for ideas that may be purported around behaviour.

Greenholtz and Kim (2009) make use of a singular case study. The rationale behind this was to ensure that there was a deep and rich understanding of the subject's journey through life which constitute her cultural identity (qualitative aspect of the case study) and to have quantifiable results, which re-informed that qualitative narrative to understand what explanations there might be for the variables.

In addition to these motivations for utilising case study design, the literature review process revealed this research design to be the most appropriate. As Yin (2011) outlines, the method was clearly identifiable in other studies rather than standing alone in this research approach. In terms of the research questions, the single case study design allows me to answer these questions according to different styles and purposes of corporate brand building and portfolio management by those strategically placed individuals with whom these key decisions and implementation responsibilities actually rest.

3.3 Research procedure and methods

3.3.1 *Data collection instrument*

This study utilized an interview schedule as a useful data collection instrument.

Quinlan (2011) and Wagner, Kawulich and Garner (2012) define the data collection instrument as the method by which researchers gather data required for research while Bryman (2012) suggests a structured interview or self-completion questionnaire as data collection instruments. The two types of data collection instruments utilised in research procedure and methods are the interview schedule and the observation schedule.

The interview schedule is defined by Wagner et al. (2012) as the basic structure that guides how an interview is to be conducted. Bryman (2012) outlines that an interview schedule to be a collection of questions that are asked by the interviewer and is always used in a structured interview. Saunders et al. (2011) adds that the interviewer physically meets the respondent in order to read the questions in a predetermined order and records responses to each one.

This study tackles a phenomenon that the respondents may not have questioned themselves on before due to the belief paradigm they have accepted in their roles. Therefore, the study followed a semi-structured interview schedule so as to allow an opportunity to probe for further insights. This offered the benefit of structure to deliver comparable results across interviews with respondents but allowed for depth and richness to come forward in order to analyse latent meanings around complex phenomena that the respondents themselves may have been completely unaware of. Therefore, this study made use of a semi-structured interview schedule or questionnaire for the data collection instrument.

In her study on the coloured community of Goodhope FM listeners, Bosch (2014) utilises a semi-structured interview schedule. She derives answers to specific questions from the respondents in a 'familiar and conversational' home setting where interviews took place. As a result people were put at ease during the interview process to allow insights to rise to the surface through a relaxed and discursive setting.

In Bosch's (2014) study questions were clearly pre-drafted and probes were offered where more information was sought from the respondent. It also appears that the interviewer allowed the subjects to continue speaking even though they may have paused denoting that they had concluded their response. This yielded further information that assisted the

researcher in understanding more deeply what the meaning was behind the response. It also allowed for the respondent to tell a full story if they wished and to self-question, as evidenced in some of the responses, when they could not immediately answer the question or were not sure why they preferred or did not prefer an option presented.

The advantage to semi-structured interview schedules is that it is possible to guide conversation across all interviews in a similar direction to ensure that comparative data can be collected and sorted into themes. The researcher was able to source several examples of what respondents said to support claims around the central themes and phenomenon. The source of questions revealed in the literature points to the variables raised in the questions. This creates structure while allowing for a less formal questionnaire style, which would have limited the opportunity to probe for additional useful insights.

Greenholtz and Kim (2009) also utilised a semi-structured interview schedule when interviewing Lena, the Third Culture Kid. They conducted a series of in-depth interviews both before and after the quantitative aspect of the study which not only allowed them to detail a thick description of her context and life phases, but allowed them to return to Lena with quantitative results which they could then discuss at length having understood all her life phases to that point. This made the detail in the case very significant and compelling.

In terms of sourcing the questions for this study's semi-structured interview schedule, a number of examples from similar cases, such as those above, were researched within the context of the literature reviewed, to result in a compiled list of questions in Appendix A. Many of the questions are very direct but are not intended to be leading. As respondents are or were in key positions in the specific SOE context, appropriate industry language was utilised to reflect more professional language and terminology.

3.3.2 *Target population and sampling*

The target population for this study was stakeholders in an SOE that are fundamentally involved in building the corporate brand and managing the brand portfolio of that particular SOE. The method of sampling utilised was purposive sampling.

A target population consists of a full set of cases from which a sample can be drawn (Saunders et al, 2011) or a universe of people or firms from which a sample can be selected (Bryman, 2012). The sample drawn from the target populations are drawn based on their representivity to that holistic population (Robson, 2011).

This single case study considered all SOEs with a diverse portfolio of brands engaged in active corporate brand building however the South African Broadcasting Corporation (SABC) was selected as a relevant case site. This is because of the following factors:

1. The SABC is a wholly state-owned enterprise and a listed organisation on the South African government register of organisations directly owned and managed by the South African Department of Communications (National Treasury, 2006).
2. The SABC has a unique funding model utilising government funding and licensing which attract normative questions while simultaneously relying on commercial activity to secure the majority of funds required to operate under its Charter and regulatory mandates which can often conflict with its objectives and between different stakeholders.
3. The SABC has a dedicated corporate marketing office populated with individuals tasked as custodians of the SABC corporate brand and as managers of the sizeable corporate marketing budget.
4. The SABC contains a large portfolio of different hybrid product and service brands comprising a diverse group.
5. Gaining entry into the organisation was possible due to the researcher's position within the organisation and long-time and established relationships with various respondents. Yin (2011) emphasises the importance of trust and mutual respect between the interviewer and interviewee in a qualitative research study. This particular target population and resulting sample was therefore a useful and valued fit. As Balmer et al. (2006) described in their study of the Swedish Monarchy as a corporate brand, they were given unprecedented access to both members of the Swedish royal family and to senior court officials that lead to the depth and richness of their study.

Having defined the target population of the study it is important to look at the desired sample that was drawn from that population. Saunders et al. (2011) outlines that it is

necessary to select a sample when it is impractical to collect answers to research questions from an entire population. Sampling is very important for generalisability in that a sample should be representative enough to yield similar results at a different time or in a different situation (Robson, 2011). Bryman (2012) defines the sample as a subset of the population selected for investigation. Understanding these definitions, the target population is the answer to the question “who do I ask?” while the sample population answers the question “who are my respondents?”

Sampling can either be probability or non-probability. All qualitative research makes use of non-probability sampling which is defined as a technique where the probability of each case being selected is not known (Saunders et al., 2011) whereas in probability samples it can be claimed that each person in the target population stands an equal chance of being included in the sample (Robson, 2011). A non-probability sample is one where a random sampling method has not been used so some units in the population are automatically more likely to be selected than others (Bryman, 2012). As a qualitative study, this research uses a non-probability sampling method where respondents were selected in a manner that gave them direct relation to the research question.

Non-probability sampling makes use of different techniques to derive the sample. These can be listed as follows:

1. Purposive sampling
2. Generic purposive sampling
3. Theoretical sampling
4. Snowball sampling
5. Quota sampling

For the purposes of this study purposive sampling was utilised. Bryman (2012) explains that purposive sampling is a non-random form of sampling that is conducted in a strategic way to ensure relevance of the sample to the case. Robson (2011) goes on to say that this form of sample is contingent on the researcher’s judgement on typicality or interest while Saunders et al. (2011) state that purposive samples can be made up from extreme cases ranging from heterogeneity (where maximum variation is achieved) to homogeneity (where the goal is maximum similarity).

Candidates for this study were selected based on their ability to answer questions that pertain directly to the specific nature of the research problem therefore non-probability purposive sampling was utilised. This is necessary because an in-depth knowledge is required in order to provide reassurance that the respondents are also the individuals that are the key decision-makers in practical environment of the SABC.

In her study on Bush Radio, Bosch (2008) sampled from the target population of an entire radio station purposively based on access to decision-makers at the station. Her sample consisted of on-air personalities, current and previous station staff and board trustees. What these individuals had in common was experience and intimate knowledge of that particular radio station and its decisions. Many of them are key decision-makers of ultimate authority in the daily running of the station. As a result there is no other kind of sample that could deliver these insights more effectively or truthfully, lending value to the research objectives.

In the case of Greenholz and Kim (2009), a single subject was selected from a target population of Third Culture Kids to form the sample. This was very specific non-probability purposive sampling based entirely on the background of Lena and her acute cultural hybrid experience and upbringing. The authors of this article outline how the selection of Lena had to meet numerous rigorous criteria in order to be sure that her singular insight and test results could delve deeply into the perceived phenomenon. It would not have been practical to run this amount of testing with a large sample of third culture kids and more importantly, their cultural differences and unique experiences based on entirely different upbringings might drive more differences than similarities in their selection to the sample.

The individuals selected as the sample for this study are the key decision-makers and known authorities within the SABC who are directly involved in the building of the SABC corporate brand and the management of the SABC brand portfolio. The nature of this study is such that this is the most appropriate sampling technique for the purposes of providing insights that answer the research questions effectively.

3.3.3 *Ethical considerations regarding data collection*

It is acknowledged that ethical considerations are of importance when conducting qualitative research in a disclosed organisation within a single case study. In addition, the attention that the SABC attracts as both a SOE and an organisation in distress at the time of this study, means that careful considerations on the ethical nature of the research are necessary.

Ethics, according to Robson (2011) is the application of principles and standards to research in order to distinguish between right and wrong. Saunders et al. (2011) defines ethical considerations as standards of the researcher's behaviour in relation to the respondents' rights in that they participated in the research and are therefore affected by it. Bryman (2012) makes use of the four main areas of possible transgression originally drafted by Diner and Crandall in 1978. These four areas where ethical principles may be transgressed in business research are:

1. Whether there is harm to principles
2. Whether there is a lack of informed consent
3. Whether there is an invasion of privacy
4. Whether deception is involved

Appendix B outlines ethical concerns relating to my own role in this interpretivist study in an attempt to be consciously aware of how my own experience, perceptions and position within the SABC involves me as a subject in my own study.

In order to maintain ethical standards this study followed these steps as put forward by Chinomona (2015):

1. Anonymity and confidentiality was guaranteed (though names were requested, as per Appendix A, these were not and will not be published).
2. Deception was entirely avoided. All respondents were offered an opt-out opportunity and were able to withdraw during the research should they find themselves unwilling to complete the process (detailed in Appendix A). All respondents received the interview schedule prior to the interview in order to review and consider the questions in their own time in private. All respondents had an opportunity to request the notes and transcript from the interview in order to offer

their approval that information was correctly captured. Due to the researcher's position within the SABC, none of the respondents made this request.

3. Mindfulness of religious and cultural differences. All questions were crafted neutrally in terms of these elements strictly utilising branding specific professional and relevant language. Many of the respondents volunteered cultural and religious examples in their responses to various questions to demonstrate examples and illustrate points they made during the interviews.
4. Consideration and minimisation of any elements of the process that might have social consequences. All interviews were conducted in person. The interviews were hosted at the SABC Head Office in Auckland Park to alleviate time constraints however this office proved common territory for all respondents and a familiar environment for their relationship with me. Each respondent had a choice of where they would prefer to be interviewed. Some elected to come to the researcher's office or boardroom facility while others requested that the researcher conduct the interviews in the privacy of their own offices.

Obtaining informed consent was paramount in this study. Consent from the GE's office as well as the SABC's Learning and Development office was secured (Appendix C). It was clearly articulated to both parties that research would be shared with the organisation and communicated to appropriate staff at the SABC in the form of presentations and hand-out materials in order to assist the building of their business insights if desired.

Though there were no sponsors involved in this research, there are relationships that may have be positively or negatively affected by the generation of these insights. At a time when the SABC is constantly under scrutiny in the media due to its funding model, stakeholder structure and status as an SOE, it may be valuable for stakeholders to understand the complexity and influencing factors that the respondents must manage in the building of the SABC's corporate brand and the management of its brand portfolio. This could provide further support for a quantitative phase of research post this study to test whether other stakeholders, such as suppliers, regulatory bodies and independent contractors of the SABC, reflect similar challenges.

3.3.4 Data collection and storage

This study involved face-to-face interviews utilising the telephone and email to manage and approve interview schedules before and after the face-to-face interview.

Quinlan (2011) defines data collection as the means by which data is gathered for a research project while Wagner et al. (2012) briefly states that it involves gathering information to assist the researcher in answering research questions. Bryman (2012) describes data collection as the process of gathering the basic information from which the researcher will draw conclusions. There are four modes of data collection namely:

1. Participant observation (ethnography)
2. Interviews (which may be face-to-face, via telephone or internet)
3. Focus groups
4. Documents

A face-to-face interview involves the researcher asking questions and receiving answers from the respondent (Robson, 2011). Saunders et al. (2011) describes the interview as a purposeful conversation between the researcher and respondent(s) to establish rapport and then to ask considered and specific questions to the interviewee who has agreed to respond attentively. Bryman (2012) describes the purpose of the face-to-face interview as a space where diverse types of information are elicited by the researcher including the attitudes, beliefs and values of the respondent.

For the purposes of this study, the face-to-face interview proved to be the mode of data collection most suitable. The nature of the respondents is such that they are industry specialists and high level management representatives that appreciated the branding and business language of the interview. The nature of some of the questions were at times uncomfortable or potentially confusing. This is due to the fact that a belief held is often one that isn't regularly questioned by the holder of that belief and therefore some of the questions required both consideration and extrapolation. Face-to-face interviews ensure that probes are relevant and that the interviewer can embark on a course departing slightly from the interview schedule should when there was an opportunity to gain a deeper and potentially more valuable insight from the respondent to unpack the paradigm speaking to the research questions.

Articles authored by Bosch (2008 and 2014) utilise face-to-face interviews as a data collection technique. In the article pertaining to the employees of Bush Radio, this technique revealed an intimacy and level of comfort between Bosch and the respondents. This allowed for some forthright and revealing information to be shared and documented that supported her research questions. In the article pertaining to the coloured audience listening (or claiming not to listen) to Goodhope FM, the face-to-face interview was conducted in the respondent's personal environment in order to generate a sense of confidence and comfort in each person. This mode allowed Bosch to depart from the interview schedule or to probe further when respondents were struggling to define or correlate and answer to the question.

In terms of data storage all audio recordings were transferred to computer sound files that are password protected on a personal laptop and a personal tablet. This has been backed up to two separate electronic storage drives which are kept in my personal residence. At no time are either of the drives removed from the residence and at no time were any files related to the research stored on any electronic device that gets plugged into a network of any kind. All original consent forms, hand-written notes from the interviews and typed transcripts are filed and stored in the same way with physical notes and originals locked in a trunk. At no point was any information stored on any public service, backed up to a cloud or any other server that is shared by other people.

3.3.5 *Data processing and analysis*

In this study data processing involved dividing responses into different themes namely:

- Approach to corporate branding:
 - Objectives
 - Priorities
 - Values
- Approach to brand portfolio management:
 - Structure
 - Process
 - Values
- Theories/comments/concepts/ideas about heritage brands

- Theories/comments/concepts/ideas about SOEs
- SABC specific context questions
- Research insights or comments with factual support (such as documents or principles from secondary data)
- Business pressures or challenges
- Final comments

Saunders and Lewis 2012 define data processing as how data is prepared so that it becomes suitable for analysis. Bryman (2012) outlines that a coding frame, providing rules for assessing answers to each category, is developed for data processing.

The first step in processing qualitative data involves transcribing. Saunders and Lewis (2012) define transcribing as preparing an audio recording as text for qualitative analysis while Bryman defines it as “the written translation of an audio-recorded interview or focus group session” (p.385). Saunders et al (2011) outline transcription as the written record of what participants in a study said in response to questions or to each other through conversation in their own words.

All the interviews in this study were recorded utilising an application called Meeting Minutes on an iPhone and iPad device. Verbal answers were transcribed from the recordings verbatim. A comparable guide has been offered by Bosch (2012) where transcription of radio broadcasts was done for content analysis. Though this study did not follow a content analysis approach, the verbatim capturing of what was said on-air, including code-switching and listeners speaking in vernacular, provides credibility by virtue of thorough and specific transcription.

Bosch’s 2014 study with Goodhope FM listeners in Cape Town offers helpful support for how to sort data to themes. Each paragraph in the article speaks to a research question and data is captured to each theme accordingly, often including the question to contextualise the respondent’s answer. The article shows evidence of notes that were taken and audio was recorded followed by transcription and thematic coding. Data was clearly fragmented to align to specific themes so that evidential segments could be grouped per heading to link to the literature in each objective. The analysis is narrative in nature where participants are describing experiences and telling stories around these to

justify their answers or try to explain their preferences. This provides the respondents with a type of ordering or structure to the complicated theme of identity.

Once qualitative data has been transcribed it can undergo analysis. Saunders et al. (2011) define analysis as an ability to break down data and clarify its component parts and relationships between those parts. Wagner et al (2012) state that analysis is a process involving making sense of data while Bryman (2012) talks about interpreting the coded data so that it is represented by the researcher so that it is no longer in its original format. Qualitative analysis can be approached in three ways namely narrative, content and thematic analysis. For the purposes of this study thematic analysis was utilised.

Saunders et al. (2011) define thematic analysis of qualitative data as creating and developing a template where themes are structured in a hierarchy revealing a relationship between data collected. Robson (2011) explains that in thematic analysis all parts of data are coded and labelled under the auspices that each element identified holds something of potential interest. Bryman (2012) talks about a flexible research technique in thematic analysis where the goal is to identify, analyse and describe patterns under the outlined themes or codes.

The advantage of utilising thematic analysis is that it provides a fuller picture as to the phenomenon in question. By using fragments of narrative from respondents, the researcher can sort experiences into common themes to suggest reasons behind the relevant phenomena (Bryman, 2012).

To analyse data involves faithfully reporting what is said by respondents. At this point assertions can be counted per question to see where comments are in agreement and whether they form a majority. Thematic analysis involves reviewing transitions, repetitions, similarities and differences in the responses. Useful quotes to utilise in the analysis text are highlighted. It is acknowledged that qualitative research is an iterative process that involves collection, processing and analysis in constant interplay.

Data fragmentation is the process by which data can lose its context because it is broken up and independent items are separated. One of the ways to avoid data fragmentation is to directly lift content from the transcript to the thematic analysis. Data will fragment due to

the sorting process however its context must be retained. The themes are comprised of the research questions and the data instrument questions.

Overall the process followed for data processing and analysis was:

1. Transcription (an example is offered in appendix D)
2. Coding per theme (an example is offered in appendix E)
3. Overlaying supporting documents (listed in appendix G)
4. Review of themes
5. Avoidance of fragmentation (transcripts typed to ensure faithful interpretation)
6. Interplayed audio recordings and transcriptions to avoid loss of context and flow

3.3.6 *Description of respondents*

To secure a well-rounded sample of respondents the following criteria was asserted to derive the profile of respondents in table 3:

1. Respondents must range from three different levels of involvement in the corporate branding and portfolio management process namely:
 - a. Top level executives
 - b. Strategic players
 - c. Senior managers
2. Respondents must have involvement in approving, deriving and/or implementing the corporate brand strategy and its budget for the SABC.
3. Respondents must have a minimum of three years' employment on at least one of the three levels of involvement in point 1 to ensure a legacy of knowledge and experience in the field.

Table 3 represents respondents' position in the hierarchy is outlined.

Table 3: Hierarchical profile of respondents

Level	Description of respondent and level of involvement	Number sampled
Level 1	Top level executives: General Executives (EXCO) and top level management	5
Level 2	Strategic players: • Function heads such as Corporate Marketing and Radio Marketing • Divisional heads on the General Manager level	5
Level 3	Senior Managers: Platform heads such as Station Managers, Marketing Managers, Channel Heads	5
TOTAL		15

This sample was selected due to their intimate knowledge of the SABC and because of their unique decision-making power and involvement in corporate brand building and portfolio management over time. The benefit of researching this target population is that they are uniquely able to give insight into the running of the SABC and the strategy behind their decisions. Though anonymity was preserved a profile of each candidate in the sample was provided as per appendix E. This positioned each sample candidate within the hierarchy of the SABC, as per table 3, and outlined the qualifications, experience, gender and length of service with the SABC as per appendix A and the example offered in appendix E.

Patton (2002) explains that qualitative research typically involves small sample sizes due to the depth and intensity of the respondents' involvement in the study. In this case, only a limited number of people are equipped to address the proposed questions. Aligned to the structure in figure 1, table 3 comprises the ultimate decision makers in the structure of the SABC, therefore these respondents are unique in their particular nature making them the most eligible participants for this study.

3.4 Research validity and reliability

3.4.1 Reliability

Reliability, according to Quinlan (2011), is the dependability of research and the degree to which research can offer consistent results. Saunders and Lewis (2012) similarly state that reliability is the extent to which data collection methods and analysis procedures produce consistent findings while Bryman (2012) talks about the stability of the measurement of concept to describe reliability.

Based on these definitions reliability speaks directly to making research replicate-able. The process that was followed to ensure reliability in this study is:

1. Detailing steps – this was done through thick description The report applied theory from Geertz (1994) in order to develop ‘thick descriptions’ of the understandings of these respondents to deliver insight into the way in which the corporate brand is built and the brand portfolio is managed.
2. Transcription and field notes – these have been included as part of the report in their original form (field notes), typed (transcriptions) and saved (transcriptions and audio files) that followed the data storage process.
3. Replication – though results may indeed be different with other SOEs, the instrument and analysis process in this study are usable in other research contexts. Similarity is shown within this chapter between this research methodology structure and cases gleaned from more developed markets.

To further lend reliability to this study, a detailed and significant background to the environment in which the qualitative research was conducted is provided in the context of the study. As Shenton (2004) outlines, this provides the reader with enough context to decide whether the prevailing content is similar to another setting and can be confidently applied.

3.4.2 *Internal and external validity*

Validity at its base speaks to the quality of the study and asks the question: "Did the interview provide useful data that truly answers the research questions?" (Yin, 2011). Through the use of triangulation, which is the process by which evidence is sought from numerous sources (Patton, 2002), findings can be compared between respondents which assists in improving validity.

In terms of validity there are four challenges namely:

1. What measurement mechanism can be put in place?

This point speaks to credibility as a concept. Robson (2011) defines this as "...detailed information on the methods used and the justification for their use" (p.93) while Bryman (2012) posits that a report is quality in nature if it is trustworthy in that it has been carried out with principles of good practice. He also highlights that submitting analysis to respondents that were studied to confirm that the researcher has accurately understood their social reality offers parallel to internal validity.

This study ensured that analysis was confirmed to be true and correct by each respondent interviewed over a three-month period of data collection. Triangulation between participants was conducted through the selection of the respondents in table 3 and supporting documentation in appendix G.

2. Is there a real or latent link between variables?

This point speaks to the notion of internal validity or causality and dependability. Wagner et al. (2012) define dependability as a reliability measure that can be achieved through the method of triangulation specifically by providing an audit trail. Bryman (2012) discusses dependability as an expression of trustworthiness that ultimately depends on whether the researcher has followed procedures of good practice. He suggests keeping complete records and the extent of justification of the theoretical inferences. This points again to reliability above.

Record keeping was fundamental to delivering dependability to this study. This speaks to the proposed research timing plan (chapter four) and the process of data collection.

Physical and digital records were kept so that at any point this information could be raised to answer questions. All audio material was date-stamped and all consent forms were signed on the day that the interview was conducted to verify that it was done in person by each respondent.

3. Can we generalise findings outside the respondents and their study setting?

This point speaks to the concept of external validity or transferability. Bryman (2012) defines this as whether or not the results of the study can be found beyond that specific research context. Saunders et al. (2011) simply says external validity is the extent to which the results from a study are generalisable to all relevant contexts and Robson (2011) asks the question; “What would happen to other groups in other settings?” to offer a definition.

Again, thick description and a rich account of the interviews and their contexts was necessary. There are limitations in generalisability in this study but there is sufficient internal validity to make the instrument a useful tool for different contexts that meet the criteria outlined for the purposes of this particular study.

4. Are findings applicable to people’s natural settings?

This question talks to the point of ecological validity and conformability. This is extremely relevant in a qualitative study because the deep level engagement with respondents requires acting in good faith where the researcher should not allow personal values or inclinations to sway the process. While the researcher’s position at the SABC is one that is known to all the respondents (as per appendix B) it must be pointed out that this position in the hierarchical structure of the organisation is on par with the third tier stipulated in table 3. Thus the researcher is either on-par or below par to the respondents in terms of influence in the organisation.

Robson (2011) points out that findings from a laboratory experiment may not be relevant in a real-life setting. This puts qualitative strategy at an advantage in that the information gleaned is very relevant to a lived context and reality. Bryman (2012) supports this view saying that the question of whether or not social scientific findings can be applicable to everyday settings is fundamental to arguing a study to be ecologically valid.

There is much debate regarding the validity of qualitative research. Miles and Huberman (1994) state that analysis of a number of respondents provides a level of generalisability that deepens understanding and clarity of a phenomenon. In the case of this study, the individuals purposively selected for the research are without exception the key decision makers in the organisation. In addition, the significant sample size (fifteen interviews across three levels of influence) provide further support for the claim that this is a valid study.

Tracy (2010) also outlines eight points that qualitative researchers should answer to secure authenticity in their research. These are:

1. Worthiness of topic
2. Rich rigour in terms of the kinds and diversity of the respondents
3. Sincerity in terms of the transparency and reflexivity of the study
4. Credibility in terms of thick description
5. Resonance in terms of the affect of the research on the reader
6. Significant contribution to theory and practice
7. Ethical considerations that are engaged and morality regarding the study
8. Meaningful coherence of the study

The main problem of this research was to identify the decision-making factors in corporate brand building and portfolio management in state-owned organisations and to resolve how these factors are prioritised to achieve organisational objectives and what value there is in building a corporate brand in a state-owned organisation.

If the study has been able to resourcefully answer this problem then it not only provides useful information about the challenges and opportunities in building a corporate brand in an SOE but added to that it contributes to research from a country defined by emerging market characteristics (Burgess & Steenkamp, 2006; Jain, 2006).

Further to this, by better understanding how a corporate brand is built in a SOE and how its diverse brand portfolio is managed, SOE managers can be better informed as to how to manage and prioritise their numerous stakeholders and succeed in securing value from their corporate brands.

3.5 Research limitations

In the case of qualitative research Blumer (1984) reminds us that by positing a reality that cannot be separate from our knowledge of it, the interpretivist paradigm acknowledges that the researcher's values are involved in each phase of the research process. He says, "truth is negotiated through dialogue" (p. 2) so it is not possible to completely separate the subject or respondent and the object or the content. Findings emerge through conflicting interpretations that are then negotiated and fostering a dialogue between researchers and their respondents is crucial for worthy result. He goes on to say that interpretations of face-to-face interview responses are based on a particular moment. As a result, they are open to re-interpretation and negotiation by way of the conversation taking place.

Wagner et al. (2012) cautions that measurement has its limitations and that the researcher, their instrument and analysis can influence results. Adanza (2006) goes on to define a limitation as an aspect of the research that may adversely affect the result and which the researcher does not have control over.

These concerns do form limitations of this study. Further to this the following limitations are identified:

- Though every effort is made to define the concept of corporate branding and brand portfolio management in the literature review, the common understanding of these terms is not necessarily consistent among respondents. This can be addressed by providing a working definition of corporate branding and portfolio management, as outlined in the literature review. This was shared and explained during interviews where respondents requested clarity on the meaning of the terms in any of the questions.
- Due to the researcher's position within the SABC, concern must be acknowledged regarding the direct interviewing of the qualitative purposive respondents which could have elicited overly considered responses. This however proved an advantage due to the researcher's intimate knowledge of the organisation and the perspective that the respondents had that she is 'one of them' and that she shares the same challenges and experiences that they do and can therefore be trusted. This offered welcome ethnographic benefits without being an ethnographic study.

- Sampling is non-probable and purposive. This affects generalisability however the SABC is the only SOE within the business of broadcasting in South Africa and commands a 70% market-share of media audiences (SABC, 2015) and can therefore be considered the majority player in this particular industry. In addition, when reviewing the list of SOEs in South Africa (GCIS, 2015), it can be argued that the SABC is one of the largest with over 4000 employees (SABC, 2015) and has one of the largest brand portfolios as per figure 1 making it the most suitable for the study with the greatest potential to compare similar findings to SOEs in other markets.

The time frame required for fifteen interviews and to transcribe and analyse these was significant. Fortunately, all the respondents are based in Johannesburg at the SABC's head offices in Auckland Park and the time of year selected for the interviews was one where the organisation's financial year had comfortably commenced and it was therefore not a pressurised period for these particular individuals.

This allowed time to adequately follow a structured and cogent process in gathering data and checking with respondents at each point of that process to ensure they were treated fairly.

CHAPTER 4. PRESENTATION OF RESULTS

4.1 Introduction

The results of this study are presented utilising direct quotations from respondents, extracted during the data fragmentation process verbatim from interview transcripts. For each research question themes are extracted and views are reported across the sample of respondents to demonstrate how these themes emerged. A summary of results for each research question is then offered culminating in a summary of all results at the end of the chapter.

Graphs and figures are presented to illustrate contributions made by the respondents to the questions and secondary data in the form of documents listed in annexure F are referred to for triangulation purposes.

Fifteen interviews were conducted with employees of the SABC based on these criteria:

1. Respondents all fall into one of the following hierarchical categories at the organisation:
 - a. Top level executive
 - b. Strategic player
 - c. Senior manager
2. Respondents are involved in approving, deriving and/or implementing the corporate brand strategy and its budget for the SABC.
3. Respondents have a legacy of knowledge and experience within the SABC via a minimum of three years' employment on one or more of the three levels in the hierarchy outlined in point 1.

Table 4 offers the profile of each respondent in the sample.

Table 4: Basic demographic profile, experience and area of influence of respondents in sample

Respondent	Gender	Age Range	Highest Qualification	Years experience total	Years experience at SABC	Level of influence in hierarchy
Respondent 1	Male	Over 50	Undergraduate	36	35	1
Respondent 2	Male	Over 50	Undergraduate	40	40	3
Respondent 3	Female	40-50	Undergraduate	15	6	2
Respondent 4	Female	40-50	Matric	25	3	3
Respondent 5	Male	30-40	Undergraduate	21	20	2
Respondent 6	Female	30-40	Postgraduate	17	9	2
Respondent 7	Male	40-50	Postgraduate	20	14	1
Respondent 8	Male	40-50	Postgraduate	15	15	2
Respondent 9	Female	30-40	Undergraduate	16	12	3
Respondent 10	Female	Over 50	Undergraduate	27	27	3
Respondent 11	Male	30-40	Postgraduate	13	10	2
Respondent 12	Female	40-50	Postgraduate	25	21	1

Respondent 13	Male	30-40	Postgraduate	12	8	3
Respondent 14	Female	30-40	Postgraduate	18	14	1
Respondent 15	Female	40-50	Postgraduate	25	25	1
Total years' experience				325	259	

Table 4 demonstrates that the combined experience of all respondents in the research sample is 325 years and of that 259 years have been spent working at the SABC. This means that 80% of the total working years of the sample have been spent working within the SABC.

The following graphs report the balance of male and female respondents in the sample (figure 7) and the balance of the qualifications of the individuals (figure 8).

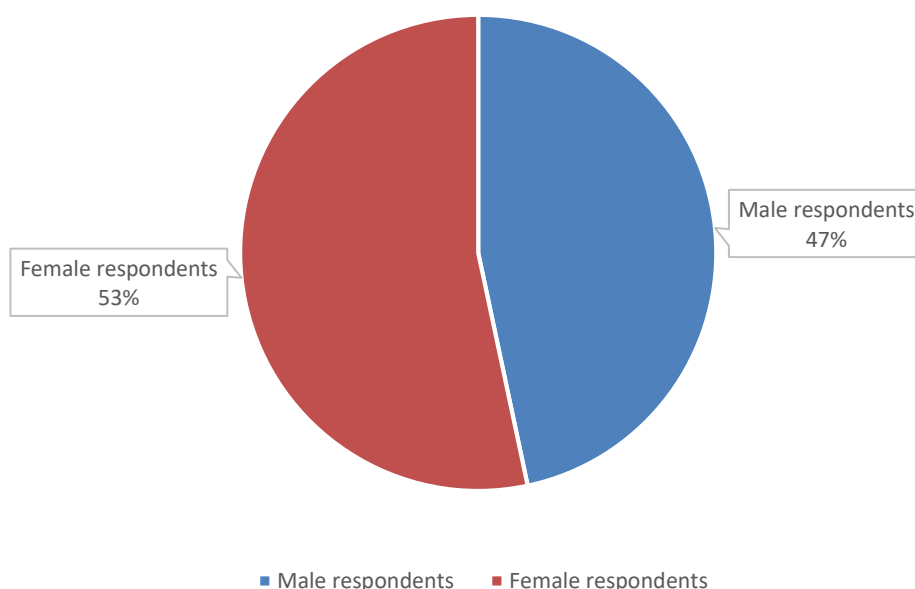


Figure 7: Balance of male and female respondents in sample

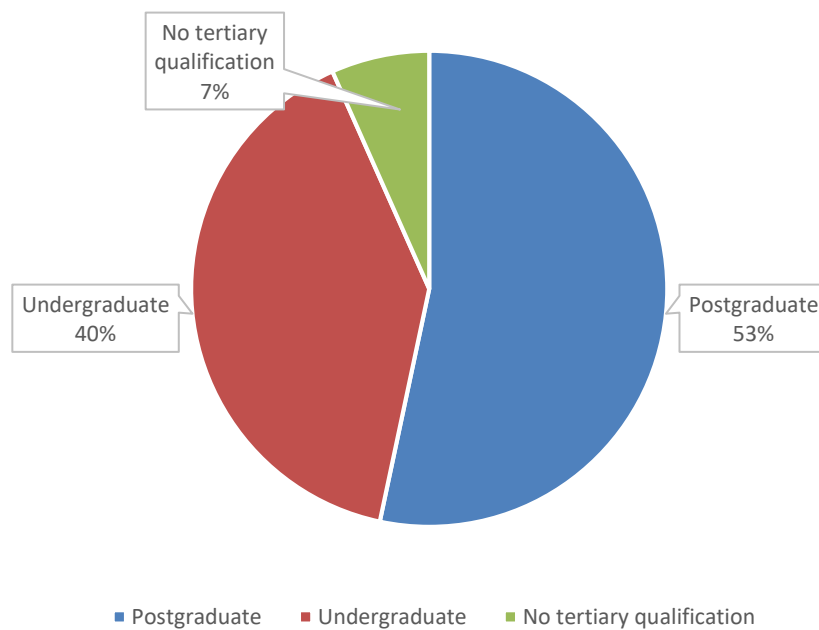


Figure 8: Balance of qualifications of respondents in sample

Table 5 confirms and summarises that the sample is representative of the relevant levels of the hierarchy at the SABC as articulated in the methodology chapter to support validity. This supports both influence, decision-making and implementation levels of the hierarchy have been sampled for the purposes of obtaining accurate and rich results.

Table 5: Summary of levels of hierarchy of the sample

Level	Respondents in sample	Number of respondents total per level
Level 1 Top level executives	Respondent 1 Respondent 7 Respondent 12 Respondent 14 Respondent 15	5

Level 2 Strategic players	Respondent 3 Respondent 5 Respondent 6 Respondent 8 Respondent 11	5
Level 3 – Senior managers	Respondent 2 Respondent 4 Respondent 9 Respondent 10 Respondent 13	5
	Respondents 1-15 accounted for	Total 15 respondents, 5 per level

The research instrument and interview schedule outlines the questions posed to each respondent in the sample during the fifteen semi-structured interviews (appendix A). These questions are sorted to align to each of the four research questions. An analysis of the transcribed interviews revealed a number of themes that will be discussed in chapter five. The research instrument provided a structure for the interviews to take place however the semi-structured nature of the interview, as well as the opportunity to probe further, meant that in some cases, answers were given in a different order from those of the questions in the instrument. In some cases the answers given by respondents addressed multiple areas of interest encapsulated in one or more of the research questions.

4.2 Results pertaining to Research Question 1

RQ1 - What are the decision-making factors and organisational objectives in corporate brand building of a state-owned organisation?

4.2.1 Themes extracted from Research Question 1

The key themes that emerged under research question 1 are:

- Mandate as a key influencing factor (mentioned 23 times in responses)
- Funding or revenue or being sustainable (mentioned 21 times in responses)
- Government or Department of Communications (mentioned 14 times in responses)
- Inform, educate and entertain (mentioned 14 times in responses)
- SABC Corporate Plan (mentioned 14 times in responses)
- Public broadcaster (mentioned 11 times in responses)
- Audiences (mentioned 11 times in responses)
- Regulation, policy, charter or legislation (mentioned 10 times in responses)

4.2.2 Respondent views from Research Question 1

Table 6: A variety of respondent views pertaining to the influencing factors involved in building the SABC corporate brand.

"The SABC is the national public broadcaster of South Africa so we've got a certain mandate to fulfil and that national mandate, some of the mandate issues that we have to deliver on, is from a commercial or competitive point of view, you know a commercial broadcaster would say no I'm not going to do that because it's not commercially sustainable or viable, but we have to do it because we are the public broadcaster."

"Being part of a state-owned enterprise is being part of the objectives of government. The big battle of course is to maintain some kind of sheen of being independent, you know (laughing)."

"I would definitely say the main influencing factor is the mandate. It guides us and is the epicentre of what we do so we are here to inform, educate and entertain "

"So I believe that as the public broadcaster we have to make sure that our mandate is very key, that we deliver on our mandate as priority."

"SABC is the only public broadcaster, so one of the things we seek to realise as a broadcaster, is to broadcast to the nation and make sure that we keep to the mandate of educating, entertaining and informing the nation. Primary to doing that is the fact that we must generate revenue so that we are self-sustainable."

"There's a contradiction because either you say we are a PBS, public broadcaster of South Africa, we are at your service as you are our customers, we do what you want or you say sorry we give you what we think you want and what you should have and you take it. The SABC is not clear on that. On the one side you ask your people to give input and on the other side you say sorry you will listen to 90% local music whether you like it or not. In the last few years it moved more towards we tell you what to do."

"In the case of the SABC, I suppose it's a little bit tougher because, there are all these mandate areas that the organisation has to look out for, and all sorts of pieces of legislation that it must adhere to. There is also government as a shareholder on behalf of the people of South Africa but there's also the people directly who are the shareholders through the TV licenses that they pay."

"The thing that influences us the most is our funding model and our treatment plan of our funding model such that you know, everything is a grudge."

"You have to understand the role of the public broadcaster, that is the main thing. It's a public broadcaster with a role and a mandate."

"For me your viewers obviously have a huge influence. The government unfortunately has a lot of influence, whether you like it or not that's part of life. I think on the negative side, because there is so much political influence over the SABC, you find that appointment in senior positions, board etcetera, gets compromised."

Table 7: A variety of respondent views pertaining to what the SABC's objectives are.

"It's obviously to deliver on our public mandate but it's really about our core business which is to inform, entertain and educate the public at large. The second one that goes with that is to be self-sustainable from a financial point of view. Some 85% of our funding is derived from commercial activities."

"Look in an ideal world, what the SABC or an SABC should be about, is really the classic, um, aims and objectives of public service radio, which is information, education and as a third thing entertainment. Revenue has always been a bit of an, um a problem because we have got to somehow fund what we do but again it's a secondary objective, it's not what our raison d'être is at all."

"So we've got the mandate things, educate, inform and entertain, to as many South Africans in all of our official languages. There's the financial objective, meet targets from TV licenses through to government funding so that's financial. Then you've got to maintain and grow audiences."

"In my view our objective is still to broadcast for total citizen empowerment because we are about the public out there."

"I think we confuse SABC as a public broadcaster with any other kind of business. In terms of revenue it's not the objective because if it's not happening we are still going to function. In terms of mandate it's really to broadcast, to broadcast freely, fairly and to make sure that everyone's voice is heard. Whether we are doing that or not that is something we still need to dwell on."

"We must inform, educate and entertain and audiences vote with their ears and fingers."

"You know I don't know what the objectives are because it changes with every regime. I am guided by the Broadcasting Act, the License which is more to the point and then the mandate. "

"The SABC exists to serve the people of South Africa, their need for education, information and entertainment, as set out in the broadcasting act. That is the primary objective of the organisation, that's why it is exists."

"We have various customers be it our audiences, our advertisers, government, organisations that want to see their brands on our platforms. It's also about our public service mandate which is to inform, educate and entertain in various aspects and forms."

"To put broadcasting at the centre of our business. With all the chaos that has happened, with all the leadership crises that has been identified, the one key thing that we have always ensured is that broadcasting must continue. It is the basis of why we are here so it is always the centre of everything."

"I would assume its biggest objective is to serve the public while being financially sustainable. That's my personal view and I think it is what they say in the objectives but I don't think it's what's actually being done right now."

Table 8: A variety of respondent views pertaining to how the respondents are informed of the objectives in the state-owned enterprise.

"It's in the mandate, and it's in the charter, it's in the license conditions. All these things are articulated in one form or another either through a piece of legislation or even in the constitution, or in public service radio's case mostly, in license conditions."

"When the planning cycle starts, the strategy part of the business then kind of collates all of the different divisions saying we are going to revise and update the corporate plan. Everybody is then asked to kind of look at their different businesses and their sections of the corporate plan and make inputs into that. It goes through the different governance structures of the organisation."

"We are very reliant on what our line manager decides to inform us on. So it's very top down and then you're very vulnerable to what your line manager's ability is to sift through all the information decide what's important and then what they bother to pass on to you"

and we've seen a lot of gaps there. In terms of workshops I've seen the weakest of the weak."

"You have a group executive then under them you have general managers and station managers, so you become accountable to make sure you disseminate that information which comes from the group executive to your level and take it down further. You will have sessions with the GEs at summits."

"It goes back to processes we lack as an organisation. It would be filtered down the hierarchy. Some are better at doing that than others. We have that department, corporate affairs, within which we have communication division or whatever they call themselves, they need to communicate things not just advertising."

"The corporate plan will be shared amongst management, staff, engaged, debated and from there every unit will come with its own implementation plan of how they will ensure that they achieve that goal."

"We use different tools. One the intranet, breakaway sessions where people get to know what you know and you get to know what I know. So we develop a common vision and once that is done the roll out is done in the form of various PR exercises. Then if needs be you make it a daily song that must be, a daily poem that must be rendered by all and one."

"The staff is always the last people to find out about things. As an employee of the SABC we all have access to the intranet so I think that's quite a good thing that you are able to then find it but then who goes through it? It's just really individual interest that will then drive you to whether you have a look at it or not. But at least it is accessible."

"The board meets and it sets out the strategy for the organisation, which gets cascaded to exco. We then at a lower level, a general management level, we get the corporate plan and we say this is how we are going to deliver on the corporate plan. We rely on our group executive for feedback "

"This is where I think we fail as an organisation because sometimes we sit and we talk about these things and we talk about them ad nauseam but maybe they don't trickle down."

What happens is we have a corporate plan, which at any given time has got a three to five year outlook. And this corporate plan is the one that we send to the shareholder, to the DOC. It is also derived from what happens at DOC. Once we have developed this corporate plan we then develop our own strategy of how we are going to do it."

4.2.3 Summary of results from Research Question 1

This research question received responses pertaining to the factors influencing the building of the SABC's corporate brand, the objectives of the organisation and how the respondents are informed and involved in the derivation of those objectives.

The biggest influencing factor is overwhelmingly the mandate of the SABC as enshrined in various pieces of legislation, policy and regulation. All the respondents referred to the mandate in some capacity. 60% of the respondents highlighted the challenge of meeting financial and mandate objectives simultaneously and referred to the need to be self-sustainable at the same time as delivering on mandate imperatives.

There is a certain level of disagreement or confusion between respondents regarding the objectives of the SABC however the term "inform, educate and entertain" was mentioned as the core business objective by 14 out of 15 respondents. This however is interpreted differently based on the area of influence and particular silo objectives of each of the individuals. To deliver the mandate remained top of the list of objectives with all but one of the respondents. This outlying respondent's core function however pertains to sales and revenue.

Regarding the path by which the respondents were informed of the objectives of the organisation, there is broad consensus and understanding of this process from the Department of Communications down to each employee. There is however a lot of negativity regarding the implementation of the process. Three out of five Tier 1 respondents specifically acknowledged that they are aware that this process is not clear or effective. It is clear that the corporate plan and all other pieces of legislation and policy are widely and readily accessible to all employees however the active driving of these objectives seems to lack vigour and implementation according to the respondents. There is also a lack of ownership of the notion of informing employees in the respondents' own

teams of the objectives of the SABC. This seems to be related to three areas. Either that the objectives are not defined specifically enough, are interpreted very differently across divisions or that they are changed often as articulated by one individual who explained that after more than 10 years at the SABC as a platform head she is still unsure of what the SABC's objectives are.

4.3 Results pertaining to Research Question 2

RQ2 - How are brand portfolios of state-owned organisations structured and managed?

4.3.1 Themes extracted from Research Question 2

The key themes that emerged under research question 2 are:

- Corporate brand or Mother brand (mentioned 78 times in responses)
- Radio (mentioned 74 times in responses)
- Television or TV (mentioned 51 times in responses)
- Leaders or leadership or role of people in the business (mentioned 12 times in responses)
- "House of Brands" or "Branded House" (mentioned 10 times in responses)

4.3.2 Respondent views from Research Question 2

Table 9: A variety of respondent views pertaining to what respondents understood to be the brand portfolio of a business

"For me a portfolio is what we use under an umbrella and we are able to say under this umbrella we are able to find a plethora of sub-brands that when put together, define the mother brand."

"Depending on who you asked the question to they'd tell you something different but for me as a classical marketer, your brand portfolio is your product offering at the end of the day."

"Ideally or how it is now? At the moment very fragmented and even working against each other. The moment the SABC changed into business units, as a public entity, I think the problem started because then every department started working for itself and started making policies and rules and regulations and decisions that does not further the goal of a public broadcaster."

"There is that discussion of house of brands and branded house whatever academic way you want to look at it."

"The brand portfolio in my own understanding is having different brands of the SABC in one basket. Now we are talking SABC overall, you have your radio, you have television, you have TV Licenses, everything that is under SABC in one basket."

Table 10: A variety of respondent views pertaining to the structure of the SABC's brand portfolio.

"There's a decision we must make as the SABC, whether we are a house of brands or we are a branded house. We have not yet found a way of defining ourselves as the corporate because it depends on who is at the helm of things."

"So our radio stations and our television platforms are all let's call it sub-brands of the bigger corporate brand."

"There's the overall SABC brand which is radio and television and then of course within that you have all the sub-brands with all the individual radio stations."

"Those are all of our 19 radio stations (counting Channel Africa) and then of course the 5 TV stations and that's it...oh sorry and of course the transversal brands, news, sport, education and TV licenses. So those would all be the brand portfolio."

"We are a house of brands as the SABC."

"The two broadcasting units being radio and TV and the digital environment that is still very young. Then of course these other divisions I will treat them as supporting services that are just necessary to support the three to realise their business objectives. We are like one BMW with different series you know? Each individual brand can stand on its own but it keeps referring to the mother brand. "

"Sadly it's a house of brands and I think I'm saying sadly because everyone just acts independently because every brand just then decides to do their own thing. That's what makes corporate marketing's role very difficult because there are very strong brands within the SABC but when you have brands that are stronger than the mother brand you know for me that is obviously a bit of a problem."

"Ok, on paper? It says this is SABC TV and it has five, then it has radio stations and you have the 18 and then it talks about education, TV licenses, commercial enterprises etc..on paper. But in reality it's really chaotic."

"As much as the SABC says "this is a product of SABC Education" you know for the audience it's a program broadcast on Ukhozi FM. They don't see the difference, they don't see SABC education as a brand within. It's there and it's sort of spoken about and there is some recognition for it, but it doesn't really mean much for anybody, especially not for the audience. For the audience it's about on television, it's the channel, that's what they see, and on radio, it's the station, that's what they see. There is no vehicle for them to stand outside of a radio station or a television station."

"I would look at SABC Sport and News as brands because of the nature of the job they do but then I would look at Education as a business unit but what is interesting is that all of them will still rely on platforms to be able to be given an opportunity to deliver their service. So maybe all of them could be brands in DTT."

"You've got the SABC which is a corporate brand which is very very strong. Underneath that it's got its own television channels which have a very close link to the mother brand, like SABC 1, SABC 2 and SABC 3. Contrary to television, radio has stand alone brands with no attachment to the mother brand, Metro FM on its own, 5FM on its own, it's not

SABC 5FM, it's 5FM, it's Ukhozi FM, it's Motsweding FM, so it's got stand-alone brands that are very strong that they..that South Africans have developed affinity with those brands."

"I wouldn't call those (news, sport and education)...they are a conduit for me...I don't think they are standalone brands...I have always argued that news, sport, education, shouldn't necessarily be regarded as brands."

"There is no radio station called news. News is helping individual radio stations and TV channels to disseminate that content to broadcast news. They come in as a service to individual business units."

"It's a very difficult discussion because it depends on who is leading what area. You see there has got to be the mother brand but the way that our organisation is so big, it has kind of allowed, where there's expertise, or where there is more skill, for those brands to shine."

"SABC, especially radio, cannot be like a BMW 3 series, BMW 5 series, it has to have different brands because of the diversity of the South African audience. The different brands need to have their own identity to serve a specific community"

"I think they've (transversal brands) tried to position themselves quite clearly. I mean obviously the bigger picture is to ultimately have their own channel and how else would you do that other than by growing yourself on separate channels at first."

"Those (news, sport and TV licenses) are services. They are not exactly brands. They are service providers."

"Why are education, sport and news sort of central people giving content to you but when you get to drama or children's programming, every station does its own. So why are some central and some not. News cannot be a brand because news is there to gather information and distribute it to the stations to broadcast. Interesting that we had this whole issue about RSG journalists that were suspended. The RSG brand was all over the newspapers, it was RSG, whilst we know that in the SABC actually it didn't have anything to do with RSG, it was the news department. They are not even accountable

to me. News wants to see itself as a brand, they have marketing and banners etc but the audience doesn't see it like that."

Table 11: A variety of respondent views pertaining to the importance of each brand speaking to the corporate brand and why.

"Yes. It is extremely important that whatever a sub-brand does it has to align to the mother brand, it's goals and objectives. There has to be alignment because otherwise it goes off on its own tangent which is sometimes what we do at the SABC. Even though we are one SABC we actually aren't. So aligning and making sure that we stand for the same thing, we don't have to look and walk and talk the same, but we must know why we are there."

"It's very important in terms of brand synergy because then that's where you can draw strength from one brand to another but it's also very risky because when one brand is tarnished then it's a domino effect on the other brands."

"It is important in my view because the SABC exists in order to achieve a certain objective and it is an invention that is a result of an act of parliament. That act of parliament says the SABC will do the following."

"In my view I can't exist as a corporate brand without the platforms that then help to deliver that compelling content uh that resonates with audiences and then ultimately leads to brand affinity."

"For me it's like a family. If someone in the family does something brilliant or they go and perform well in the Olympics, they represent their whole family. If something bad happens it also affects the whole family. The SABC is one big family with different children."

"Before I tell you that I work for 5FM, Metro and Goodhope, I will tell you that I work for the broadcaster which therefore means that the umbrella body that is the SABC, is key to all these tributaries that are feeding into this one ocean being the SABC. It's not

necessary to say SABC 5FM, but it must be known that this 5FM is a business unit of the SABC."

"You can actually strengthen the SABC's competitive edge. So to me it's very important that association with the mother brand or corporate brand."

"I do think it should speak to the corporate brand without getting drowned in it because remember the corporate brand has got a very public mandate feel so each and every one of us as good citizens, there's an element of good citizenry that we must do and that's what must filter through. But I don't think people should lose their uniqueness."

"Yes, well, to a piece, to a piece of the corporate brand but not to the corporate brand in its entirety. Because like I said, the SABC serves all South Africans, but 5FM can't serve every single South African. That's why you sit down and say ok, where's the gap for 5FM? And you come to a point where you say, ok it's this type of persona that we want to speak to, whatever it is, then you design your content, your campaigns, everything is designed to attracting that person."

"When we say we want everyone to fit into the mother brand, we are not resourcing it sufficiently to allow that. If it fits into the mother brand, how does it do that? Because at the end of the day you don't want homogenous brands and offerings, you do want separation. So how do we as an organisation enable platforms to still be themselves without losing the SABC."

"For me it's important for us to get some sort of leadership and direction from the mother brand because, whether we like it or not, we will always be under that mother brand. So for me it's a case of let's then strengthen the positioning of that mother brand and then that will give clear direction, assistance, support to all of the sub-brands."

"Now that we know that this is what we have (a house of brands), do we then just make more efforts to ensure that people know and that we are correctly aligned to the mother brand?"

"I don't know branded house or house of brands to me it doesn't matter. You can see I'm leaning towards the side of us having individual brands. 5FM should stand on its own

but it does belong to the SABC and must have some kind of back attribution. To build the corporate brand, we must build strong brands. But for the SABC brand to grow, there needs to be an SABC mother brand borrowing from this brand's equity. No matter what scandals you read about the SABC, if you preserve the individual brands you actually protect the organisation"

"It depends. I think it depends on how strong the mother brand is. I'm not totally crazy about the idea (of strong mother brand connection) but when your mother brand is strong and credible you want to be associated with it. When your mother brand is out there wreaking havoc, you are actually stronger by being your own brand and having nothing to do with it."

"I think where we are now, you know strong brands that have built equity over the years, they thrive even in, you know in difficult times. Now, it's a catch 22 kind of situation...if an SABC brand like it is now suffering reputational damage, it impacts on its sub-brands. But if the brands were built independently like they have been, outside the clout of the mother brand, you know they are able to activate and engage with their specific target market independently outside of the mother brand. "

"The role of sub-brands is to continue growing and interacting with audiences because that's the power that they have, and the power that the mother brand doesn't have."

"I think sometimes if you are a sub-brand you actually don't want to be part of the overall brand when the overall brand has given itself bad press."

"There was a time when individual brands were then saying given what is happening in the political space, the political sphere, particularly commercial business units they were saying, we don't want to be associated with the mother brand."

"Many of our radio brands, they have built their equity outside the SABC and they become very strong brands on their own without the clout of the other brand."

"That thing is a give and take, when you form a partnership somebody must bring something and the SABC must be bringing the top technology, it should be associated

with ethics and with being the number 1 African broadcaster and telling the African story across cultures and demographics."

"It's about understanding and ensuring that everyone across the brand understands the ethos of the corporate brand and therefore what role each sub brand is meant to play in fulfilling an aspect, or the dream or vision, of the corporate brand."

Table 12: A variety of respondent views pertaining to how each brand in the portfolio is informed of the corporate brand strategy.

"Well we guess mostly (laughing)! Well I suppose, it is filtered...I mean there isn't sort of a grand presentation to all and sundry to say right this is where we're going and what we're going to do next but it is filtered through the mechanisms of Group Executive, General Manager, so the formal reporting lines act as the conduit for that kind of information. It happens more informally than formally."

"What I like to do is make sure that the sub brands, through our various platforms, so whether we are doing our planning summits or our review sessions or whatever the case may be, people are aware of that, what that architecture and essence is, and how it is also that we bring that essence to life."

"I know we've got the summits and what we share there is the whole strategy focus that was decided at exco level and then comes to management. We then look at what it is that we need to do to speak to those pillars that have been identified by the SABC at large. So that's all cascaded down. Then in summits you unpack those you present the objectives and goals."

"So the summit happens once a year and that would come off the back of the business planning cycle. So once the corporate plan has been finalised and the different divisions have been able to do their strategies, we then have the marketing summit then you develop your strategy, you assign a budget, so you cost that strategy and then you come to summit and you present it for approval."

"There is no communication that I've come across where it's actually fed to us. None of the sales team is aware of the bigger picture."

"Well I think that developing the corporate plan is a collaborative exercise where different brands and divisions or departments, however you want to view them, will have to come up with their own strategies and the sum total is then in the corporate plan. I think this is where the corporate marketing division of the SABC must play a crucial role and I'm not always sure whether we succeed in doing exactly that. To me sometimes it looks like we are operating in little silos and that we can stretch our power as a medium far better if we just pool our resources."

"Remember strategy is not a document sitting there, it's an organic document, that's why we have these quarterly reviews and monthly reports where we check that we are still in line with what we want to do. But because we are kind of owner managed business units you allow the brand to come up with their objectives that speak to that."

"It's something I would honestly say we are lacking a little bit. Obviously our GE's are able to come together when they work on strategies, they have breakaway sessions and all that but sometimes the way information flows it becomes a bit of a challenge."

"For them (EXCO) to make the big organogram they come to us first and say please can you give us your organogram and then I will sit with HR and we do a whole organogram of each platform and we send it to them and what they do with it we don't know. We only see that when the COO suddenly says ok you now report to me."

"Unfortunately people are individuals and when I started with our conversation I said it depends on who is at the helm of things. We have seen silo thinking in some units and silo mentality does not assist us to define ourselves correctly and clearly to the people outside our environment."

"I am just so glad that marketing was taken off my portfolio because that was the biggest...I would sit here and say, I have no clue what to do with these 24 brands and how to communicate all of them effectively. That is where we are failing, it just can't be effective, it's just too many."

Table 13: A variety of respondent views pertaining to their understanding of transversal marketing and whether or not it is successful.

"Transversal marketing within the SABC brands is a doomed philosophy. I have never been a fan of it."

"I agree that we should rather give a bigger chunk of the marketing budget to radio as a division and its sub-brands and television and then we cater for the sport and other transversal brands under that umbrella."

"You know transversal, this word, we don't actually know what it means, but I'd say that all it is, is collaborative marketing, so you are taking a whole bunch of brands, collaborating and trying to meet the same objectives."

"We have got the over-arching transversal strategy which gives everybody pointers in terms of saying when you are working on a transversal campaign this is how you approach it, this is how you determine who is working with whom, making sure your objectives have been properly articulated."

"I still believe that it is a very powerful tool but at the same time it needs to be controlled. Like I said it's always event based which is not wrong. I don't expect Mungana Lunene to promote the new lineup changes on Metro FM, so not programming, but again I do not expect 5FM to push a xiTsonga music awards. I mean that is not their market, that is not their target."

"What is key in delivering these messages is how the messages are coined, how you craft the messages. In that way you use one another, individual business units are supporting each other to work against competition, to block competition away. So SABC has this advantage of having a muscle of about 18 radio stations and television channels, so you have a tool that talks to the entire nation. Now why don't you use this tool to say there is nobody else like us."

"I think it depends on the project. I think there are very specific things that each brand can do that's unique to it but then there are other things where you can fit into the mother brand and be a bigger part of that and I think there's more clout in that."

"I've always felt that there has never been a clear direction from SABC corporate to ensure that the transversal happens in a very effective way. We talk about it, we do it individually and it's based on relationship."

"No it's not working because there is no policy in place, there's no guidelines. You wake up today and there's a request from Metro FM and you agree to grant them two weeks of advertising. The following day I have the same request from 5FM for Metro FM and they'll decide actually it's not a great time now so they won't support us. So therefore I think just depending on the moods of individuals some people get it right and others don't. So it's relationship based more than anything else."

"In my view I wouldn't say we need to improve but we need to go back to the drawing board and say how do we best utilise the SABC's available resources to benefit its brand from a transversal point of view and we're not doing it well."

"I think radio stations must be much more territorial about their audiences because if they go and find another home somewhere you have pretty much lost them if they are listening to one point something stations. You should be stealing people from your competitors not each other."

"For me it's a concept that I don't truly believe in because in as much as you will promote and cultivate a brand, there's benefits and then there's very serious disadvantages to it. You must be aware of who you are talking to and what it is that you are going to be sharing."

"It depends. It's supposed to be cheaper but it's not. You want a potential audience so you have to go and do marketing outside of the SABC brand. It is wrong to think that because we have platforms we don't need outside platforms for marketing. I think it's a very old-fashioned legacy that's very conservative thinking around how marketing works."

"That thing of saying let's market on our own, you are telling the converted and even those converted you only get some of them so I wouldn't agree with that."

Table 14: A variety of respondent views pertaining to the challenges they face in managing a large and diverse portfolio of brands.

"One of the inherent challenges is the dichotomy that I've referred to, on the one hand the SABC has to be financially viable and on the other hand we have a mandate to adhere to. Sometimes those don't always meet. Sometimes they do and sometimes they don't. So I think that's number one."

"I think the biggest problem that you have, is you have got your public mandate which on other days trumps up everything else that you do, but because you have to be self-sustaining, you are always going to have that conflict of who do you serve?"

"The biggest challenge is, and it's probably the biggest downfall of a big conglomerate corporate, is that there is a tendency by senior management to see everyone as equal, and everyone as the same, and everybody can do the same."

"The more you try and make everything the same, the more you dilute the value of anything. And we dilute the value really well"

"People listen to a specific station because of language and the culture associated with that station. What is the purpose of having 11 radio stations if you just want everybody to do the same? "

"Your corporate brand has to build credibility in your advertisers so that they are willing to put their money there and they know their money is safe because the vision is solid and everything is right. As much as they are buying 5FM they are also buying the SABC brand, so if the SABC brand is shaky then 5FM's revenue is shaky. Certainly the industry is very aware."

"The competitive landscape that we're in though I don't think we'll be doing ourselves a great service by changing anything at this point in time, I think we've lost so much already because of a very poor mother brand and because people don't trust the brand. That's

why I was saying that the mother brand would have to do like a whole lot of work before anything like that could happen."

"In the SABC's case, because it's so huge and so many brands are in the one umbrella, the SABC brand is pulling everybody down. That's why the individual brands would like to get out of that umbrella brand."

"The unfortunate part is that we cannot distance association from the mother brand but sometimes it's exactly what the business will need. The sub-brands are dragged into the politics of the mother brand. So naming your sub-brands and giving them their own existence, being very conscious and connected to the mother brand."

"Advertisers' brand affinity to the SABC doesn't align anymore from an ethics point of view. I've even noticed specific little logos on twitter that say 'follow this brand if you want to boycott the SABC' so that's actually happening"

"Somebody said to me that anybody from the current SABC will have difficulty applying for a job elsewhere because as soon as they say that their current job is at the SABC, it's a negative. At the moment the SABC as a brand is a very negative brand."

"Right now you have even brands that shouldn't be brands, being brands. And they feel they are very important to be out there. I think the biggest challenge is probably shared understanding around what role each brand plays in achieving the bigger vision of the organisation."

"More than anything else we need credibility. Once your brand loses credibility you are as good as having nothing because you have something that people will always not want to identify with."

"We are constantly fighting that silo effect which is again a big disadvantage when you are a house of brands, is that you just struggle sometimes in getting people out of their world and saying kind of you are part of a bigger world."

"Out of the 18 radio stations, should one falter, that one individual radio station or person is then seen as an individual representing the mother brand. It doesn't matter whether others are in line, others are doing what should be done, the reality is that in an event

one out of the many is seen to be doing things that are not at home with the public good, then that gets to be communicated as what is being done by the SABC and that unfortunately hurts the brand. The same interpretation may be relevant with the leadership of the organisation."

"It's the individual brands really because they are such established brands. They are lone rangers, they just do what they need to do and because they've been doing it for so long how do you now as the mother brand try to change it?"

"Unfortunately SABC is about, at least in my experience, the only way you get things right here, the only currency you have is relationships. Yes? So even if you come here to SABC and say I'm a guru of whatever, you need to have enough people believing in your vision so that they then help you achieve it."

"The one thing is product knowledge because I find that a lot of our people, it's just a job, you know they don't live the brand, there isn't that brand excitement."

"I would definitely say that your quality of marketers can sometimes be a stumbling block in terms of just achieving kind of that collaboration and meeting objectives and so forth because not everybody unfortunately is trained equally. It's something that I've actually never found anywhere else I've worked, because I've never worked for another SOE, I don't know if it also happens at other SOEs, but this thing about people have been around forever and so they get shifted from there to there. That's a resource issue, it's not even lack of resources it's the right resources."

4.3.3 Summary of results from Research Question 2

This research question elicited responses about the brand portfolio of state-owned organisations, how these are structured and whether or not it is important for sub-brands in the portfolio to speak to the holistic corporate brand. As a by-product of this kind of interview it was necessary to ask about 'transversal marketing', and whether business units, such as Sport or News, which provide content across all the radio and television platforms, are brands or not. Lastly the challenges of managing a diverse brand portfolio were discussed with respondents.

On more than 15 occasions across the responses respondents either mentioned that they were unsure of how brands in the portfolio were structured and managed or they specifically deferred to phrases like 'whoever is at the helm' or 'depending on who you ask'.

In terms of the structure of the brand portfolio of any business, most of the respondents used their understanding of the SABC brand portfolio to answer the question of what they understand to be the brand portfolio of a business. As such only five respondents gave brand theory related answers here.

Two kinds of answers emerged from the original question of "What is the structure of the SABC's brand portfolio?" All respondents were clear about the divisions and sub-brands that make up the SABC portfolio however a rigorous debate ensued about whether the brand portfolio also included so-called transversal brands or whether these are simply services or business units that enable the functioning of the brands. Many respondents couldn't understand how a brand could exist if it didn't have a platform in the eyes of the consumer so that those consumers could engage in the brand relationship. Respondent 4 put it simply in terms of the consumer journey as follows, "A brand should be something that's out there to a consumer. So a consumer doesn't need to buy sport, they are buying SABC 1."

Several respondents arrived at the point that certain transversal brands existed due to the legacy of them behaving as brands and that this simply hadn't been interrogated by leadership over time therefore marketing teams and marketing budgets were still in place for these brands. It was generally agreed that this should be addressed by the Exco in order to understand the true purpose of brands within the portfolio and to apply theory in terms of adequate structuring to derive benefit for the organisation. Respondent 11, who previously headed up a transversal brand in the form of SABC Education, articulated this as follows, "The question then becomes, what kind of sub-brands do you create that will deliver to each, or to deliver to specific groupings of consumers, or in this case audiences. It's heavily dependent on platforms, it's driven by platforms that are tangible, that consumers or viewers or listeners can relate to and not only relate to but interact with."

Of the seven respondents who believed transversal marketing was working, all of them provided one of two caveats to their response saying either that a policy or realignment of

the idea was necessary to maximise the value of transversal marketing between the brands or that it works well only in certain instances, such as between TV and radio platforms rather than between TV or radio channels.

A Tier 1 respondent (respondent 3) articulated that there is a transversal strategy that she put together to answer the challenges that individuals have in understanding and implementing transversal strategies in the building however none of the other respondents were aware of this strategy, most especially marketing professionals in Tier 2 and 3 who are linked hierarchically to her. She provided this strategy which forms part of the secondary documentation detailed in appendix G. This is linked to the silo mentality further reiterated by another respondent (respondent 5) who said, "Radio and TV never get together, we rely solely on the GE's getting together."

There is however agreement between all respondents though that with the roll-out of DTT the Sport, News and possibly Education departments will be fully fledged brands because they will have platforms to market and will need to attract audiences and revenue.

Respondents were asked about whether each brand in the portfolio should speak to the corporate brand. One respondent (respondent 10) articulated the risk involved in this kind of relationship between the individual brands and the mother brand by giving an example of recent suspensions that the corporate team had made within the news division which was reported in the name of the radio brand she is directly manages though she had no involvement in the suspensions themselves. This gave a palpable example of the negative backlash that the activities of the corporate brand could effect on the sub-brands in the portfolio.

Only three respondents did not emphasise the need for the individual brands in the portfolio to speak to the corporate brand. All three of these respondents specified that this was related to the current perception of the corporate brand and the risk involved in connecting strong individual brands to a shaky corporate mother brand. One respondent (respondent 4) put the views of these outliers succinctly by saying, "When your mother brand is out there wreaking havoc, you are actually stronger by being your own brand and having nothing to do with it."

Regarding how information flows regarding the corporate brand 11 out of 15 respondents mentioned the summit or breakaway process and the flow of information from the exco level. Every respondent did however refer to silo working or frustration regarding the flow of information about the corporate brand or they expressed uncertainty about how effective the process is or their own understanding of how it is done consistently. One respondent (respondent 2) said, "It happens more informally than formally."

When it came to the challenges that the respondents face in managing the SABC's diverse brand portfolio there were four main areas of concern. Firstly the lack of understanding about who the SABC truly serves. This links to the objectives of the SABC and the dissention between respondents understanding of what those objectives are. Six responses detailed the hybrid funding model and the lack of understanding around who the SABC serves in terms of the shareholder, the regulator, the audience and the trade.

Five responses regarding the challenges faced spoke to people management or incorrect alignment of people in the organisation while four responses expressed the challenge of dealing with a belief that each platform is the same and should be treated equally or lumped together as one platform with the same objectives and plans.

The majority of responses stipulated the reputation of the corporate brand as the biggest challenge to the management of the brand portfolio. This was mentioned at least eight times by respondents.

4.4 Results pertaining to Research Question 3

RQ3 – How do managers of state-owned organisations prioritise stakeholders and their different objectives when building the corporate brand?

4.4.1 Themes extracted from Research Question 3

The key themes that emerged under research question 3 are:

- Corporate brand or Mother brand (mentioned 78 times in responses)
- Audiences or viewers or listeners (mentioned 45 times in responses)
- Revenue (mentioned 25 times in responses)

- CFO or EXCO (mentioned 16 times in responses)

4.4.2 Respondent views from Research Question 3

Table 15: A variety of respondent views pertaining to the treatment of brands with strong heritage.

"I think it's important to build on those traits and improve on them and to incorporate them in your offering as a brand. It has value."

"I think the audiences of those heritage brands, they are very passionate about keeping their culture alive, keeping their heritage alive, keeping their language alive and ultimately the station helps do that for them and play an important role in doing that for them, and connecting the community. So it's really just about acknowledging that heritage is there and that it's alive and well and saying how do we also then use that heritage to go forward in life and to deal with issues that effect us as individuals on a day to day basis."

"Brands can't divorce themselves from the mother brand, and they shouldn't really be seen to be bigger than the mother brand. They do need to be nurtured and encouraged to continue to build their brands because ultimately those are the brands that consumers relate to, more than the corporate brand."

"The SABC itself is a strong heritage brand but then I think it's more prevalent with our ALS brands as those brands are steeped in heritage via their language, via their culture, via even some of their on-air talent, those on-air presenters are looked at as more than an on-air presenter, they are looked at as leaders of the community, as people who can guide you in life decisions."

"Heritage is there but you've got to work it, you've got to do something with it. You can't forgo it for too long because it won't be there."

"As radio stations we play a very important role to ensure that you know the languages are preserved and the purity of that language continues to be preserved."

"It's not an easy thing to do but nothing is permanent in the world except change itself. In some instances when you evolve you leave behind those that are married to the status quo and in the process you may hurt a considerable amount of stakeholders. Now what needs to happen is that whenever you are compelled to bring in any form of change, make sure that you carry along, you drag along your stakeholders, so that you explain your ideas thoroughly so that you have a buy-in of all and one."

"You realise that brands evolve and they need to adapt to the people that they are serving now. I don't think we recognise the heritage of the platforms. If we did we would do so much more."

"You entrench that heritage by ensuring that you continuously tell a good story and a story that resonates with the market that you serve."

"We have to maintain that level of restoring the culture but we need to marry that with where we are going in terms of who South Africa is."

Being stuck in a time warp can really mess you up. So heritage sometimes you can have but it's what you pick out from it and give relevance to today."

"Heritage is not something that marketing can just do on its own, it's about involving that community as well."

"History and retention of culture are very important. That's what makes a brand what it is. If you have no history then (dismissive noise)."

"I do think the focus should really be on authenticity. Even the things that have a strong heritage are trying to be something else. Stay true to the brand essence and find the sexiness in that. People tend to say that heritage is so boring. Those are things that are part of your heritage whether you like it or not."

"It will take you years and years and years to build that heritage and that affinity, it will take you generations. So when you take that away, it felt like you are cutting something out of them."

"I almost feel like brands are just left to their own devices and nobody is doing anything, so the heritage is not being preserved at all. So instead of worrying about the mother brand, maybe work on the smaller brands and then take it from there."

"I think attachment to heritage is a misplaced preciousness. I think a strong heritage brand can lead and change the way by being a credible brand. I think if you look at an Ukhozi FM they're pretty cool and funky as a radio station. So they've managed to keep their heritage and pride and the Zulu nation vibe while being modern and cutting edge and current in quite a few shows. They are moving with the times and keeping their heritage and I think that's the right way to go, otherwise you can be left behind in old-fashionedness."

Table 16: A variety of respondent views pertaining to who decides on what the corporate brand should entail.

"We have the corporate marketing division but we have a group executive (clarification "GE Corporate Affairs") and top management that should look after that. It should also be informed by managers on different levels."

"That becomes the role of, in my view, the CEO must lead that process. Obviously in consultation. The board's responsibility is to approve or to not approve but I believe the group CEO needs to lead that process."

"It should ideally be the CEO, at the moment I think it's a COO, even when we didn't have a CEO I think it was the COO who decided. Whether he consciously decided what the brand should be about is a moot point but he certainly is the one who articulates the image of the SABC. Otherwise it should be EXCO as a group. Then (GM MARKETING) is the functionary who would put that into words and pictures."

"I think that's board, but it should not be them on their own. They should be advised by people who work closely with the brand. Most of the board people are not even in broadcasting, they work in different business, one person is even a doctor, they are not even close by."

"Board is charged with that responsibility and obviously board will set the board goals, then the board goals need to be interpreted by the CEO, who is the Editor in Chief, and looks after you know, the entire SABC corporate brand. So the CEO is ultimately responsible and accountable to the corporate brand as mandated by the board."

"It depends on who is in charge again about ideally it should be the group executive in consultation with their various business units because you would want to have ideas that would come from valuable contributors who come from various divisions."

"Currently I think the exco."

"That really just depends on the GE of Corporate Affairs. Overseen by the GE but then the work would have to come from the Marketing Director."

"Corporate marketing – MARKETING DIRECTOR and her team would decide on that. But it's important that the COO drives the brand and lives the brand."

"I assume it's probably MARKETING DIRECTOR do you think? Yeah it should be MARKETING DIRECTOR head of the corporate brand...yes it's the head of marketing for the SABC."

"Well the head of corporate marketing should develop the concepts and then the exco should decide what it should entail."

"But you know the corporate brand is owned by so many people (laughing) ultimately. It's tricky, because a lot of the time people don't even understand what branding is, when you talk about it in context, so having to present that to a room of people who have no background or inkling is tricky."

"In real terms or theoretically? (Laughing) I think that the head of marketing is the person that must guide the business and say that I've looked at your brand, I've done the analysis, I've done the research and this is what it's telling me and here are my proposals, one, two three that will work. Marketing has got to realise that they play an advisory role."

"I think there's only one person at the moment who decides anything (SABC COO). To be honest you can't even have a MARKETING DIRECTOR or someone decide because there is only one person whose decision is upheld at this point. He is the brand because he is a very public figure. Everything he says and does reflects on the brand. But ideally it should be somebody who has deep insights on marketing and everything is done that is well thought out."

"It's not a who decision, it's what decides. It's what is it and not who does it and that's the current problem. For the past years the SABC as a brand, a person has decided and it should actually be the nature of the business that should decide what the brand does."

Table 17: A variety of respondent views pertaining to how they prioritise objectives.

"Mandate, followed by revenue and audiences which are sort of one feeding the other."

"Mandate followed by audiences and revenue."

"It's mandate first, educate inform and entertain, and that mandate sits with government and the nation. So our key stakeholder there is if our listeners are tuning into us. Our next objective is revenue. So there the SABC brand must instil faith that my spend is going to deliver results."

"Obviously your client will come into the picture as a stakeholder but in a pure PBS the client shouldn't be the stakeholder. You can make mandate content popular but sometimes those things are in conflict"

"I will put them by way of preference, internal stakeholders first, that is people from within the organisation because look whatever approval will be made first will be communicated to the shareholder who represents government, through the board."

"The most important stakeholders that come to mind are government. It almost seems that with government the SABC is pleasing government and they don't seem to be too unhappy with what's happening. I would then say the listener, the viewer, they then

become the most important external stakeholders. If they aren't happy with the end product, then we are not almost honouring what our core business is."

"In an ideal world it should be our audiences. Because they are the people that fuses change. For the SABC no.

"Audiences are our main customer."

"Audiences, because they are our stakeholders, followed by mandate, so we keep our license, after that revenue because as a public broadcaster it's not really our job to bring revenue but if we can then why not? So we must be sustainable, we must not depend on a government bail-out."

"It has to be your viewer, your customer, your consumer...or consumers in this case because through them you are able to determine what products or what services you are going to offer. The viewer is more important because if they reject you then your business is not sustainable, the department of communication can love you as much as they want to, ICASA can adore you as much as they want to but if you are rejected by the listener you have to shut down."

"When you are a public entity, coming back to public broadcasting, there should be a clear and identifiable leadership because you want your public to associate with something or somebody. You can't be a public institution without the public. When you work for the public your success depends on the extent to which that public is part of you, to the extent that they are visible and audible through the mother brand. At the moment I think we are the public broadcaster but the essence of what we are, the public is not in the picture."

"It's multi-tiered. But some people their life revolves around what they get on radio. It's the only information that they have, they have nothing. That is your priority at the end of the day and it should be."

"Yes we have all these stakeholders but who do you serve? Your audiences. But then the politics and all the other nonsense comes in and then it becomes now about all these other stakeholders and then who actually is the master and so forth"

Table 18: A variety of respondent views pertaining to what stakeholders expect in terms of revenue, audiences and brand strength.

"Depending on who you ask that question to you will always get a different response. Our objective as corporate marketing is to build and maintain and manage the reputation of the SABC but there's just too many things that are just out of your realm of control. So I can't control, for example, what the Minister of Communications has to say about the SABC, I can't control what the board does and I certainly can't control what the executive, or certain members of the executive do and say. And those unfortunately are all things that speak back to the brand."

"Look at brand reputation and how has it impacted on our ability to grow audiences and our ability to grow revenue. If your audiences cannot trust your brand, then you have a bit of a challenge. "

(Regarding brand strength research) "I think it would be good to measure but I don't know how much it's going to cost us. If it was possible though it would be good to do that."

(Referring to whether we measure brand strength) "No we don't! It's as simple as that, we estimate it, we dream of it. We need to do it though."

"The DOC expects us to be sustainable. Self-sustainable while delivering against all the mandate areas they've set out for us. Viewers expect us to give them riveting content all the time. The auditor general expects us to provide riveting content while following the law and doing it by the book."

"We can't say 'oh this is mandate but we don't have money but we are going to do it anyway' like they do at sport in the recent past. You have to make sure the bottom line is there."

"We spend millions on sport and we get nothing in return. We do that because it's mandate. It's an ICASA regulation. It's an unsellable space where we are mandated and obligated to broadcast but it's like we're throwing money into a big blob of air."

"I don't know what they really expect but for me even amongst themselves there is confusion. Firstly of who we are. They need to understand, do we need to bring revenue and if so how much? If all of them have this clear understanding, then it's easier for us to know what their expectations are."

"I don't know of course they want money, revenue we must be sustainable. Audiences, we need to touch as many people so we can inform, educate and entertain them and give them the information they're looking for. Advertisers, all they want is those audiences so that they can reach them and sell their products."

"I guess if we follow what the COO wants us to do then we are doing well. I mean there are other stakeholders that are not openly objecting him so do they then really have an opinion then on any of those three? Do they have expectations? Because if they did then I think we would have been called to task a very long time ago."

"So whoever is at the helm, it depends on what they want and what their expectations are."

"With this one it's not really clear of how many and how we can say we are reaching all of them. We just use whatever we can and what's available for us to make us look good."

"As the SABC we have set a target of R10 Billion for the next two years. 71% market share for radio and SABC TV it was 55%"

"It's not easy to get compelling content that attracts viewers, that through viewers you are able to generate revenue in order to sustain yourself, while ensuring that you have ticked twenty million boxes from the auditor general and everyone else who cares to check."

"For me the audience is the most important stakeholder and how you measure that is through your figures, your audience listenership. The expectation from the audience is that they expect you to behave more than a commercial station. They expect you to adhere to specific rules more than they expect from TV or from independent or even community radio stations."

Table 19: A variety of respondent views pertaining to who decides on the SABC's corporate marketing budget.

"The CFO has to juggle with these things and is ultimately the one who somehow allocates budgets."

"It's the CFO"

"It's exco and they get approval from the board."

"It's a collective. Before now we used to have a budget committee that would deliberate but that has now been turned into an exco."

"The CFO."

"We request the budget. Each entity will say in order for me to have my brand represented in a particular way I'm going to need R 20 Million, they present it to corporate marketing and then they will see if it aligns to the corporate objectives but the final decision maker is the CFO."

"You motivate to the authorities, and largely the CFO whose responsible for the purse, will then look into the coffers of the SABC and see what is available and distribute it to individual business units and then they must explain themselves how they will make hay with the little that will be granted."

"This is how it works from my perspective. There's last year's budget so that's beginning to be a determining factor. Then we motivate for a huge amount more and we try to justify it. Then I think it depends on how much we made last year and what our key objectives are for this year."

"I don't know who it is now...most of the marketing strategy at the SABC depends on who is in charge and that is wrong. There should be a standard SOP or whatever so that whoever comes and goes follows that."

"Well it's finance at the moment. Finance just throws it at us and says this is what you have, you guys decide how much you are going to give to each brand. It's not even strategy-based."

"The biggest thing as well is not the budget so much, even if it's not the biggest budget it's the long-term commitment. If they just stuck to something in a proper way. If they said here's our strategy and then every year for five years then you can start building it. You don't get a brand overnight, you can gooi a lot of money and you'll get a little spike but it's not a brand. You've got to stick to your story and build on it."

"It was supposed to be 2.7% (of revenue) because we had actually put it in the corporate plan, so it was supposed to be like 2.4 the one year and 2.5 and then 2.7 so very very conservative, and then it was actually just taken out of the corporate plan without any consultation."

"I think we've always done things in reverse. We've submitted plans with budgets versus submitting plans then analysing those plans to then decide what the budgets are going to be. It doesn't matter how elaborate your plans are. What I could never understand is that it will all be approved and then you need to make it work with a million. So it's never realistic."

Table 20: A variety of respondent views pertaining to the factors that inform the decision to allocate money to the corporate brand.

"Like all other resource allocation it's decided ultimately looking at all the different priorities we might have as an organisation for the fiscal, but ultimately it's approved by the exco and by the board of the SABC."

"It has always been a case of every unit, like marketing director, will consolidate all the SABC marketing needs and will come and present to the budget committee. And the budget committee will comprise of CFO, CEO, and other executives who will obviously probe and question why you need this, do you think it's necessary, how is it supporting

our brands, how is it growing our audiences, and when they think that you've given a clear answer, they will say right, we will grant you this one."

"Everyone when they come they motivate. And also do you have the capacity to spend this money."

"How resources are allocated...ja you know I don't even know how they are allocated hey?"

"Well there is no scientific way...well we tried the scientific way a few years ago where we said it's going to be a certain percentage of the revenue."

"I am not sure how he or she now would look at it but looking at the history of how we've done things, we tend to look at prioritising big stations compared to small stations and when I say bigger I mean bigger by number of audiences. I don't think he is sitting there thinking of how much money the stations make"

"The marketing budget is rarely if ever related to your strategy, it's more related to what you had previously and whether you were able to spend it or not. So historical performance of your expenditure has more weight than the actual strategy."

"I look at what is the corporate strategy, what are the objectives, how much do I need to make that happen, and then of course within that budget sits all of those other expenses as well so when you look at it you might think it's quite inflated. But 60% of it goes to fees for creative agencies etc so that the (platform) guys themselves don't have to budget for it."

"What then sometimes happens is that the organisation says look, based on these programing strategies that you've put together, sales can only generate R20 worth of revenues and the broader organisation is prioritising the buildings in the Northern Cape, upgrading computers, doing this that that and that and therefore if we look at the company's cash position we can only spend R2 for marketing. You then go back and prioritise how you are going to spread that R2."

"The decision to allocate money is like a bottom-up strategy? We ask and then we are allocated based on the strength of the plan and how much the organisation can afford."

"The CFO says he's got so much and then the head of corporate marketing divides that up marketing per platform based on their plans."

"If you have a five-year plan, you can't chicken out in year two and three because there's a drastic thing because you've sabotaged your investment in year one. You have a long-term vision and you say right we are putting our flag in here and here and nothing can mess with it. Wouldn't that be nice?"

4.4.3 Summary of results from Research Question 3

This research question elicited responses regarding the nature of state-owned organisation priorities and objectives when building the corporate brand. Respondents were also asked about the heritage nature of many of the brands, relevant in a state-owned entity such as the SABC, and about corporate brand budgets and the factors influencing how these are allocated.

All 15 respondents espoused the importance of preserving the heritage of the brands in the portfolio to varying degrees. There is no doubt in the minds of any respondents that there is value in a brand having heritage. The majority of respondents did however make the stipulation that heritage must be carried with the marketing strategy and must evolve based on the needs of the audience or community it serves. One respondent (respondent 4) gave a prime example of how this can be done in reference to Ukhozi FM's afternoon drive presenter who has managed to merge a very modern outlook and style with the heritage of the Zulu people and commands great respect for this. Ukhozi FM has the largest listening community of the country (RAMS, 2016).

When it came to the question of who decides what the corporate brand should entail the surprising thing to note is that all the respondents differentiated between the current dispensation at the SABC compared with how it should be done. Many of the respondents alluded to a lack of understanding as to who is responsible for implementing the corporate brand. They gave a variety of responses ranging from the board to the COO to the EXCO

to the Marketing Director. These respondents referred specifically to the changing leadership and current nature of the management of the SABC referring to particular positions that influence this without knowing what the concept of a corporate brand is and how it can be affected through the activities of leaders. One respondent (respondent 4) expressed this specifically with reference to the COO and named him saying, "He is the brand because he is a very public figure."

Prioritisation of objectives lead to an almost even split between respondents who believed that the mandate or government as the SABC's shareholder is the priority and respondents who put the audience or consumer first. Upon deeper examination two results are apparent. Firstly, there is a lot of normative language surrounding answers to this question about what should be a priority and following that what is written down in documents and plans as the priority versus what the business actually does when it makes decisions to prioritise certain things. Secondly it is clear that mandate and government, going as far as politics, are not easily separable for the respondents. There is a varying interpretation of the mandate on different platforms and by different respondents which do not coincide with the shareholder and his/her government of the day. The influence of who is in charge is once again apparent. Simply put, serving government as a priority tends to morph into servicing politicians rather than national and thus governmental priorities.

When it came to stakeholder expectations regarding the revenue, audiences and brand strength of the SABC, there were a variety of respondent views demonstrating a lack of clarity regarding stakeholders, both in terms of who they really are (relating back to RQ 2) and what those expectations are. Respondent 6 put it this way:

"Most of the time we don't know how to deal with stakeholders. When a person is sitting at a station they can receive a call to say Premier or Minister whoever is coming to your area, you need to send our current affairs person. Stations are confused, doesn't it need to come to the CEO first?"

Again the majority of respondents reverted that expectations depend on whoever is at the helm and suggested that despite what is written down, expectations are set by the person in charge and can be changed ad hoc. The COO was mentioned six times when referring to stakeholders' expectations. While six respondents espoused the importance of the audience as a stakeholder in terms of the SABC's objectives in earlier questions, only one

respondent (respondent 10) mentioned audience's expectations and referred to how these are measured. Only one respondent (respondent 7) gave a clear answer containing numbers in terms of audience share and revenue figures. Governance has also reared its head in respondents' answers to this question. The concept of 'ticking boxes' and complying with the DOC, the Auditor General and ICASA are mentioned in terms of expectations of stakeholders. Even though these stakeholders (if indeed they are stakeholders) are not necessarily setting objectives for the SABC, they have an assertive presence in the business in terms of how the respondents know they are meeting expectations.

Regarding who is responsible for allocating the corporate marketing budget respondents were predominantly in agreement about whose responsibility that is, the CFO with various levels of approval. The sentiment however is that it's not a question of how much money is allocated as much as it is a frustration about constant changes and amendments being made to the budget when it was previously approved. Even the MARKETING DIRECTOR, as the head of corporate marketing, explained that her budgets were withdrawn after they had been approved and were already documented in the corporate plan. Respondent 4 explained that, "you don't get a brand overnight, you have to stick to your story and build on it."

Looking at what factors inform the allocation of funds to the corporate marketing budget, the majority of respondents acknowledged that there is a process of motivation involved and historical budgets play a role in determining what marketing can spend. There is sentiment among the broad group of respondents that the allocation of budget is unrelated to the corporate marketing strategy while the respondents are in agreement that it has very little to do with the size of the audiences or the revenue that the business brings.

4.5 Results pertaining to Research Question 4

RQ4 – What is the purpose and value of the corporate brand in a state-owned enterprise?

4.5.1 Themes extracted from Research Question 4

The key themes that emerged under research question 4 are:

- The normative expression 'should' (mentioned 49 times in responses)
- Sub-brands or individual brands or individual identities (mentioned 24 times in responses)
- Brand reputation or SABC's reputation (mentioned 9 times in responses)
- Adding value (mentioned 7 times in responses)
- Trust or credibility (mentioned 6 times in responses)

4.5.2 Respondent views from Research Question 4

Table 21: A variety of respondent views pertaining to the role of the corporate brand in any business.

"It should really portray what the organisation stands for. I think your corporate brand should also be a challenging one. It shouldn't be if we are mediocre then that's fine. We should want to be the best and we want to deliver on that."

"The thing about the brand is that it's the consumer's touchpoint. It's where the consumers engage with anybody, it's through the brand."

"It really is the overall positioning. It should provide this credibility and says this is who we are. Its job is to add value otherwise it shouldn't be there. If it's not going to add value it shouldn't even be mentioned."

"In my view the role of a corporate brand would be to carry the sub-brands, make sure that messages are being communicated out there. You know to tell the stories of each and every sub-brand? You will see one logo, one big logo for the corporate brand, then you have sub-brands with different logos and then the messages are always the same, this is what we are about as a corporate brand but all these sub-brands have got their different responsibilities but they all account to this one corporate brand."

"Firstly to improve our relations we have with different stakeholders (regulators, advertisers and DOC). Then to promote a sense of working together by all the sub-brands, we have them and they are all different, but the corporate brand tries to take all those stations and bring them together to form something that a person sitting somewhere can identify with and understand."

"The corporate brand is the provider of resources, it's the guardian, it safe-guards the interests of individual brands and also it is a conduit between its individual brands and other core stakeholders."

"If a corporate brand ran like a normal household, the brand being the mother and the sub-brands being the children, then there would be that communication between children and mother and mother ensuring that her kids behave or they do things in a way that they need to be done. So it's just some sort of control. I mean obviously the brands are very different but I do think there is room to adapt the personality of the brand to the mother brand. Just for some sort of guidance and some sort of 'this is how things are done in our house'."

"A corporate brand has to be influenced by what the organisation is about, who it caters for, who it speaks to, what kind of products and services it offers and for whom those products and services are designed for. I think also there are some cost savings in having a corporate brand."

"SABC corporate marketing should really be concentrating very much on positioning us in terms of the good things that we do. And I can't emphasise the role of reputation management enough, because it should not be incidental, it should be something we actively focus on to say, what are we going to do to enhance our reputation."

"It gives you that heritage. You borrow equity, you borrow so much from it to actually position your brand and that's what an ideal corporate brand should do."

"What attracts people to you if you don't have a corporate brand? So it makes it easy for people to identify who you are. Anywhere that a person sees the SABC brand they already think broadcasting. If they see an SABC sport logo, they are thinking what game

is playing. So it makes it easy for people to identify what type of product they are offering. It therefore adds value and is worth having."

"It's your identity. It's telling people who you are. It is the single most important factor – when you look at the tick of Nike nobody has to tell you what that stands for, you know. That's what the mother brand is supposed to be, it's your face with your hair well done and your clothes all nice. It must stand out because it is your meaning and your purpose. It is your everything."

Table 22: A variety of respondent views pertaining to whether the corporate brand adds value or not.

"Absolutely I think ultimately it will give direction and it should give direction to all internal stakeholders and we should hold one another accountable to that."

"Without a doubt! Because what is a corporate brand at the end of the day? It's your reputation and if we don't have a good reputation our business suffers"

"The corporate brand speaks directly to corporate reputation, so the role of the brand is to position the business favourably to ensure the business is presented in a positive light. That's really how it adds value."

"You need the corporate brand because the individual brands are never going to communicate the overall reason for existence for the brand. The individual brands are hardly ever going to come together to say let's go out there and bulldoze everyone as a collective and the corporate brand will allow you to do that."

"The SABC brand casts a real brush over each of the individual brands. A huge determining factor. They are not just buying 5FM, they are buying the SABC."

"We should (unsure) but I'm still trying to understand in the SABC perspective what the role of corporate marketing is because that is still lacking, we don't know exactly what they do. But in a corporate world that is very important so I still strongly believe that we should have that."

"For where we are now, I don't think so but it should."

"Greatly it does. It does in that a reputable corporate brand gives more impetus to its sub-brands."

"If we were to work towards being a reliable brand, a credible brand, a reputable brand, we should be far ahead of the rest."

"5FM is like a company on its own, it's just that we're housed in the building, and sometimes that's a nice way to get out of this bad light but in essence it would be nice to say "these are all my brothers and sisters and this is our mother". I mean I understand that people don't consume SABC as a whole, they consume 5FM. Shew so I don't know."

"It can be a strength to have your corporate brand behind you but it can also be to your detriment. The SABC I think for the past 8 to 10 years has been in a situation where the corporate brand is to the detriment of the individual brands. The SABC brand should serve the audience, it should listen to the audience, no matter what."

"Definitely, it certainly does."

"A lot hey! If your corporate brand is not well positioned, you can't borrow money. There would be more money in the bank. So having a strong corporate brand helps you for revenue purposes, for partnerships, for entering into new markets."

"Of course. Our kids don't want Nike and Adidas because they can afford it. They want it because they want to be seen in it. They don't care how much their mother is going to pay for it."

Table 23: A variety of respondent views pertaining to measuring success.

"That's a problem because management keeps measuring success in terms of audience and revenue and yet I would continue to argue that that's not our priority. Our priority is mandate."

"We sort of measure it through our regular reports back to ICASA in terms of what we've done on local music or local content or in PBS we have to report on things like drama and children's programming. But those are purely numbers, there is no quality measurement built into that at all."

"I've spent the last three years developing a tool, a return on marketing investment tool, that I've worked on with Interbrand Sampson. You put in all the information, that's how this tool is designed, and it looks at basically three areas, it looks at perception, audience and revenue. So we have now worked out the metrics as to how we would measure perception, and then obviously audiences and revenue are there, and then basically we put that in and then it comes out with a measure, or a score. So it will tell you how much you've invested, how successful you've been or not been. That would be the ROMI number"

"Obviously it means that all the objectives are achieved. Brand reputation is strong, internal stakeholders like coming to work, I think that's very important, there's a pride and a sense of high functioning in the workplace. There's a big gap here sadly particularly within sales and marketing."

"I'd measure it on my delivery on mandate and my delivery on revenue. I can trust those tools."

"I think there are various ways of measuring success and it's always you know, our job is to make people smile, to make people happy. Of course market share and revenue will be a big plus but I think making listeners happy, for me, it's number one."

"Our success is seen in the number of people we are able to attract and keep and that then translates into revenues."

"So definitely metrics comes into play. Then of course good old publicity, positive publicity around the brand is also a good way to measure it, which we've had very little of. Also we go out with our diaries isn't there a way of, when the diaries go out, that there's some sort of questionnaire that reflects on the corporate brand and how the brand is perceived by people?"

"Well it's difficult. Ok if your aim is to be commercial it's easy, you can measure it in terms of figures, you can see you're successful because you made target. With your audience you've got your RAMS figures but then again I'd say the perception. Although it is a philosophical thing, your perception will tell you whether you are successful or not."

"Numbers. Audience numbers...and impact. Whether we are adding value through our public service to the people we serve."

If it makes the people we serve happy...you know sometimes we don't make our targets but you are able to actually make somebody have a delightful experience dealing with us. I do think that we need to measure success with repeat business and growing the number of people we do business with."

"Numbers in terms of finance, meeting revenue, and audiences, meeting market share. When goals are measurable people feel exposed and they have to work and they have to run away from them. The goals the SABC has are very noble but there is something missing from when we set them to when we unpack them, how to reach them. "

"I don't know hey? We should be in terms of audiences and revenue as well as research to tell us about people's opinion of the SABC, what do you call that? Perception studies and impact studies, those three things."

"When my audiences look good and my revenue looks good. Costs are in my control but the other two are not."

Table 24: A variety of respondent views pertaining to challenges involved in building the corporate brand.

"I think a challenge at corporate marketing is that there has never been one person who has stayed long enough to make such a big difference and made such a big impact that allowed it to then continue. You need to establish that this is how we are going to do things. So every two or three years when somebody else comes in, their objectives change or their vision changes and it then changes everybody else's."

"It is important to make sure that you fully and thoroughly workshop your people so that they know and understand the message that you seek to communicate and they live that brand. If you don't do that you are unfortunately creating a situation wherein anything that comes into your mind is relevant to the situation and people sing from the same hymn book and then they may sing well out of tune."

"We don't have clear communication and guidelines of who SABC is. As a result everyone tends to pull in different directions. Also for us to build a corporate brand we need to have processes and procedures that make that building a bit easier."

"Being the public broadcaster we are then in the eye of the public on a daily basis and our competitors then sometimes also abuse that to their own benefit"

"The negative perceptions around the mother brand are our challenge because the other brands don't want to get caught up in that nonsense or have my own brand overshadowed by all that other negativity so I don't really want to be involved in things you happen to be doing."

"People are beginning to question SABC's governance, to question quality of leadership, if you've heard in the last few days, I mean that's huge reputational damage on its own. So even if you had R100 Million to repair that..."

"I believe the SABC is fighting for credibility, fighting with other media houses. They are competing for credibility and other media houses keep on discrediting the SABC because we are actually fighting for the same burger, the same piece of advertising. If I were to discredit you, I would stand to get a fair share of the advertising cake and you would get just crumbs."

"You can't build a corporate brand when there's fire crackers going off. Any decision should be positioned, you introduce it, you get complete buy-in and then it happens. We make the decision and then we run around trying to justify it. So I don't know if that's a long-term situation but that's a challenge. Recently it's been a big challenge."

"It will be "go for it" and then the next day it will be "stop going for it because I'm putting my money here" or "I don't like what you did" or...it's random. Or what we say on paper and what actually happens ends up being completely different."

"The SABC as a brand does nothing. What is its work? It's almost like COSATU, that is an overall body for unions but it's not COSATU that can do something it's the individual unions that make it up that can do something. So I think the SABC as a brand, I always have a problem. What are you marketing if you are marketing brand SABC? Do you market procurement, or legal, or 5FM or the COO? The SABC brand isn't actually an active brand. It's actually an administrative structure."

"What's key about state-owned enterprises is the politics of the day and how they influence the state-owned enterprises. If state-owned enterprises could distil their reason for being, there wouldn't be this problem we are facing where we are driven by the politics of the day."

"So as a state-owned enterprise we fall prey to politics because we don't have measurable objectives and matrixes that guide us on how things should be done. All our work comes from the bottom. So because they just send comrades to go and run things you get people without a level of skill running a certain division."

"The CEO is the number one citizen, just like in brand South Africa, the first person you think of is the president, and the impact of that person's choices can either be positive or negative on the brand or the country, in this case South Africa. You yourself, through your own personal life, you will end up hurting the brand unaware."

"You are starting to see the effect of the jitters of everything that has happened that is outside of our control. I think for me what saddens me that with all the roadshows and leveraging the relationships that I have, what is happening in the past week I can't control. The fight between the SABC board and the ANC I can't control. Now when we have people uttering things like 'let's target the brands that are advertising with the SABC' you know you are going to get people saying they don't want to associate with that."

"The big risk and the big perception that the SABC is seen as a mouthpiece of government. That makes us very vulnerable in terms of having our own positioning and our own brand because the government is the ANC and that comes with a whole lot of brand positioning on its own."

"Having to juggle the whole notion of being a public serving, you know public service organisation and a commercially viable one. So the funding model is complicated and has to be resolved because you know, through it, a clear space will be identified for the organisation and the organisation must just focus on that. If the focus must be on delivering mandate, in other parts of the world public broadcasters don't have to chase revenues. Ad revenue probably forms 6 or 8% of their funding, the rest comes from government, with us, 90% of our funding comes from ad revenue, so you've got to decide, are you commercial or are you a public broadcaster?"

"What drives mandate is not necessarily what drives audiences. So there are times where you must just go and do frivolous things in order to attract viewers so the biggest challenge has always been to make mandate sexy."

"I am saying that whilst we have very profitable properties on our schedule, we have a number of other programs that are not profitable in the classic sense of the word. It does deliver on mandate requirements though and that's where the dichotomy is."

"Unlike most public broadcasters around the world, the SABC has a unique model. Most of its money is made from commercial means whereas most other public broadcasters are government funded. So you have to play in a market where all these mandatory things are put on to you and you still have to make money while doing that."

Table 25: A variety of respondent views pertaining to whether the SABC should invest in building the corporate brand.

"A big yes! A successful powerful, credible and all these nice words, brand, will assist its sub-brands to thrive and succeed and be closer to none. I want to further indicate that while we are building one brand, one SABC, and while we also have individual sub-brands that should work towards realising the same goal, we should not however, treat

these individual brands as one brand with different languages and platforms. They should also be able to keep their individual identities so that their reasons for existence can be realised."

"I think people still know SABC and it's just because there has been so much negativity around it. I think it would really work in our favour just to rebuild that. So I would definitely invest money in a brand campaign and strengthening the positioning of the SABC as a mother brand, I definitely would do that."

"Yes definitely, and it's worthwhile to review it from time to time. That should be the driving force for all of us. It should also somehow speak to the consumer out there. If they can't identify with the corporate brand any longer inevitably you will see that guys will simply go to other brands and other stations."

"I think it should have the SABC brand but it should invest in the sub-brands. In marketing there are two terms that cover these things, a house of brands and a branded house. What we've done is the house of brands so there's no immediate and direct link to the corporate brand. Therefore I think we should invest more in the individual brands that the listeners and viewers and consumers can relate to."

"I would definitely put money into building a corporate brand. Would I do that right now? Probably not because it doesn't matter what I did or said about the corporate brand from an advertising perspective. If our actions as a company were not aligned to what the messaging was or what my messaging is, then there's this big disjuncture then I'm just throwing good money after bad."

"It should. But it can't do it in the way that the organisation is currently structured."

"I think it could maybe save the day yes, so it's a big yes from me. If your brand is strong people can't make a big meal out of it."

"I believe so. I think we should do that because it will go a very long way in assisting us to know who we are. I think it will also kill this silo mentality because to me that is a very serious concern."

"I'll say yes it should invest especially taking learnings from the big corporate companies within South Africa and how they are surviving. They have a clear understanding of who they are. That's why they are where they are now."

"It is worthwhile investing in the corporate brand but also being mindful of the reputational risk that might impact that. Spending alone is not enough to guarantee you the reputation and the trust. You need actions, which are important to what you preach."

"In an ideal world I'd say yes but the reality is that today you build a brand, tomorrow Hlaudi does something and you're just causing more damage to the brand. If anything, whatever you spend then attracts so much negativity whereas the outcome was to attract positivity. So in an ideal world yes but at this point definitely not."

"When everything is in place then I'd say it's necessary to say ok SABC corporate so that when the audience interacts with the SABC, be it with the TV licenses or a radio station or an OB or a concert, they will have the same positive experience. Right now you actually should withdraw SABC corporate until everything is made right internally first."

"Yes, it's very important, otherwise it would be an irrelevant brand. For it to continue to be top of mind, it has to invest in building the brand."

"Yes (emphatic). Certainly. It has to. That's why I'm saying that state-owned entities should not be treated like step-children, they should be treated with the same business ethos that you'd treat any other going concern. Certainly the SABC should also invest a lot in its corporate brand."

"Certainly it should, it should invest. When you don't have a corporate brand strategy you have nothing that brings us together. A person who works at Google, they tell you what they are. What is an SABC person? You can't describe them."

"Always. Most especially because we are a broadcaster and communication is our business."

"Absolutely. Without a doubt. Like I say it is the first thing you see and if that isn't the most outstanding and it is as broken as it is now then it doesn't stand for much."

4.5.3 Summary of results from Research Question 4

Research question four received responses from the sample about the value and purpose of the corporate brand in a state-owned entity like the SABC. Respondents were asked what they see the role of the corporate brand to be in an SOE, what their challenges are in building a corporate brand, how they measure success and whether they feel an SOE like the SABC should invest in the corporate brand as something that delivers value to the business.

Views given by respondents on the role of the corporate brand in any organisation highlighted the importance of it providing guidance, guardianship, reputation, a touchpoint and an umbrella for sub-brands. Some respondents specifically mentioned the job of stakeholder relations as one which the corporate brand caters to. The sentiment is very much that individual brands have their value and their audiences but that the corporate brand should bring them together. Respondent 13 gave an example of back attribution by a sub-brand to the corporate brand to illustrate the role the corporate brand could play as follows:

"Have you seen in movies when they say "from the makers of" and "from the director of"? It should be like that, I don't know how to explain it, but it should say "from the people that brought you 5FM they bring you a new radio station."

When asked whether the corporate brand adds value or not all 15 respondents agreed that having a strong corporate brand adds value. The majority were very emphatic about this however several respondents differentiated between the corporate brand in an ideal world versus the SABC's corporate brand particularly in its current state. A number of respondents outlined that there is risk involved in corporate brand building because of the effect this has on sub-brands, particularly because these sub-brands have strong heritage and resonate with large audiences in and of themselves.

Regarding how respondents measure success, the head of marketing explained that she had developed a tool to measure marketing investment (supplied and reviewed in Appendix G). It is however not something that has gained momentum or acceptance within the SABC building, likely because the SABC does not measure its brand impact or reputation in any way. Following on from respondents' views in earlier questions the business is concerned with mandate, audiences and revenue as measurement criteria for success.

When asked about the challenges involved in building the SABC corporate brand there are three key challenges that emerged across respondents. The first challenge related to people either in terms of managing them or in terms of aligning them to the corporate plan and goals through the corporate brand. The second challenge related to the nature of being an SOE and that position being inextricably linked to the politics of the day and that causing damage to the brand's reputation. The third challenge harks back to the objectives of the organisation and how they are prioritised and can often conflict. This challenge spoke to the unique funding model of the SABC and it's need to both be financially self-sustainable but to put mandate first.

Respondents were unanimous in their belief that a business should invest in building its corporate brand. With reference to the SABC though all respondents either suggested deferred timing on the SABC's building of their corporate brand or expressed concern that building a corporate brand would be risky for the SABC because of its leadership structure.

4.6 Summary of total results

From the outset of this research in the field it became clear that there is a level of confusion or lack of agreement between respondents on fundamental values and objectives of the SABC. Respondents regularly utilised normative language differentiating between either what the objectives are written down and reported as priorities and what really happens in practice, or between what the respondents believed should happen versus what does happen or what they are requested to do.

While the majority of respondents agreed that the SABC's main objective was to fulfil its mandate obligations as an SOE, they agreed on the fact that the mandate is interpreted

differently at different levels and that a variety of stakeholders are involved in that mandate ranging from various regulatory bodies like ICASA and the Auditor General, to government, the shareholder in the form of the Minister of Communications and even political parties such as the ANC, to the COO and various members of the EXCO who are in charge or 'at the helm' as expressed by several respondents.

Second to this audiences and revenue compete for second place in terms of prioritising objectives. This is dependent on the particular functionary area or occasion of the concern for the particular respondent. Respondents 1, 4 and 12 for example are deeply involved in revenue generation for the SABC while Respondents 2, 3, 6, 9, 10 and 14 are traditional marketers or in charge of marketing functions. Their responses speak to their direct areas of control and their individual priorities.

The information flow about the corporate brand is also problematic for all the respondents. Respondents falling into Tier 1 were all able to articulate their involvement in developing the strategy or explaining how it is developed and communicated but they acknowledged that there are likely challenges in communicating it business wide and ensuring a thorough understanding and implementation of the corporate brand strategy on all levels.

Respondents in Tier 2 and 3 complained that the methods in communicating the information were haphazard or they were unsure of how this is done. Many of them placed responsibility on the corporate marketing team for this.

All respondents had a clear understanding of the brand portfolio of the SABC. It is noteworthy though that respondents speak of the brand portfolio more as an organisational structure rather than a consumer-facing product portfolio. There was dissention among respondents on whether the transversal brands such as News and Sport should form part of the brand portfolio or whether they were simply business units or organisational support systems. The majority of respondents agreed that these were not in fact brands, even though they are resourced with marketing teams and budgets and fully equipped with logos and corporate identities that are consumer facing to an extent through the platforms they serve.

Only two respondents said that these transversal brands should be brands in the current dispensation. All other respondents agreed either that they did not form part of the brand

portfolio or that they would only become brands once they had their own consumer-facing platforms or channels through DTT.

Challenges regarding the management of the brand portfolio and in building the corporate brand included the following points. At least three respondents agreed on each of these as being a challenge:

1. The funding model of the SABC – serving a mandate and revenue and audiences simultaneously, the question of ‘who do we serve?’
2. People – people staying in their positions within the corporate branding team for long enough to provide consistency, people with the correct skills for brand management and dependency on superiors for information flow
3. Relationships between the corporate brand and the platform or sub-brands in the portfolio – the corporate brand attempting to dominate and remove individual heritage from the smaller brands, the lack of understanding of what each brand’s role is and how it serves the corporate brand, the audience’s perception of the brand and their touchpoint with it
4. Brand reputation – the current climate of the SABC, the reputational risk involved in being associated with an organisation that generates ongoing bad press and a negative trade reputation, the inextricable link to politics and individuals in government due to its nature as an SOE

All respondents were unanimously in agreement that heritage is an important factor in brand building and that the SABC should invest in building the corporate brand because there is a firm belief that this adds value to the business. Every respondent however acknowledged that it might not be a good time to do this in the current climate or provided a caveat that this would be in an ideal scenario were the SABC not at the behest of political or government influence.

Despite being in agreement about the value that building a strong corporate brand has for a business, when discussing the budget process it is made clear by respondents that brand management is not a core focus. All respondents that knew how the budget process worked acknowledged that corporate marketing is not a priority for the business while those who did not fully understand how money was allocated to the corporate brand were aware in their own business units how allocations are made unscientifically. Respondent

2 described this process as follows, "Historical performance of your expenditure has more weight than the actual strategy."

CHAPTER 5. DISCUSSION OF RESULTS

5.1 Introduction

The purpose of this research was to investigate the influences and decision-making factors that determine corporate brand building within a state-owned organisation that contains an extensive portfolio of brands. The ambition was to understand these factors so as to determine their impact on the corporate brand building and portfolio management task and ultimately produce a framework that enables managers within the SOE environment to build the corporate brand and manage the brand portfolio effectively.

15 members across three different tiers of management at the SABC, a state-owned enterprise in the media industry of South Africa, were interviewed over a period of three months to receive reliable input into this research. While the literature review aided in providing answers and suggestions for a proposed framework, these interviews offered a space to test the literature in practice in the specific SOE context.

This chapter looks at the findings from the qualitative semi-structured interviews and compares them to the theory arising from the literature review. Each section to follow discusses the results from the interviews corresponding to each research question and demonstrates relationships between the relevant literature and the outcomes of the interviews.

5.2 Discussion regarding the decision-making factors and organisational objectives in corporate brand building of a state-owned enterprise

RQ1 - What are the decision-making factors and organisational objectives in corporate brand building of a state-owned organisation?

The first research question intended to understand two antecedents to corporate brand building in the SOE. The first antecedent was decision-making factors and the second antecedent was the organisational objectives both of which influence the work of corporate brand building in the organisation.

The majority of respondents reported that the SABCs mandate was the greatest influencing factor in corporate brand building at the organisation. It was also clear that the biggest challenge respondents faced in corporate brand building was the balance they needed to attain between fulfilling the mandate and remaining financially sustainable and in turn commercially viable.

This finding agrees with Dixon and Dogan's (2005) stipulation that effective SOE management requires managers to confront and integrate a disparate set of contending propositions. It is also comparable to Lide's (2015) claim that the motivations and therefore influencing factors within SOEs are different to their private sector competitors. While the management of the SABC prioritise the organisation's mandate, derived from the corporate plan and various other pieces of legislation and policy (annexure G), they are operating in the self-same market place as commercial competitors who do not carry the same mandate restrictions. While it can be accepted here that public management problems experienced in SOEs might not be solvable to the point of parity with their private competitors, they are what Dixon and Dogan (2005) call manageable.

This is further echoing Gatenby et al.'s (2015) study among SOEs in Britain which found that organisational structures and goals were determined by government policy and departments more than the business itself which in turn limited management ability to develop anything entrepreneurial in nature, such as building a corporate brand, because targets and strategy was simply cascaded through each level until it reached line managers who were then only expected to implement.

Respondents also agreed with Gatenby et al.'s (2015) results that managers' working environment within SOEs as highly complex and linked to political battles. In addition respondents demonstrated results similar to those found by Wiewiora et al. (2016) regarding the involvement of citizens or end-users in the development of services from an SOE. As a public broadcaster the SABC is disengaged from its long-term and regular relationships between itself as a service provider and the community it serves.

When comparing the SABC to the University environment there are a number of similarities in the literature. The SABC, like a university, must implement market principles to build and sustain audiences and advertisers (Aula et al., 2015; Dholakia & Acciardo, 2014). Drori et al. (2013) state that universities have employed corporate branding as a practice

to stand out from their competitors and to have a platform from which to communicate with all their stakeholders. Brooks (2003) and Peattie and Peattie (2003) agree that there is discomfort among academic institutions regarding the practice of corporate brand building due to this hybrid and often opposing nature of objectives. So too do the respondents in this research agree that they need to build the corporate brand in order to stand out against their competitors, while being ever mindful of the mandate as the number one priority which does not often have commercial appeal.

Connecting the literature on monarchies to SOE's like the SABC, the respondents are clear that there is a distinction between functional and normative purposes with an emotional or symbolic role to play (Balmer, 2008). All respondents agreed that the SABC exists to enhance the country's information, education and entertainment value, very much aligned to Balmer's theory on monarchies enhancing the country's social balance sheet and core values (2006, 2008).

Regarding the organisation's objectives, the respondents were in agreement that the SABC was set up to inform, educate and entertain however how this objective was understood and operationalised, as well as the role the corporate brand plays in achieving the objective, was influenced by the respondent's particular area of focus in their specific portfolio. There was malalignment of the objectives when it came to how the brands in the portfolio were expected to achieve them. While all the respondents agreed that the corporate brand is worth investing in and is therefore a company asset, as proved by numerous authors such as Harris and De Charnatony (2001) and Knox and Bickerton (2003), it is not being leveraged because of this lack of consistent understanding and perception of the objectives of the corporate brand. This agrees with Chapleo's theory that there is a concerning lack of understanding as to the purpose of branding in universities (2010).

The way in which respondents come to be informed of the objectives was clear across all respondents from an intentional process perspective however the tone of the responses from a majority of the sample suggested a negativity towards the actual implementation of this information flow. Reviewing field notes alongside responses further relayed this uncertainty and negativity in the reactions and hesitations from respondents (appendix E).

This was further substantiated by the Tier 1 respondents who were involved in the actual setting of the organisation objectives, the majority of whom voluntarily admitted that the process of sharing and entrenching these objectives was inefficient and ineffective. Tangential to this was the comment made by many of the respondents, through various examples, that the SABC's objectives are not clearly defined enough to operationalise or that they change regularly so respondents were reticent to stake their corporate brand building strategies and workflow processes in the brand portfolio on the objectives given in the corporate plan. It was also clear that objectives were interpreted very differently across brands in the portfolio. This finding lends itself well to Hankinson's (2010) statement that appropriate brand behaviours are the result of employees' brand commitment. The findings also echo that the full top managerial team need to be responsible for the corporate brand so as to engage employees in its inclusive ownership (Hankinson, 2010).

This is redolent of theory derived from Gatenby et al. (2015) that the scope of middle management (represented in the sample in Tier 2 and Tier 3 respondents) to act as entrepreneurial leaders was highly limited because of the requirement to acquiesce due to the hybridity of the roles they need to play.

5.3 Conclusion to RQ 1

Like non-traditional brandscapes such as universities, monarchies and nations and places, SOE's are influenced by a variety of different factors when it comes to corporate brand building. The number of different decision-making factors make it challenging to fully grasp the true nature of the organisation's objectives and complicates the process by which people become informed of these objectives. The results of the research agree fully with the literature on corporate brand building in these non-traditional brandscapes.

What the literature does not adequately provide for is how SOEs and other non-traditional brandscape organisations, can deal with the multitude of objectives and decision-making factors prevalent in their environments. Though the literature provides for either reconciliation of initially opposing objectives (Anholt, 2004; Balmer, 2007; Balmer 20011c; Dixon & Dogan, 2005; Ots, 2008) or an argument for a decision in favour of the altruistic objective of placing the needs of the public ahead of the objective of commercial needs of the organisation (Anabila & Awunyo-Vitor, 2014; Aula, Tienari & Wæraas, 2015; Gatenby

et al., 2015; Lide, 2015, Phiyega, 2011; Wiewiora et al., 2016), it does not provide a working framework as to how to assess these objectives within an SOE such as the SABC on a case by case basis.

If management at the SABC were to be given a matrix by which to rank objectives for the organisation, they would be better positioned to influence the corporate brand positively so as to build it more effectively as an asset.

5.4 Discussion regarding how brand portfolios of state-owned enterprises are structured and managed

RQ2 - How are brand portfolios of state-owned organisations structured and managed?

The second research question was aimed at understanding the structure of the SOE's brand portfolio and how this is managed. Questions about how the brands in the portfolio engage with one another and the over-arching corporate brand were asked. All respondents shared their views on transversal marketing as a practice symptomatic of a media brand portfolio. Challenges relating to the management of the corporate brand portfolio were shared in the interviews by all respondents.

Shah (2015) and Shahri (2011) argue that unless a considered corporate brand building strategy is established in an organisation, the interpretation of brands in the portfolio will vary widely. This was proved in the results of this research when respondents expressed their lack of certainty as to how the portfolio was structured and which brands and business units were included in the portfolio. Both theoretical elements of the brand portfolio, the scope of each brand and its relationships to other brands (Chailan, 2009) and the architecture of the brand being each individual brand's emphasis (Aaker & Joachimsthaler, 2000) were either unclear to the respondents interviewed or there was disagreement between the respondents. This means that the corporate brand's ability to decide on what brands must comprise the portfolio, what they will be called, where they will reside and how they will relate to each other (Abratt & Kleyn, 2012) was not explicit within the SABC.

All respondents saw the SABC as a house of brands on paper however the expression of the corporate brand and various stakeholders sometimes implemented actions that caused behaviour more as a branded house. For reasons redolent of Aaker and Joachimsthaler's (2002) theory on the branded house being the default option for organisations, the majority of respondents expressed a desire for the brands in the portfolio to speak to the corporate brand.

Those that preferred the design of the house of brands were the most critical or negative about the current state of the SABC's corporate brand and were in the main Tier 3 respondents which mean they were closer to the coal face of the corporate brand building and portfolio management function. This made them more doubtful of the SABC's ability to build and sustain a positive corporate brand that would benefit the organisation and each brand in the portfolio. This is symptomatic of the theory that the nature of the conflicting objectives and numerous stakeholders involved in an SOE can create a negative perception of the corporate brand that affects the individual brands in the portfolio (Lide, 2015; Osborne, Radnor, Vidal & Kinder, 2014).

Overall though it was agreed that the SABC should have a corporate brand and that each brand in the portfolio should speak to the corporate brand, similar to what Martinez and Nicolás (2014) argue is necessary to generate a singular brand image of a place or nation so as to define it to its target market and thus creating a clear value proposition.

Regarding transversal marketing all respondents highlighted the value of this form of cross-promotional marketing however all of them agreed that it wasn't working in practice and provided one of two reasons for this; either that it only worked between TV and radio in the brand portfolio or that it depended on the particular case and whether it made sense for the platforms to pool their collective voices behind one event or campaign. Theoretically this agrees with Norbäck's theory that transversal marketing connects audiences and build bridges between brands in a media portfolio (2005). It also agrees with McDowell's statement that media brands can offer mutually beneficial partnerships in a large brand portfolio (2006) however how this works in practice again speaks back to the need for a strong corporate brand-building strategy and understanding of the objectives of the organisation so as to implement a clear guideline on how this cross-promotion can be effective. While a strategy of this kind was referred to by one respondent (SABC

transversal strategy referred to in appendix G) it had not been approved or communicated throughout the brand portfolio.

It is possible to view the opportunities and problems with the SABC's brand portfolio through the seven articulated common challenges outlined by Aaker (2009). These are firstly that brands with future profit-driving potential have inadequate resources while mature brands are over-funded. This is clearly communicated by the majority of respondents who explained how marketing budgets per brand, as well as for the corporate brand, are decided based on legacy and history.

Secondly, according to Aaker (2009), brand strategy is paralysed due to uncertainty of the roles of each brand in the portfolio. This is espoused clearly by the respondents who reiterate that their lack of understanding as to the role of the corporate brand and how it needs to be supported.

Thirdly Aaker (2009) points out that market share erodes due to a decline in the relevance of the offering in the portfolio due to the emergence of new categories. This is regularly espoused in documentation examined in appendix G which refer regularly to the SABC as 'a broadcast business' in spite of the fact that digital technology, connectivity and communication has fundamentally changed the way in which consumers get their information and seek out entertainment. While several respondents mentioned DTT, which in itself an obligation to embrace digital technology and which will essentially change the nature of a broadcast business in its entirety, the unwillingness of the SABC to embrace and put emphasis behind digital means of delivering and creating content is certainly a factor contributing to audience decline and stakeholder dissatisfaction.

Fourthly Aaker (2009) lists that brand differentiators are not in place so brands within the portfolio overlap and cause margin erosion. This is evoked through respondents' stipulated challenges regarding clear specifications of the brands in the portfolio and the corporate brand.

Fifthly Aaker (2009) says that brand portfolios containing bland and tired brands that need an image energiser is a common challenge in brand portfolio management strategy. This is declared by respondents regularly in their assessment of certain brands and is particularly relevant in the context of heritage brands and what several respondents

mentioned about the purity of language and ensuring cultural preservation as a key role in their brands juxtaposed with the need to modernise and carry a brand's culture along the way.

Sixthly, Aaker (2009) talks about an organisation lacking the capabilities to respond to its market dynamics. This is clearly espoused by respondents regarding their concerns about the skill set and attitude of employees and management at the SABC. This is reiterated by Wilson (2001) who declares that the communication of the company's corporate values is to a large extent reliant on employees. It is therefore essential that they are understood and that the attitude of employees is positive and proactive towards those values.

Lastly Aaker (2009) highlights a muddled offering as being a brand portfolio management challenge, explaining this as an inability by both audiences and employees to discern what to consume and how. Though respondents do not experience this kind of muddling on a brand level within the portfolio it is very clear that the corporate brand experiences this problem and as an SOE brand that needs to build audiences to sustain a majority of its funding from advertisers, the strength of the brand portfolio management strategy is of key concern.

Looked at from another perspective, the areas where respondents expressed challenges in management of the brand portfolio were as follows:

1. Understanding of who the stakeholders really are and the resultant lack of clarity on prioritisation of objectives (commercial versus mandate)
2. The conflict of the branded house versus house of brands in that the corporate brand custodians will sometimes expect one way of working and sometimes another way.
3. People management and correct skill sets
4. Corporate brand reputation

These challenges expressed by respondents in the research correlate almost perfectly with Lide's four tests for SOEs (2015). These are compared in table 26.

Table 26: A comparison of Lide's (2015) four tests for successful state-owned enterprises of the future and respondents stated current challenges within the SABC

	Lide's four tests for successful SOEs of the future	Respondents' current challenges within the SABC as SOE
1.	Clarity – being able to articulate purpose and objectives of their role clearly	Understanding of who the stakeholders really are and the resultant lack of clarity on prioritisation of objectives (commercial versus mandate)
2.	Capacity – creating the time and resources to conduct their role effectively	The conflict of the branded house versus house of brands in that the corporate brand custodians will sometimes expect one way of working and sometimes another way.
3.	Capability – employing and retaining the relevant expertise and experience to manage and direct the SOE	People management and correct skill sets
4.	Commitment to integrity – operationalising the need to serve citizens to create societal value	Corporate brand reputation

Item four in table 26 requires further clarity. Respondents were unilaterally clear that the reasons for believing that all brands in the SABC's portfolio should speak to the corporate brand and that a transversal marketing strategy was needed was because there is the need to fulfil mandate as a priority, which is ultimately to serve citizens thereby creating societal value (Lide, 2015). This however could not be done if stakeholders had a negative

perception of the SABC as a corporate brand. This aligns further to Keller and Lehmann's (2006) definition of credibility in companies which is the extent to which stakeholders believe that an organisation is ready and able to deliver the services and products that satisfy their needs and wants. A commitment to integrity is a fundamental antecedent to building a positive corporate brand that is perceived as credible by its stakeholders and managing a diverse brand portfolio, resulting in a good corporate brand reputation.

5.5 Conclusion to RQ 2

Brand portfolios of SOEs are structured in terms of the mandate they have to fulfil certain objectives rather than in terms of consumer-facing platforms or experiences. In the case of the SABC respondents grouped brands in the portfolio in terms of their language in the case of radio which is based on their license agreement (therefore mandate) and sometimes in terms of the SABC's objectives or stakeholders, such as that of Sport or News, where the SABC is obligated to provide this content in terms of its mandate. This is not aligned to the theory that brands in the portfolio are derived by their relevance to customers and the theory of target market segmentation (Aaker, 2009; Aaker & Joachimsthaler, 2002; Balmer, 1995).

There is clear alignment to the theory on brand portfolio management as a whole as well as the particular nature of brand portfolio management of media brands. With particular reference to media brands, there is evidence in the research of transversal marketing, which is redolent of media brand portfolio theory on cross-promotional marketing (McDowell, 2006; Norbäck, 2005; Ots, 2008; Wolff, 2006).

It is clear however that the SABC has not articulated its brand portfolio design explicitly. As respondent 8 highlighted "There's a decision we must make as the SABC, whether we are a house of brands or we are a branded house. We have not yet found a way of defining ourselves as the corporate because it depends on who is at the helm of things." Drawing from theory by Abratt and Kleyn (2012) the SABC must decide the following for effective brand portfolio management:

1. Which of its brands are truly brands that should comprise the brand portfolio of the SABC

2. What each of the brands are called
3. Where each brand will reside in terms of management
4. How each brand will relate to each other

If top management were to clearly define this and educate the full spectrum of its employees it would be in a position to effectively manage the brand portfolio with a clear structure and would be able to contribute meaningfully to the corporate brand.

5.6 Discussion regarding how managers of state-owned enterprises prioritise stakeholders and their different objectives when building the corporate brand

RQ3 – How do managers of state-owned organisations prioritise stakeholders and their different objectives when building the corporate brand?

The third research question looked at the prioritisation of stakeholders and their expectations as well as the prioritisation of objectives in order to best build the corporate brand and manage the brand portfolio. Here respondents gave their views on heritage brands which are present in the portfolio of SOEs such as the SABC that have been in operation for more than 80 years. This was explored in order to understand the politicised nature of the task of managing the brand portfolio. Further to this the question sought to understand what respondents believed the corporate brand should entail, who decides the corporate marketing budget and what factors inform that decision.

Very much in line with what Balmer et al. (2013) in the case of monarchy branding, and Jevons (2006) in the case of university branding state, respondents were in agreement that as an SOE, the SABC has a large number of stakeholders. This causes confusion regarding how these stakeholders are to be prioritised and managed. As Jevons (2006) points out, this makes both maintenance and initiation of the management of the brand portfolio a highly intricate and difficult task.

While Klijn et al. (2013) found that clear brand outcomes are a result of increased stakeholder involvement in the development of the corporate brand, respondents struggled to provide a clear answer in terms of whose responsibility it is to define and decide what

the corporate brand should entail. This produced a surprising result in the research because all respondents were clear that someone (or several individuals) needed to make this decision however they were not clear who and when they were clear as to who this should be, they sympathised that the current situation would not really allow for that due to the very involvement of those numerous stakeholders referred to by Donaldson and Preston (1995). This did however circle back to Klinj et al. (2013) who stipulated that stakeholders have the power to prevent an entire process of brand building.

To thoroughly draw out who the SABC's stakeholders are and what their expectations are it is possible to use Donaldson and Preston's theory of the stakeholders involved in universities and compare these with those stakeholders that respondents referred to during the interviews in this research (1995). This is articulated in table 27.

Table 27: A comparison of Donaldson and Preston's (1995) stakeholders with those of the SABC as a state-owned enterprise

	Donaldson and Preston's (1995) stakeholders of universities	Respondents' articulation of the stakeholders involved in the SABC as SOE
1.	Funders (alumni, donors, governments, corporations and independent organisations)	Advertisers (trade who contribute to the 85% of commercial revenue the SABC must make to remain financially sustainable) Government/The department of Communications (100% shareholder of the SABC, contributor to the annual budget of the SABC, and to whom the SABC's board is accountable)

		TV License holders (individuals and businesses who pay annual fees to the SABC to receive content on TV and radio)
2.	Academics (due to the competitive nature for renowned academics who produce research as a currency of the university and who attract students)	The Press (due to the SOE nature of the SABC the press have a fundamental role to play in the understanding of the SABC corporate brand to the full set of stakeholder groups)
3.	Students (considered consumers of the university and as such need to be attracted and retained in the way a product or service-based organisation would do)	The public (considered consumers of the SABC's products and services who need to be attracted and retained in the way any commercial organisation would do)
4.	Employees (non-academic employees who may be considered internal stakeholders and who are important players in "consolidating organizational identity and allowing for constituent buy-in" (Drori et al., 2013, p. 143).)	Employees (also referred to as the first citizens of the SABC who comprise approximately 4000 people and who several respondents mentioned in the ranking of stakeholders)
5.	Independent bodies (higher education quality assurance boards, examination boards, international ranking firms)	Independent bodies (ICASA, the Auditor General, BCCSA, The Press Council and other bodies who pass judgement on the SABC's activities as independent organisations set up for its regulation as determined by the Broadcast Act No. 4 of 1999)

As evidenced in table 27 it can be argued that the SABC, as an SOE, has even more stakeholders than a monarchy or a university would have. If the managers of this business are not clear which stakeholders to prioritise or what these stakeholders' expectations are, the management of the brand portfolio and the building of a successful corporate brand will be compromised or at the least be ineffectual. The need to identify the role of each stakeholder group and to propose an effective organisational structure is of great importance (Hankinson, 2010).

The respondents' views regarding budgeting for marketing activity and resourcing the corporate brand followed on from this theory. Respondents were clear about the ultimate decision makers on the budget but all of them referred to historical budgets allocated being the most influential factor in deciding what those budgets would be. This aligns with research from Gatenby et al. (2015) which stated that in a study of three SOEs in Britain "middle-level line managers had little or no control or influence over financial planning and budgets as decisions are taken at more senior levels" (p. 1140). A number of respondents also spoke about the changes made to budgets after approvals were given which then compromised brand building projects and strategies both on a corporate brand level and within the individual sub-brands.

These views mirror theory put forward by Klijn et al. (2013), who pointed out that SOE environments, particularly those affected by political activity, have lagged behind the private sector in both budgets and classical branding knowledge. Respondents' views also agreed with Peattie et al. (2012) regarding the appropriateness of a corporate brand building strategy in an SOE environment. Based on budgeting and responsibility or ownership of the corporate brand building exercise, respondents admitted a lack of resource support at worst or a highly contested ground to secure support at best.

There was strong and consistent agreement between all respondents that heritage was an important asset for brands in the SABC's portfolio and that this should be leveraged to build a strong corporate brand and should be a priority in the style in which the brand portfolio is managed. There was however a clear feeling among a majority of respondents that heritage needs to evolve with the brand as it modernises to remain relevant and that involving various stakeholders, ranging from traditional leaders and Kings to audiences,

was paramount to both preserving and updating the heritage quality of brands in the portfolio.

This is comparable to Balmer's (2009) theory about heritage brands being a concept that resides with the brand's community and his expression that stakeholders include the public (2009, 2011b, 2011c). Respondents views also aligned with Dholakia and Acciardo (2014) and Vasquez, Sergi and Cordelier (2013) who stated that involving a full spectrum of stakeholder groups in the corporate brand building process is important to secure support for the creation of that corporate brand and its management.

5.7 Conclusion to RQ 3

The respondents in this research are impacted by the same factors that are outlined in the theory regarding the prioritisation of stakeholders and objectives when building the corporate brand. They are fully aware of the importance of heritage brands and how these can be leveraged to fulfil value for the corporate brand. They have an understanding of decisions around what the corporate brand should entail and who is responsible for deciding that. Once again however there is a lack of clarity on how stakeholders need to be managed so as to form a unified corporate brand. While there is relative agreement across respondents on the ranking of stakeholders (aligned to the ranking of objectives), the research reveals that how this is operationalised is not always in agreement with theory.

When viewed normatively however there is clear agreement between the respondents' views and theory in the literature. In short, what does happen in practice at the SABC is sometimes in contradiction with what should happen both in the eyes of the respondents and in the literature.

If SABC management is unclear about the ranking of its objectives, this has a knock-on effect in terms of the prioritisation of stakeholders, the management of their expectations and the resultant resourcing of the funds and people to determine and manage the corporate brand.

5.8 Discussion regarding the purpose and value of the corporate brand in a state-owned enterprise

RQ4 – What is the purpose and value of the corporate brand in a state-owned enterprise?

The fourth research question sought to understand how respondents measure success at the SABC and what their challenges are in corporate brand building. This was in a bid to derive whether respondents felt that the SABC brand held value for the organisation, what its role is and ultimately whether it is worth investing in.

Not one respondent disagreed with the theoretically proven fact that building a corporate brand adds value to the business. All responses offered in the research agreed with Balmer's check list of benefits in nurturing a corporate brand (1995). These are compared in table 28.

Table 28: A comparison of Balmer's (1995) benefits of building a corporate brand with responses from the SABC as a state-owned enterprise

	Balmer's (1995) benefits of building a corporate brand	Respondents' articulation of the stakeholders involved in the SABC as SOE
1.	Underpinning world class marketing organisations	Respondents regularly referred to the BBC or other internationally renowned SOE broadcasters who had established their corporate brands and managed brand portfolios in the way the SABC could. Even as a branded house they acknowledged international best practice in similar organisations mentioning France, Canada and the UK.

2.	Creating consistency in consumer demand	Respondents spoke of the SABC's ability to deliver audiences across the brand portfolio fulfilling both mandate and revenue objectives
3.	Adding value to products and services	Respondents agreed that ideally as a branded house the SABC could support the individual brands in the portfolio effectively as long as the brand's perception by all stakeholders was a positive one. Many respondents referred to a historic time when this was the case.
4.	Positively contributing to the bottom-line	Respondents pointed to the fact that advertisers would be more willing to spend money and TV license holders would be more willing to pay their fees with the SABC if the corporate brand was a trusted and positive one
5.	Offering protection from competitors	Several respondents talked about the power of the SABC as a large organisation with the biggest audience share and the largest portfolio so it could 'bulldoze competitors'. Further to this many respondents acknowledged the cost savings that deals could afford each brand in the portfolio if negotiating as a corporate brand rather than each individual brand in the portfolio which would not be afforded competitors with smaller portfolios.
6.	Attracting quality employees	The issue of the right people for the right jobs and skills transfer was raised several times across interviews. It is clear that the SABC brand would be stronger with

		quality employees. This would mitigate one of the top four articulated challenges from the respondents.
7.	Representative of financial worth on the balance sheet	The fiscal evaluation of the SABC brand was not something respondents were asked about but they unanimously agreed that a strong corporate brand had financial worth and was valuable.

All respondents understand that corporate branding is a matter of directing endeavours inwards to lodge a desired impression of the SABC so that all stakeholder groups have a shared understanding of the organisation as a brand (Aaker & Joachimsthaler, 2002).

At no point did any respondents say that the SABC as a corporate brand should engage in less branding activity or that it should not have a corporate brand. This is aligned to Osborne et al. who argue that any organisation should be focussed beyond a transactional approach (2014).

It was also clear that Peattie et al.'s distinction between applying corporate brand building techniques in public services and employing social marketing in any other kind of organisation (2012) was clearly understood and revealed through respondents in the research. Echoing this is Phiyega's (2011) statement that there must be clear differentiation in SOEs between social and economic infrastructure, Wiewiora et al.'s (2016) statement that the concept of public interest is an essential rationale and motivator of public service delivery, as well as Maignan and Ferrell's (2001) assertion that even traditional corporate brands are required to function increasingly in a normative social context. All respondents acknowledge the social responsibility of the SABC as central to their work and rank the mandate as the most important objective. In most cases, it is this element that respondents believe is the role of the corporate brand in an SOE. Several respondents offered detailed socially cohesive examples of how the SABC's brand has made a difference in the lives of South Africans. Respondent 15 articulated that the power of the SABC is so big that "it is actually quite frightening".

All respondents espoused a measurement of success to be related to Wright et al.'s argument in favour of balancing organisational efficiency with a demonstrative effort to

reduce social inequality and propagate inclusiveness (2014). The fear however was that this 'greater good' aspect was handled by the organisation as a whole merely as a kind of lip service. This aligned with Wiewori et al.'s (2016) findings that involvement of communities and users of public services was promoted and encouraged but often superficial. The challenge in addition to this superficiality and intangibility of the propagation of the public interest, is how it can be measured. It was not clear in the research how and if this could be done, however objectives and stakeholders alike bore evidence to the public interest being at least a concept that was discussed and sometimes evidence yielding in certain projects or campaigns.

5.9 Conclusion to RQ 4

Respondents in the research aligned with theory regarding the value of the corporate brand in the business. They pinpointed specific reasons for the organisation to invest in the corporate brand despite the challenges they identified. Despite many respondents identifying the value of being treated as separate from the corporate brand none of them questioned the fact that there should be a corporate brand and that its strength is something to be measured as a success factor for the SABC.

It is clear that the SABC corporate brand has value and should have value for the business. It is also understood that a clear understanding of the objectives of the business and the types of stakeholder groups influencing the business are key factors in the success of the business. There is also a strong link between a clear articulation of the corporate brand and the efficient and active management of the brand portfolio as factors that will deliver value to the SABC as an organisation.

Respondents agree with Balmer's (2009) expression regarding monarchies that though the sheer number of stakeholders involved in a brand steeped in heritage requires careful management, it is fundamental for the SOE to build a strong corporate brand in order to remain competitive and profitable (or at least financially sustainable in the case of the SABC). This means that the SABC, like any other organisation, must be managed as a corporate brand.

Theory deduced on the corporate brand and brand portfolio management relates strongly to research conducted in this report. While it is acknowledged that the SOE environment is a nuanced one and requires further considerations in the building of the corporate brand and management of the brand portfolio, the foundation of theory reviewed in this research is supported and evidenced in the respondents in the single case study.

CHAPTER 6. CONCLUSIONS AND RECOMMENDATIONS

6.1 Introduction

The main problem in this study was to identify the decision-making factors in corporate brand building and portfolio management in state-owned organisations and to resolve how these factors are prioritised to achieve organisational objectives and what value there is in building a corporate brand in a state-owned organisation.

By determining what the influences and decision-making factors are in this single case study, a framework could be created to assist managers in assessing and prioritising multifarious objectives in determining the corporate brand, how it should be built and how the brand portfolio should be managed. The SABC was identified as a suitable organisation for the purposes of the study.

This study aimed to implement a cross-disciplinary approach, combining theory and research regarding public policy with corporate brand building and brand portfolio management theory. It then aimed to provide practical solutions solidly grounded in literature, that would be helpful for SOE managers. This was in response to research that has demonstrated that much of the work conducted in academia has failed to reach practitioners. As Keller and Lehmann (2006) point out, “as a field our communications, if not our findings, have failed to reach and impact an important constituency” (p. 755).

This chapter presents conclusions of the findings in the study and then offers recommendations for two areas of relevance that emerged. These areas of relevance are for practice and for public policy. This approach stems from repeated expression by both authors of literature and by respondents that what does happen (as captured in public policy and in the literature and secondary research reviewed) is usually greatly different from what should happen (as captured in respondents’ views and primary research conducted).

The chapter concludes with suggestions for further research that could enhance the theory and practice regarding the management of brand portfolios and the work of corporate brand building in the SOE environment.

6.2 Conclusion to the study

To conclude this study, it is helpful to return to the research problems stated to confirm how these have been resolved.

The **first** sub-problem was to identify the decision-making factors in corporate brand building and portfolio management in state-owned organisations.

The research finds that there are three primary decision-making factors in corporate brand building and portfolio management in SOEs. These are mandate, revenue and audiences. There are clear conflicts between these factors which translate into the objectives of the organisation and into the priorities that groups of different stakeholders have regarding the SABC. It is essential that the SOE's management discern clear understanding of what each of these factors consist of, relate them to different groups of stakeholders they must communicate with and that they prioritise these as objectives based on the organisation's consistent agreement. Only at this point will they be able to build a positive and useful corporate brand and manage the brand portfolio effectively.

To turn these decision-making factors into effective antecedents for the development and building of a corporate brand and effective management of the brand portfolio, the organisation needs to look at Aaker's (2009) constituent segments of the corporate brand with reference to its unique factors. The SABC has a strong heritage spanning 80 years. It needs to unpack that history and modernise elements of its past that it wants to utilise as a connecting factor to make it relevant today. This will form a strong foundation for its corporate brand. It can then list its values which will make the understanding of the corporate brand more tangible to its stakeholder groups, particularly its employees, who are, as demonstrated in this research, highly confused and disenfranchised regarding the organisation's objectives.

The SABC can then consider its culture and decide what elements it needs to amend and change to ensure a positive corporate culture among its employees. This would involve internal research and the provision of a 'safe space' so that employees can input into the organisation's current status and offer their solutions as to how to evolve it into a more cohesive and unique corporate culture. This leads on to the penultimate element of a

corporate brand according to Aaker (2009) which is people. Respondent 14 expressed this well when she said:

The people (in the organisation are key), because without the brand ambassadors, being the employees, there's no brand. Without a concretised value system and a customer-based relationship or ethos, you are as good as the other person next door. So your unique selling point as a brand is have a very strong and well-entrenched value system that is supported by ethical people, hardworking and loyal people.

Corporate brand building is itself a process sustained and enriched by ongoing dialogue between the organisation and its constituencies where each constituency brings into the corporate brand their meanings and contents.

After these elements have been understood and clearly articulated, the organisation can then work out its strategy, creating the execution plan to espouse its values through solid and consistent communication to all stakeholder groups, including those heading up each individual brand in the portfolio. This would then generate stronger efficiency in the brand portfolio itself.

The **second** sub-problem was to resolve how decision-making factors in corporate brand building are prioritised to achieve organisational objectives.

It is proposed that the organisation treats audiences as the priority followed by mandate and revenue. This is for two reasons. Firstly the mandate and all that it involves is set up in favour of the audiences. The very nature of SOEs means that they must serve the public first and foremost as the target market. The mandate is drawn up in the interests of audiences and when audiences change, so should the mandate. The audiences should have active and regular engagement with the caretakers of the mandate so as to adapt and rework it as their needs change.

Secondly the advertiser inevitably follows the audience. While the research demonstrates a clear desire by advertisers to work with a functioning public broadcaster, it is because the organisation has a sizeable share of the South African population, across segmentation categories, that the advertiser is attracted to the organisation to spend its

money there. If audiences were not prioritised by the SABC, they would inevitably decline in number and quality and would then go elsewhere, taking the advertisers with them.

If this clear prioritisation of the decision-making factors is achieved, the SABC will be able to articulate clear objectives which can then cascade down to each brand in its portfolio, through the corporate brand as a mechanism. The very nature of corporate branding signals a fundamental corporate process that shares the organisation's unique essence and promise with all stakeholders in an ongoing effort to meet their expectations. In short, if objectives are clearly ranked and explained then the job of corporate brand building and brand portfolio management is that much more relevant and strategic with a stronger chance of success through consistency and cohesiveness.

The **third** sub-problem was to resolve what value there is in building a corporate brand in a state-owned organisation.

Both the literature and the research conducted in this study demonstrate a clear value to having a positive and strong corporate brand. The value in having a strong corporate brand for the SABC is because of two primary needs. Firstly the SABC is and always will be a high profile SOE within the nation that is South Africa. It is an organisation providing for the country's information and communication needs, through an Act of parliament, to fulfil a series of constitutional rights. It is therefore not an option for the SABC to act as a pure house of brands and remain a trade-only brand without a consumer interface. It will always be sought out by foreign counterparts, questioned by its public and interfaced with by suppliers, partners, independent bodies, advertisers and numerous other large and small stakeholder groups. It therefore must build a strong corporate brand that elicits a positive emotional response wherever it communicates.

Secondly it is proved in this study that the SABC has a long list of stakeholder groups. Even if audiences were excluded from its value chain for theoretical purposes the SABC would still have many stakeholder groups that it would need to interact with and provide services and products for. It is simply not possible for individual brands in the portfolio to act for themselves and thus the SABC must have a cohesive and well-defined corporate brand that lends support to each brand in its portfolio and effects group bargaining decisions on behalf of those brands as a collective, extracting economies of scale and efficiencies for the betterment of the entire brand portfolio.

As such it is proposed that the SABC form a core corporate brand team to define and create the SABC corporate brand in line with the priorities and objectives of the organisation. This core team would be solely responsible for the cohesive consideration of the brand portfolio and would be able to assess and represent the needs of individual brands while also providing a halo brand for each constituent member of the brand portfolio. Like place brands that identify common brand touchpoints and then utilise them to unify their brand messages to multiple stakeholder groups, the SOE corporate brand can do the same. This would be the purpose of the dedicated core team.

The core team needs to be led by a strong, senior brand expert with a respected voice at the highest level within the organisation due to the overarching nature of corporate brand management (Hankinson, 2010). The task of this expert, likely a CMO role, would be to do everything necessary to ensure that the corporate brand was adequately resourced and that the minds of senior management were aligned to its promotion, protection and ongoing commitment. This CMO would also be responsible for using a variety of communication tools to develop and enrich stakeholder relationships to enhance the mandate thus delivering better products and services to the public, which is at the heart of any SOE.

Spanning all three elements of the problems are two more over-arching conclusions that are necessary. Firstly it is proposed that the SABC's top management engage in a harmonious dialogue with academics who have produced research on public policy and corporate brand building and brand portfolio management. This is in an effort to deliver a unifying framework to bring together perspectives between practitioners and academics embracing an even greater, and likely new, stakeholder group for development and best practice purposes. This is a bid to create the ultimate socio-cultural sensing and diagnostic context to assist the CMO in embedding the organisation's corporate brand into the minds and hearts of all those responsible for management in the brand portfolio.

Secondly it must be acknowledged that the brand reality is a tangible challenge for SOEs. Creating a corporate brand that is capable of delivering the brand experience that all stakeholders expect from its brand promise is a complex task. It is therefore essential that the organisation develops a clearly considered and robustly articulated corporate brand

that will act as a bridge between the brand promise and the brand experience. This then is the distilled reason for investing in the building of a corporate brand.

6.3 Recommendations for practice

Firstly it is proposed that a thorough corporate brand audit is conducted within the SOE and that this process should become a standard procedure, engaging all stakeholder groups in a formal dialogue process, every five years. This is simply a matter of best practice and acts as a reminder to managers of their commitment to deliver products and services that maintain their relevance with the needs of all stakeholders. The corporate brand audit also provides an opportunity to improve information flow to stakeholder groups which in itself is the true purpose of a corporate brand in an SOE environment.

Secondly it is recommended that the SOE appoint a Chief Brand Officer or a Chief Marketing Officer within the C-Suite at top management level. This is based on the clearly acknowledged lack of brand attention that the organisation receives, both at the corporate level and the individual brand level within the portfolio. As Keller and Lehman (2006) state unequivocally, “regardless of who (if anyone) is in charge of managing the corporate brand, several general strategic issues arise” (p. 749). This means that high level attention to the corporate brand’s composition and management and the architecture and interrelationships between brands in the brand portfolio is essential for optimal organisation functioning.

These first two over-arching recommendations are grounded in theory set forth by Knox and Bickerton’s (2003) three-part proposal for senior management engaged in corporate brand building:

1. Allocate responsibility and authority to one senior director
2. Set up a core corporate brand management team at a senior level
3. Utilise the six conventions of corporate branding to establish relevance and distinctiveness at regular intervals through a brand audit. These six conventions can be individually assessed by the core brand team both in partnership with academics and under the direction and supervision of the CMO as proposed in the conclusion of this study. The conventions are:

- a. Physique
- b. Personality
- c. Culture
- d. Relationship
- e. Reflection
- f. Self-image

Recommendations for practice are divided into two sections namely those related to corporate brand building and to brand portfolio management.

6.3.1 *Recommendations regarding corporate brand building*

Literature and research outcomes related to decision-making factors and organisational objectives in corporate brand-building in an SOE suggest that management of the organisation need an operational matrix to assess the importance and ranking of objectives. This matrix should be utilised as a foundation in making decisions that impact the corporate brand so as to develop a strong corporate brand that has a positive dividend for the company.

Figure 9 proposes an operational matrix to assess the importance of objectives when building the corporate brand. The model captures all objectives detailed by respondents in the research and claimed in the literature reviewed. It is recommended that this model act as the guiding strategy for the prioritisation of objectives within an SOE so as to provide clarity in all decision-making processes.

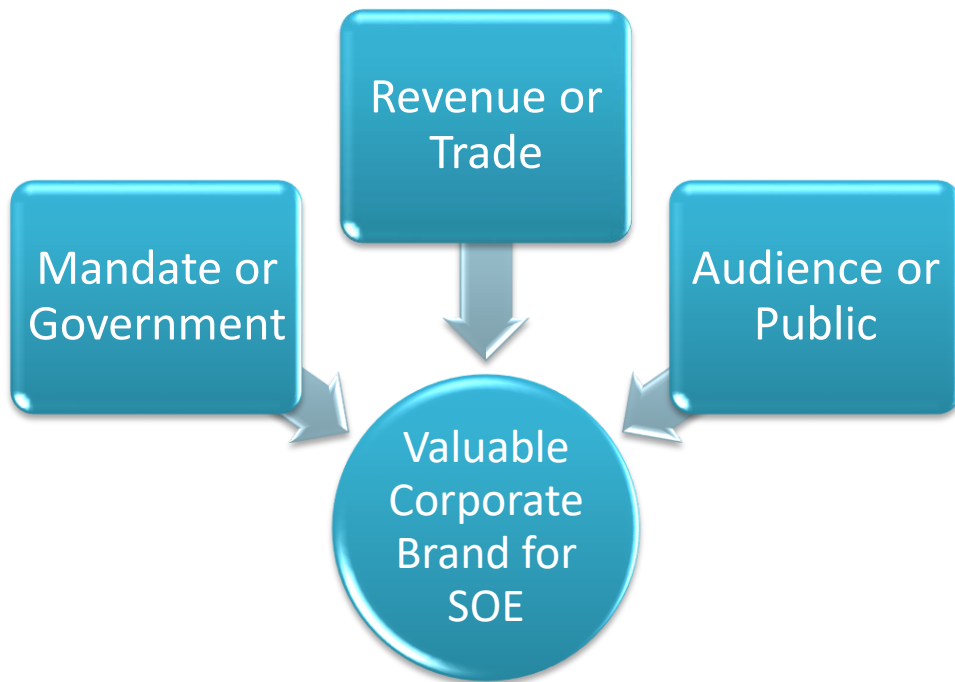


Figure 9: Proposed model of objectives as influencing factors in the building of a strong state-owned enterprise corporate brand

The terms in figure 9 are defined as follows:

- Mandate or Government – these are the conditions present in governing documentation that give rise to the existence of the SABC and documents that are drawn up based on those rules and regulations. They include:
 - The Broadcast Act of 1999 and the SABC Charter
 - The National Plan as drawn up by the National Planning Commission of South Africa
 - The Public Finance Management Act as drawn up by the South African Treasury
 - Each brand in the SABC's brand portfolio's license to broadcast as drawn up by the Independent Communications Authority of South Africa
 - Chapter 10 of the Constitution of South Africa
 - The SABC Corporate Plan which is derived from all the above documentation

- Revenue or trade – these are all funds received by the SABC via various stakeholders which include:
 - Clients and the trade who are termed advertisers
 - Government and the Department of Communication who provide fund part of the SABC
 - TV License holders who pay an annual fee to receive the SABC's services
- Audience or public – these are all South African and African citizens who have access to the SABC's platforms, content and services and who are collectively built and maintained as consumers of the SABC.

Following on from this model, table 29 provides a tool that allows for the scoring of each of the three objectives. The process of scoring, utilising table 29, should happen prior to the corporate brand building exercise so as to understand what the corporate brand should consist of, what building it entails, who should manage it and what resources should be made available for building it. This should form the first step in the corporate brand audit.

Table 29: Proposed matrix to rank objectives prior to the building of a strong state-owned enterprise corporate brand

	Rating from 1 to 5				
Extent to which the corporate brand must serve the mandate	1 Very Unimportant	2 Slightly Unimportant	3 Neither Important nor unimportant	4 Slightly Important	5 Very Important
Extent to which the corporate brand must serve revenue	1 Very Unimportant	2 Slightly Unimportant	3 Neither Important	4 Slightly Important	5 Very Important

generating opportunities			nor unimportant		
Extent to which the corporate brand must serve the audience or public	1 Very Unimportant	2 Slightly Unimportant	3 Neither Important nor unimportant	4 Slightly Important	5 Very Important

By using the matrix in table 29 to score the extent to which each of the three main objectives are relevant and important to building the corporate brand, it is possible to discern where the focus should lie in what the corporate brand should consist of, what building it entails, who should manage it and what resources should be made available for building it.

This matrix should be utilised by all top management and corporate brand and marketing personnel so as to secure a series of scores that can be added together to understand where emphasis should be placed in the activity of corporate brand building. In this way the SABC will be able to pin its strategy to relevant objectives as derived by the members of the business itself and will be able to revert to the matrix when challenges arise in the implementation of corporate brand building. The organisation will also be better equipped to communicate its objectives to the business as a whole ensuring employees are clear on what the corporate brand needs to do and be to all stakeholders.

Literature and research outcomes related to how managers of SOEs prioritise stakeholders and their different objectives in corporate brand building suggests prioritisation of stakeholders follows on from prioritisation of objectives.

The following guidelines are therefore proposed in terms of managing these stakeholders and their differing objectives:

1. Heritage must play a fundamental role in the preservation of individual and the corporate brands in the brand portfolio. Heritage must both be utilised to leverage brands and must be preserved as a priority within corporate brand building.

Heritage must also be audited every five years per brand so that it can evolve in an organic and relevant way with its audiences which in turn should influence the mandate to certain degrees.

2. The responsibility of defining the corporate brand lies with the executive of the SOE and is implemented and communicated by the CMO. The Marketing Director or CMO acts as driver, implementer, guardian and custodian of the corporate brand. As the CMO will represent the corporate brand and the brand portfolio on the highest operational level within the SOE, he or she will have the necessary resources (both financially, allocated by the CFO) and in terms of human capital (as the head of the brand portfolio) to allow the building of a strong corporate brand with a positive reputation and perception, to flourish as an asset to the organisation.
3. Expectations by each stakeholder group should be documented annually as part of the corporate planning and review process identified by all respondents in the research. This can be done in terms of Burton's 1999 model (figure 6) in a three-step process determining what groups there are and what their relative powers are, determining a reach strategy for those groups and then finally determining ways to influence desires, perceptions and behaviours of those stakeholder groups. In this way clarity will be applied to the stakeholders expectations in relation to their objectives and these can then be reported on specifically across the brand portfolio and encompassed within the corporate brand.

Literature and research outcomes related to what the purpose and value of the corporate brand is within an SOE suggest that the SOE environment is a unique one requiring a special approach to corporate brand building and portfolio management however both literature and research outcomes agree fully that the building of a corporate brand adds value to the organisation and should be actively managed and invested in.

In order for the organisation to derive true value from its corporate brand, it needs to ensure that it has a positive perception and reputation among all stakeholder groups. This in itself should become the fourth objective for the SOE (after the public, the mandate and the revenue). Having investigated the influences and decision-making factors in corporate brand building in an SOE, in the case of the SABC then its objectives should be:

1. Serve the public and build the audience

2. Fulfil the mandate and satisfy the shareholder (government)
3. Generate revenue sufficient for self-sustainment
4. Develop a strong corporate brand that is positively perceived by all stakeholder groups

At this point it must be remembered that employees are a key stakeholder group in any organisation. It is therefore recommended that the SOE engage in an internal branding program ongoing. It is clear that internal issues are complex and this means that the 'first citizen' is of key importance to the organisation in terms of its ability to communicate its objectives and priorities to multifarious stakeholders. Internal branding emphasises the culture of the organisation and ensures that the staff understand the organisation's purpose and promise to its stakeholders (Hankinson, 2010; Hatch & Schultz, 2003). This would certainly address the concerns of the majority of the respondents in this study both in terms of their individual purposes and in terms of their ability to manage their teams to successful outcomes for the corporate brand and each brand in the portfolio.

It is also recommended that a minor cultural language change be implemented through a conscious adjustment of language. Instead of referring to 'stakeholders' the SABC should refer to 'brand communities'. According to Muniz and O'Guinn (2001) brand communities are specific and non-geographically bound people bound together by a series of social relationships among those users of the brand. There are three elements that a brand community have in common (Muniz and O'Guinn, 2001):

1. Shared consciousness
2. Rituals and traditions
3. Sense of moral responsibility

Despite the multiplicity of stakeholders in the SOE environment, all of them share the above three marks when it comes to business. By understanding that stakeholders have greater ideals, such as those of a brand community, in common, it becomes easier to manage expectations across different stakeholder groups and to practice positive reinforcement of a sense of belonging and mutual goal achievement rather than differing objectives and priorities.

6.3.2 *Recommendations regarding brand portfolio management*

Literature and research outcomes related to how brand portfolios are structured and managed in SOEs suggest that there is a need for top management to clearly define the portfolio and conduct an internal education program about the structure and architecture of the portfolio so that it can be effectively managed and employees can contribute wholly and individually per brand to the company.

While there is no need to reorganise the brand portfolio, as each brand at the SABC serves a defined target market and territory which is clearly delineated through segmentation strategy based on language and mandated elements enforced by ICASA through licensing, there is evidence of brand creep. In other words, it is clear from respondents across the sample that some brands overlap with others in terms of their target market and duplicate the activity of others thus creating inefficiencies in the brand portfolio as well as possible non-compliance in terms of the ICASA legalities that set these brands up from their source.

It is therefore recommended that each brand in the portfolio is clearly defined through a brand blueprint tool as proposed in figure 10. This tool will allow the CMO and the corporate brand team to ensure alignment of each brand in the portfolio to its legal requirements and to allow it to reside neatly in the portfolio alongside other brands. Each blueprint should differ explicitly between brands within the portfolio and should form the guiding principle of the brand for each platform head and their team. Gentle course-corrections per brand can be enforced annually through standard brand planning processes using the blueprint tool to keep this updated and to assist managers ongoing.

Once each brand's blueprint has been established, there is a need to reorganise the business based on the lack of proximity the portfolio brands have to the corporate brand. An SOE's portfolio management challenge is not typical. An SOE doesn't create brand extensions or acquire companies and undertake mergers. The SOE's portfolio management challenge is deciding on the types of relationships that its brands have with the corporate brand and how much emphasis it should put on each brand in the portfolio versus the corporate brand.

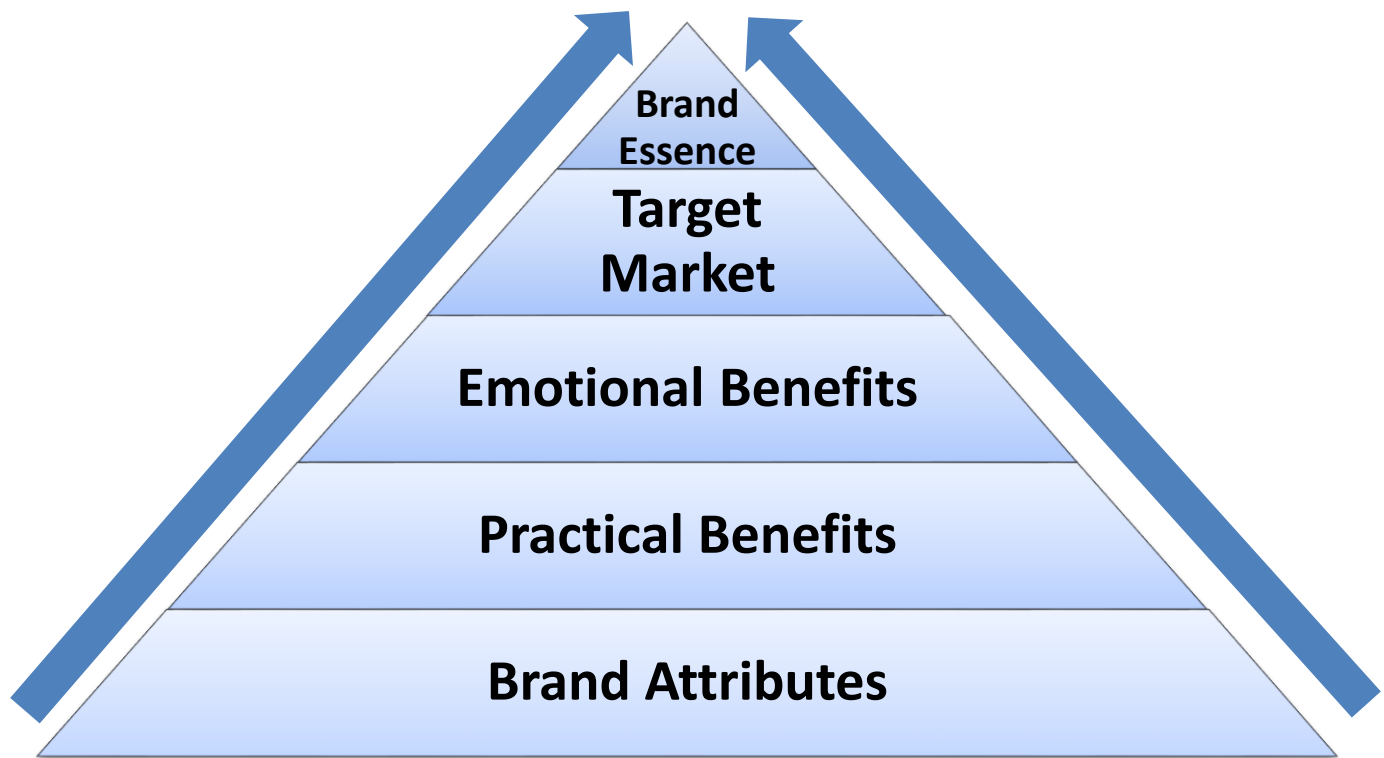


Figure 10: Proposed brand pyramid tool for each brand in the SOE brand portfolio to maintain

If corporate brand building must serve the audience as a priority, then the brand portfolio structure would lend itself well to the house of brands approach as this would mean the corporate brand would support and endorse the unique and specific identities of each of the brands in its portfolio for the benefit of building audiences per brand and pleasing them with a variety of product offerings. If corporate brand building must serve the mandate as a priority then the brand portfolio structure would lend itself well to the branded house approach as this would mean that the corporate brand would unify the sub-brands and present them as a full and diverse basket of platforms that serve each and every niche and type of community within the population of South Africa. The trade or revenue as a priority can be served in any of the four possible portfolio structures proposed in figure 11.

Though it has been recommended that audiences be the priority for an SOE, it must be acknowledged that a purely house of brands typology excludes the interests of a number of SOE stakeholder groups. All respondents and literature agreed that there is value in individual brands in the portfolio being associated with a strong corporate brand. The extent to which this was done was however the concern, and this varied according to

different authors in the literature as well as different respondents. What was key in the outcomes of this research however was that the extent to which the individual brands in the portfolio should be associated with the corporate brand was influenced directly by how strong that corporate brand was in terms of its perception and reputation. This means that the stronger the corporate brand and the more positive the perception around it is, the more willing respondents were for individual brands in the portfolio to be associated with it.

Figure 11 provides a plotting tool based on models proposed by Balmer (1995), Aaker and Joachimsthaler (2002) and Srivastava and Thomas (2015) whereby the organisation can derive its most practical brand portfolio structure.

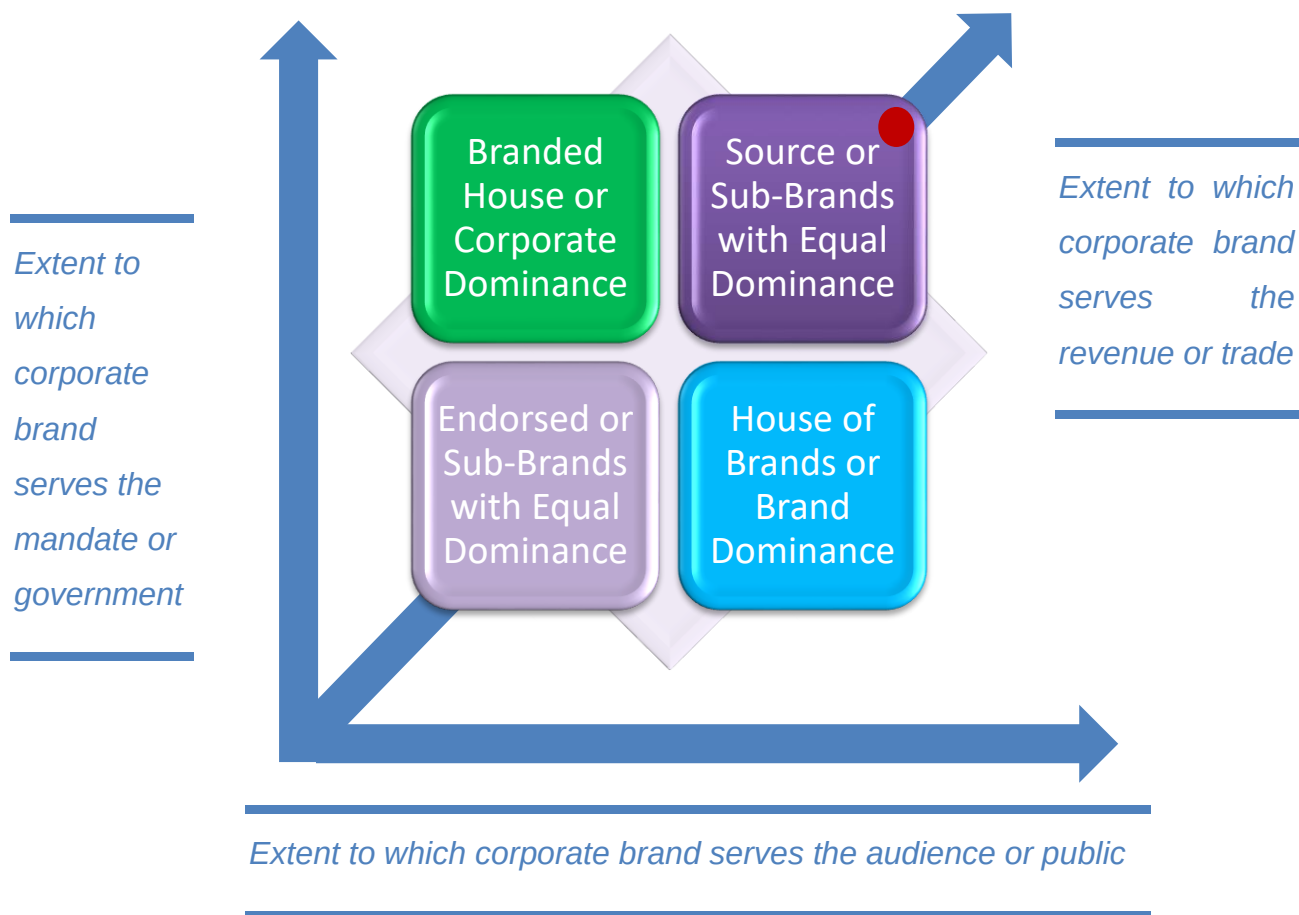


Figure 11: Proposed plotting tool for state-owned enterprises to determine the most practical brand portfolio structure to achieve the ultimate corporate brand

Using figure 11 to plot the SOE's position, represented by the red mark, it is recommended that the SOE adopt a typology of sourced brands, making each brand in the portfolio clearly related to the corporate brand but maintaining an individual identity and not using a mere stamp of approval. This would mean that the audience, as priority, would be able to maintain a specific relationship with their brand of choice within the SOE's portfolio while being subtly aware that the brand belongs to a greater organisation understood in their reality as the corporate brand.

It is recommended that in the short-term, however, the SABC specifically remain a house of brands until a successful process of corporate brand building has been established and the reputation of the SABC is positively perceived. This would then allow a phasing in of source brand typology within the whole brand portfolio. It must be acknowledged that in its current form, the SABC corporate brand does more damage than good to the brands in the portfolio.

As far as the SABC's specific brand portfolio goes this could be visually and audibly represented in a number of ways as represented in figure 12. Each brand in the portfolio would have its own name, logo and other marks but would not deny itself SABC as a source brand.



Figure 12: Visual representation of an endorsed brand within the brand portfolio of the SABC

To better address the limited resources to be shared among the brands in a large portfolio, it is proposed that the organisation make decisions every three years about which brands in the portfolio need to be prioritised. Using the attack vs slipstream decision approach (Hankinson, 2010) the SOE can propose which brands in the portfolio need to take the

fore and receive the lion's share of the marketing budget and management level attention to serve a set of objectives over that three-year period. Emphasis on attack brands in the portfolio rather than at corporate brand level allows each brand to develop its own charisma. If a strong corporate brand is built to adequately umbrella the portfolio then those brands that are not in the limelight for a particular three year period will benefit as slipstream brands meaning that the halo effect of the corporate brand will benefit them and that their association with the attack brands in the portfolio will attract audiences and revenue accordingly.

Figure 13 provides a diagrammatic representation of the recommendations for practice proposed in this study as a means of summarising.



Figure 13: Summary of recommendations for practice for both corporate brand building and brand portfolio management

The purpose of this study has been met accordingly. It has identified the factors influencing the building of the corporate brand, investigated how the corporate brand portfolio is structured and managed, discovered how different stakeholders are prioritised according to their different objectives and understood the value of the corporate brand in the SOE setting.

6.4 Recommendations for public policy

Theory and research in the fields of public policy and public management is seldom connected with brand management theory and research. This is surprising considering the evolution of theory around public management that has been represented in recent literature and the globally prolific presence of SOE's. This study was an attempt to connect these two distinct research disciplines within the globally occurring SOE.

The debate continues regarding whether SOEs should operate in a more private manner to compete in a marketplace determined by supply and demand forces or whether they should be purely public institutions prioritising policy, mandate and regulation above other objectives. It is however recommended that each individual SOE consider these two polar opposites on a spectrum and to plot a positioning for their organisation along that spectrum. This is demonstrated in figure 14 where the recommended positioning for an organisation such as the SABC has been plotted with a red mark.

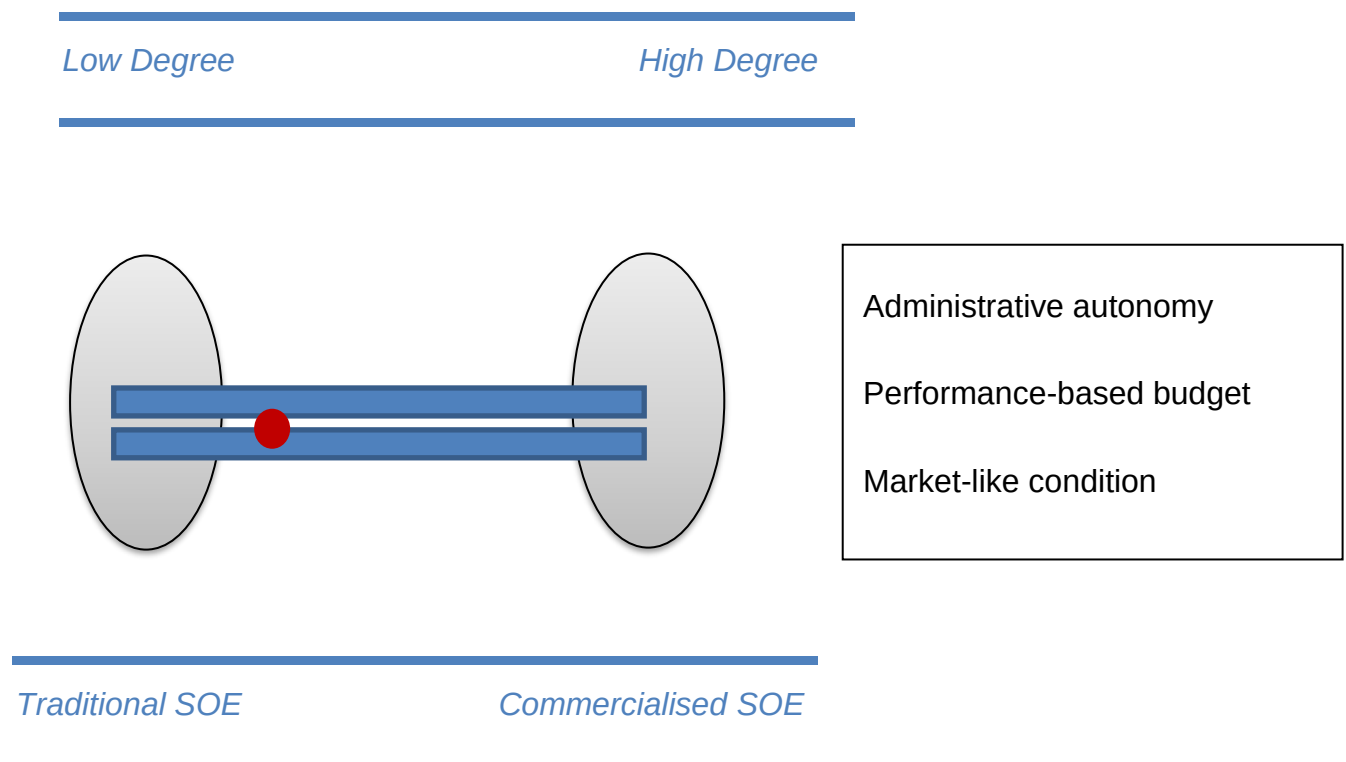


Figure 14: Differences between types of public organisations (state-owned enterprises) (Hansen & Ferlie, 2016)

The terms in figure 14 are defined by Hansen and Ferlie (2016) as follows:

- Degree of administrative autonomy – SOEs are restricted by mandate and regulation and this imposes on their autonomy and thus their ability to make strategic decisions regarding their corporate brand and the structure and design of their brand portfolio.
- Degree of performance-based budgets – SOEs can have budgets that are fixed without any association with performance or, on the other end of the spectrum, they can have budgets based entirely on performance and activity.
- Degree of market-like competition – many SOEs are allowed to lobby for and attract private and public income but the level to which they fund themselves varies between organisations.

As argued by Hansen and Ferlie (2016) the different dimensions represented in figure 14 are not a binary dichotomy but rather a number of points on a spectrum or continua. Here it can be accepted that performance-based budget and market-like condition are strategic models that are more readily adopted when the survival of the SOE is threatened.

In the case of an SOE like the SABC, it is recommended that the organisation behave towards the traditional SOE side of the continua, as shown by the red mark in figure 14. This is because the SABC's administrative autonomy is and always will be imposed upon by mandate. Further to this if the audience is considered the priority and relevant types of content and programs are needed by that audience then budgets and competition become secondary priorities. To serve the audience is to understand their needs and to supply products and services accordingly, regardless of market-like competition and performance-based budgets.

It is important to refer to Dixon and Dogan's argument that conflict is normal and necessary and that constructive discourses can generate achievable reform goals within SOEs that iterate in implementable strategies (2005). They say that learning by doing and by experience is what precedes "what is the right thing to do and how to do things right" (p. 17). While no SOE can abandon its normative foundations for existence, it cannot operate in market isolation. The aim for each SOE therefore is to determine its particular priorities, rank those priorities and then map its stakeholders and their objectives accordingly. Both

mandate and revenue can be accommodated in this model and should be addressed in each business decision. This then forms the foundation for decision about what the corporate brand should consist of, how it should be built and what resources can be applied to it based on who it needs to serve.

It is essential to ensure an ethical discourse in the development of a corporate brand for an SOE. The corporate brand, in the SOE's case, is not just a tool to reach the market to extract a higher price from its audience. It behaves as a heritage brand that provides an emotional connection between the audience and the organisation. It must be accepted that SOEs must be predominantly guided by public norms such as citizenship, welfare, representation, accountability and equality (Diefenbach, 2009).

As such the recommendation is to examine the public need under these normative values and then to establish an ethical code against which all commercial decisions will be made. This process should be carried out every five years so as to adjust and evolve the code

Figure 15 provides a diagrammatic representation of the recommendations for public policy proposed in this study taking place every five years.



Figure 15: Summary of recommendations for public policy to be implemented every five years

6.5 Suggestions for further research

This section proposes six suggestions for further research. The first four suggestions relate to the SOE context in a broader sense while the last two suggestions relate specifically to the SOE in the communications and media context elicited by this particular case study within the SABC.

Firstly it has been acknowledged in the limitations of this study that the single case study of the SABC constitutes a purposive but convenience sample. Although its typicality was ascertained in chapter three, it is recommended that a comparative study be conducted, both locally in South Africa between other SOEs, and internationally between SOE public broadcasters, so as to determine strong reliability of the findings in this study. This exercise would also yield relevant and interesting results in that it would determine the extent to which a South African SOE is comparable to an SOE in another country. Since it has been argued that there is a dearth of literature in African countries on SOEs and how corporate branding and brand portfolio management plays a role in these SOEs, a comparative study both locally and internationally would provide valuable data to take another step forward in this field of research.

Secondly it is clear from the findings of the research that two core brand theory concepts need to be explored further in the context of SOEs. These are brand perception and brand reputation. It has been argued that the managers in SOEs deal with highly complex challenges and decisions due to the number and varied types of stakeholders they need to account to and work with. Due to their leadership and management structures, their ability to espouse a positive brand perception and to develop a positive brand reputation is necessarily more difficult a task than it is in the private sector. However the majority of respondents mentioned the importance of positive brand perception and brand reputation as an outcome of effective brand portfolio management and as a defining measurement criteria for effective corporate brand building.

Thirdly it is acknowledged that the majority of respondents listed people as a challenge both in building the corporate brand and brand portfolio management. The alignment of people, their respective skill levels and calibre, the risk of people moving into and out of positions within the corporate brand team and levels of management hierarchy were all

referred to as challenges by respondents. This was particularly prevalent in terms of the Tier 2 and Tier 3 respondents who are classed as middle managers within the SABC. From the number of respondents who put this forward as a challenge, as well as the tone and nature of their feedback during the interviews, it is recommended that further investigation into the roles of public middle managers is needed and a review of the pressures they are under to play multiple roles such as diplomatic administrators, government agents and entrepreneurial leaders is required (Gatenby et al., 2015).

Fourthly both the literature and the research outcomes of this report demonstrate the importance of mandate and policy in the management of SOEs. While a plethora of policies exist for the management and standard operating of all business functions from use of the internet to annual bonuses, there is very little if any consideration of the corporate brand and brand portfolio management present in these guiding documents. Looking outside the SABC's own policies and procedures to larger scale documents such as those listed in Appendix G, the only guideline to the structure of the brand portfolio is vaguely stipulated in the SABC's Charter included within the Broadcast Act of 1999 where commercial and public services are differentiated. As a result, it is recommended that further research investigate how the work of corporate brand building and brand portfolio management relates to and is represented in mandate documents and policies drawn up both by internal and external stakeholders. This would not only offer further clarity in how this work should be done for the organisation in question but would provide a much needed elevation and platform for the corporate brand as an asset to the organisation.

In terms of the media and communications industry into which the SABC falls there are two recommendations for further research presented here. These provide two exciting research opportunities going forward.

Firstly further investigation is needed into the transversal promotion capacity of media brands within a large and diverse portfolio. The power that media brands have to drive efficiency and to self-promote across the portfolio is a unique differentiating factor for these kinds of businesses. There are a variety of advantages that media organisations, particularly those that are SOEs could gain from focussed research on the antecedents and effects of transversal marketing and how this fits into the over-arching need to build a strong and positive corporate brand.

Secondly, and more generally, the time is right to put research effort into the role of corporate brand building in the media business. It has been argued that media brands behave as hybrid products and services and are therefore deserving of a different classification in the corporate branding tenet of literature. Very little research has thus far demonstrated the theoretical and practical implications and opportunities for media brands in the building of a corporate brand and the effective management of the brand portfolio. Considering both the size of the media industry, particularly with the advent of digital media, and the variety and nature of media brands present worldwide in every country, this is surprising.

Lastly to take this specific single case study forward it would be relevant and useful to conduct a 'Policy Delphi' style study with the 15 respondents interviewed in this report. Policy Delphi technique has proved useful in building a systematic consensus among a diverse group of experts (Wiewiora et al., 2016). The study could, through this technique, revisit the 15 respondents and group them into rounds where they would express their views in the presence of their colleagues (perhaps grouped per respondent tier as outlined in this study) so as to further distil the strongest views and to determine quantifiable results based on the rounds by means of median scoring.

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APPENDIX A: Research Instrument

Building the corporate brand and managing the brand portfolio in a state-owned enterprise

Thank you for agreeing to an interview with me. The purpose of my research is to understand the challenges that you face in managing a brand portfolio and building a corporate brand for the SABC.

I guarantee that none of this information will be attributable to you in any way. Should I be so fortunate as to be able to publish my research, I will take measures to ensure your anonymity. Please know that the ethics committee of the University of the Witwatersrand and the Wits Business School is stringent on this matter and my own academic reputation would be at stake if this were not the case.

I, _____ agree to participate in the research study conducted by Justine Alexandra Cullinan.

The purpose and nature of the study has been explained to me in writing and verbally.

My participation is voluntary and I understand that I can withdraw at any time during the study without any repercussions.

I understand and give permission that the extracts from the interview may be quoted and published in the research report. I also give permission for the interview to be audio-recorded.

I also understand that confidentiality will be ensured in the research report and that no identifying features will be attached.

Signed: _____

Date: _____

Interview Guide:

Pertaining to RQ 1:

What are the decision-making factors and organisational objectives in corporate brand building of a state-owned organisation?:

1. What are the influencing factors in building the SABC corporate brand?
2. What are the SABC's objectives?
3. How are you informed of these objectives as a state-owned organisation?

Pertaining to RQ 2:

How are brand portfolios of state-owned organisations structured and managed?

1. What do you understand to be the 'brand portfolio' of a business?
2. What is the structure of the SABC's brand portfolio?
3. Is it in your view important that each brand should speak to the corporate brand?
Can you outline why?
4. How do you inform each brand in the portfolio of the corporate brand strategy?
5. The SABC promotes transversal marketing – what does this mean and how do you feel it works or doesn't work?
6. Describe the challenges you face in trying to manage a large and diverse brand portfolio of brands?

Pertaining to RQ 3:

How do managers of state-owned organisations prioritise stakeholders and their different objectives when building the corporate brand?

1. How do you treat brands that have a strong heritage?
2. Who is responsible for deciding on what the corporate brand should entail?
3. Which stakeholders do you prioritise when building a corporate brand?
4. How do you prioritise objectives?
5. What expectations are there from stakeholders in terms of:
 - a. Revenue

- b. Audiences
 - c. Brand strength
6. Who decides the SABC's corporate marketing budget?
 7. What are the factors that inform the decision to allocate this money to the corporate brand?

Pertaining to RQ 4:

RQ4 – What is the purpose and value of the corporate brand in a state-owned enterprise?

1. What do you understand to be the role of a corporate brand in any business? Does building a corporate brand add value to the business in your opinion?
2. How do you measure success?
3. What are the challenges for you in building the corporate brand?
4. In your opinion, should the SABC invest in building a corporate brand?

Profile questions:

As you know your participation in this research is anonymous however in order to ensure you are the right candidate to fit the needs of the target sample please provide the following information:

GENDER:

AGE RANGE: Under 30 30-40 40-50 Over 50

HIGHEST QUALIFICATION:

NUMBER OF YEARS EXPERIENCE:

NUMBER OF YEARS AT THE SABC:

JOB PROFILE AND AREA OF INFLUENCE:

APPENDIX B: Personal profile

As Station Manager of national youthful music radio station, 5FM, I hold a unique and public position in the radio industry of South Africa. I was Marketing Manager of 5FM for almost four years and returned as Station Manager, at the request and invitation of the former GE: Radio SABC in October 2014. I am an employee of the SABC, the chosen site for this research.

Due to this position I was concerned that direct interviewing of the purposively selected respondents may elicit overly considered responses. This however proved to be an advantage due to my intimate knowledge of the industry and the perspective that the respondents appeared to feel that I am 'one of them'. In many instances the respondents offered a lot more detail, as well as personal opinion citing names and examples, than I expected.

Shenton (2004) describes research as more valuable when there is a developed familiarity to the culture of an organisation in which research is being conducted. As I am in a fortunate and unique position at 5FM and within the SABC, I am familiar with the industry that could cause me to insert my own perceptions and beliefs into the research. As a result it was paramount that I have a semi-structured interview schedule that I could keep referring back to. I ensured that I transcribed all interviews myself and undertook a rigorous thematic coding process as demonstrated in appendix F. I maintain audio copies of all interviews conducted as well.

While I have consistent familiarity with the respondents which I originally felt might compromise a level of validity, I have internal knowledge of the SABC which puts me in a unique position to ensure that the reality of the organisation matches with the input that the respondents gave me.

I also felt that I was in a unique position to provide insight into such an important organization at what has been described as the most difficult time in the history of the SABC. As I submit this paper the SABC is the subject of a parliamentary enquiry into its board's fitness to hold office. It is my hope that this paper will assist in guiding the incoming management of the SABC to redefine its corporate brand and realign its brand portfolio in such a way that it will strengthen it to deliver its true purpose to the people of South Africa.

APPENDIX C: Signed consent documentation

Justine Alexandra Cullinan
7 Douglas Avenue
Craighall
2196
+27 72 263 2807

6th June 2016

To: Mr Leuba Ramakgolo
General Manager: PCS Radio
SABC

Re: **Permission to research the SABC as a single case study for the degree of Master of Management: Strategic Marketing (MMSM) and to conduct interviews with employees of the SABC on various levels**

Dear Sir,

As you are aware I am currently studying towards a Masters in Management: Strategic Marketing degree through Wits Business School. I have completed all my coursework, assignments and exams and am very pleased to report that I have been honoured on the Dean's List. I have you to thank deeply for your support in this regard.

The last part of my degree entails a research report where I need to conduct primary research into a topic approved by the WBS panel and ethics committee. The topic that I am pursuing looks at the discipline of corporate marketing in a large organisation and is entitled: *Corporate brand building and portfolio management in a South African state-owned organisation.*

In order for me to conduct this research I will need to interview ten relevant employees of the SABC who deal with issues of corporate marketing and brand portfolio management. One of the ten people I would like to interview



would be yourself due to your keen level of involvement and day-to-day management of such work.

Each interview will last approximately one hour and will be completely anonymous. No names will be recorded for the interview, which is recommended ethical research practice. The research questions I need to answer are relevant specifically to corporate marketing and the science of brand portfolio management. As a result I can guarantee that no sensitive information would be divulged.

As you know I take great pride in my work and am honoured to serve the public broadcaster. I take this research report as another opportunity to do that. I will provide a summary of the results of my research so as to assist the business in its corporate marketing endeavours. I would also like to offer you access to my research both during and after completion.

Thank you kindly for your support and approval in this regard.



Justine Cullinan

8/6/2016

Approved:



Mr Leuba Ramakgolo

General Manager: PCS Radio

SABC

APPENDIX D: Example of Transcription

This appendix shows **an example** of one of 15 transcripts. It shows the full transcript for one respondent who was coded as respondent 12 to preserve anonymity.

INTERVIEW TRANSCRIPT

Respondent: **Respondent 12**

Duration: **01:50:57**

Date: **Friday 8th July 2016**

Interviewer: What do you think the influencing factors are in building the SABC corporate brand?

Respondent: Look I think the biggest problem that you have, is you have got your public mandate which on other days trumps up everything else that you do, but because you have to be self-sustaining, you are always going to have that conflict of who do you serve? I cite a classic example, I've started this radio rejuvenation project, even when Leuba says client and I say client, we mean different things. So that is the complexity of the SABC, to say guys let's write it down, what is a client? A client is somebody that pays you, but I also understand for us to have someone that pays us, we need you guys to bring in the audiences who in essence are your clients. So even in our positioning of people who work here, we don't have the same interpretation and the same understanding of what it is that we should be doing. So I think that we are in such a complex situation because we do need to keep abreast with what is happening and you know be out there and yet we need to serve. And public mandate doesn't have to be poor and ugly but that is how it has always been sold in the SABC, that oh public mandate is an inconvenience, but public mandate should never be that, it can be sexy, it can be sold, it can be all sorts of things. So the thing that influences us the most is our funding model because the way that we have chosen to treat...our treatment plan of our funding model is such that you know, everything is a grudge. If I have to

worry and teach people about finances, it's a grudge because they are lower down there and they don't understand that. We have started to change that perception with the banks, to say when you teach them, you have them longer with consumers because they understand. So suddenly you can sell that thing that was perceived as education and you know..but the fact that it is unheard of to have a public broadcaster that gets influenced by the shareholder to this extent, without the shareholder putting money down. We get about R300 Million from government for education and that's it.

Interviewer: And that's about 3% of our total requirement isn't it?

Respondent: Look we are now an R8 Billion entity, so if you look at what R300 Million is, it doesn't even cover. And also you are seeing that there are many things that at the time they may have made sense. So the way we are structured, we structure ourselves advertising and sponsorship, TV licenses and whatever. Now TV licenses has always been a grudge payment for different reasons at different times. The same way that you'll find that a lot of townships don't pay electricity because they have never paid it when it was a grudge, when it was apartheid government. So there are still people that are not understanding why they should be paying TV licenses. Now you've got a new breed that don't agree with the current government, so the effect is the same. You will still have a chunk of people that are not going to pay because at a point in time, the association is with the ruling party, whereas in other countries it is 'broadcast license', it is legislated like that. DOC should be collecting TV Licenses and giving us the money, then it's neutral. That they will have to maybe give that to ETV as well is another discussion but because it is now associated so strongly with the SABC, every time people want to take pot shots at SABC, they just don't pay. And so the cycle goes, even if you get a DA ruling next cycle, the people that hate DA won't pay and so the cycle goes. So I think that the positioning of TV licenses, as opposed to being a broadcast license has really limited our potential and also our thinking in terms of how do we move forward to sustain ourselves financially. The truth of the matter is that the government doesn't have money to fund us. They've got AIDS to deal with, they've got housing to deal with,

they've got unemployment to deal with, they've got grants. In the order of things, we are no-one.

Interviewer: Especially if it has been possible for many years, it can't just stop being possible now.

Respondent: You see and that's why when we kneel and beg the advertisers, then people don't understand, but those are our masters, you know? So that funding thing and the imbalance of having somebody that doesn't pay anything, I mean right now when a minister wants to be on TV, chances are we'll displace revenue. And the funny thing is that advertisers understand to a point, they know that the funerals, that the president will want to speak, they are not averse to that. It's just when we become so obviously disruptive to the schedule that they get upset. All of them are saying, we are your partners, talk to us.

Interviewer: What do you understand the SABC's objectives to be?

Respondent: Ok so truly and honestly as a public broadcaster we are here to serve the broader public you know and through us providing sound education and sound programming and also a little bit of entertainment, we become the vehicle for a whole lot of people to speak to. So we are like the middle ground, so we always say to ourselves that as SABC it's what we can give you, yes we have the advantage of the rich, but it's about what we can help you communicate. This is why the advertising industry will tell you 'we want a working SABC, we want a public broadcaster that works'. So yes they get frustrated because there is money involved, they want to partner with us, because the influence we have in changing the minds and shaping the minds of everybody is unparalleled. So truly and honestly our objective is to make sure that there is social cohesion and nation building and that we need to tell the stories that build. It is unfortunate at the moment about how even this censorship thing has gone to the extent that it has because at a point I have sympathy to what the SABC is saying, to say the more you see things the more...but there is also the question that we have not been able to answer to say when does it stop? When does it stop being a noble thing and starts

becoming something else. And that's the control that I don't think we have. But generally people follow what we say, people trust what the SABC says. The SABC has huge credibility in the minds of the people and I'm not talking about our twitter friends, I'm talking about the majority of people. So truly and honestly, first and foremost nation building is what we are here for and that's why we need to tell stories that will improve our livelihood and how everybody else sees themselves as South African. This is where the whole thing of content comes into play to say – we want to see ourselves more than we want to see Ridge Forrester you know? But it is just about building the nation.

Interviewer: How are you informed of the objectives of the organisation? How do you find out what they are?

Respondent: This is where I think we fail as an organisation because sometimes we sit and we talk about these things and we talk about them ad nauseum but maybe they don't trickle down to you guys. What happens is we have a corporate plan, which at any given time has got a three to five year outlook. And this corporate plan is the one that we send to the shareholder, to the DOC. It is also derived from what happens at DOC. So we try to derive our mandate from the broader South African mandate. So once we have developed this corporate plan we then develop our own strategy of how we are going to do it. So you will find that each division then will come up with, I think I had three interventions for this year, which were to try and fix radio, radio sales and to try and set up an alternative revenue stream because that is where the world is going. So Verona will then have something that will contribute to audience growth. So we have tried to keep them to a minimum, our corporate pillars, you know there is one about technology, about finances and about audiences. So it trickles down from corporate plan and then it must now run to the divisions where they are going to have their plans. But I must say that I think we don't do a good job in communicating it. There is always an issue of once you put it out there it becomes a public document and everybody knows what you're doing. It is public record, which is why you will see your, you know Mzansi Magic doesn't have to do anything, they

are just trying to emulate SABC 1. They don't have to take the risks, and they don't have PFMA, they don't have procurement processes that are tedious.

Interviewer: What do you understand the brand portfolio of the business to be? I think sometimes there's a misunderstanding about what's a brand, what's a platform, what's a business unit.

Respondent: It's a very difficult discussion because it depends on who is leading what area! You see there has got to be the mother brand but the way that our organisation is so big, it has kind of allowed, where there's expertise, or where there is more skill, for those brands to shine such that if you look at Metro, if you look at 5FM, people still ask me if that's part of the SABC because of how the stations run. Then when we say we want everyone to fit into the mother brand, we are not resourcing it sufficiently to allow that. If it fits into the mother brand, how does it do that? Because at the end of the day you don't want homogenous brands and offerings, you do want separation. So how do we as an organisation enable platforms to still be themselves without losing the SABC. That's why even this local content has become such a difficult conversation for MG5 because a lot of people don't see MG5 as part of the SABC. SABC is dull and dark and poor and whatever. So elevating 24 or 25 brands (including Encore) into the SABC becomes very very difficult. Some of them are bound to be swallowed. You've got Education and TV Licenses, there's just a plethora of these things and I do not believe we have had a strong marketing head for a very long time. Somebody that will say listen exco, this is my analysis, this is how we can best do this and this is the middle ground. What has happened is that in us getting agencies, we've just created more confusion, we've further entrenched as silos. This particular agency will come with this idea, but in the absence of us as SABC saying this is where we want it to go, you fit into this, it becomes a very difficult exercise. Other brands will only go as far as rebranding or changing their logos, but I don't feel they are emerging as a brand to be reckoned with.

Interviewer: So do you think that that's because the structure just happens to be such that a very strong marketing person doesn't really have a place at the boardroom table for example or a place in the C-Suite?

Respondent: I don't think it's about that, I think it's about the type of person that you get because unfortunately SABC is about, at least in my experience, the only way you get things right here, the only currency you have is relationships. Yes? So even if you come here to SABC and say I'm a guru of whatever, you need to have enough people believing in your vision so that they then help you achieve it. Sometimes personalities don't adapt, when Hlaudi started here I never thought I could work with him, but now I work with him, because I have figured out how to work with him. Sometimes people don't get to that level and I think it is about how you influence and sell your ideas. So if you truly and honestly believe that the SABC should be split then sell us that idea. I am just so glad that marketing was taken off my portfolio because that was the biggest...I would sit here and say, I have no clue what to do with these 24 brands and how to communicate all of them effectively. That is where we are failing, it just can't be effective, it's just too many.

Interviewer: So I was speaking to Dennis yesterday and he has been here for 40 years (Respondent clarifying – Dennis from SAFM) and he said something I would never have otherwise figured out. I was saying to him that in the portfolio the TV channels have got a link to SABC, they are SABC 1, 2,3 and Encore, the radio stations don't. So back when TV and radio became the SABC or the other way around, was there a conscious decision to brand them differently? He says he doesn't think it was ever a conscious decision but he thinks that because the SABC had a monopoly on TV when it came to South Africa in 1976, there was only one option, the only TV you could watch was the SABC, so people understood the SABC to be TV, but radio had existed before, so it wasn't actually a marketing decision at all, it was just operational. So do you think that in the portfolio you would like to see the very stand-alone brands, like the radio brands, being more attributable to the SABC, in their names and structures? Or do you think that because they have such a long heritage with certain markets that they are best left alone?

Respondent: You see I think we need to remember the change pre 94 and post 94. Our radio stations, all of them, are 50 years old and more, but they were Bantustan radio stations. So with the advent of democracy and making the languages equal it then allowed them to rebrand and call themselves all sorts of things. So Radio siSotho became Lesedi FM and Radio Zulu became Ukhozi FM. So now they've entrenched them alongside the language, which is something we are obligated to do, however for me the difficulty is here we are now saying social cohesion and whatever, now that is directly conflicting with restoring of culture, so where does this social cohesion come in? I grew up in Soweto, there's not a single language I speak more fluently than the way I speak Zulu, I speak Sotho and I speak Xhosa. So where is that person, where do they live within these 18 radio stations? I listen to my son he is home with 5FM, I listen to Metro FM and I get that he is not a Metro FM fan, but there is no language for him that is on 5FM, it's in English. There is another 22 year old that is sitting in Soweto that is different from my son, where do they go? Because the language issue is important. Everyone says that you know a nation that loses its culture in terms of language is lost, but then we have 11, and I don't know what other countries do that have so many languages. So we have to maintain that level of restoring the culture but we need to marry that with where we are going in terms of who South Africa is. One of the biggest criticisms of South Africa, which I think makes it very difficult for the SABC, is who are we as a nation? We call ourselves a rainbow nation, which is a very flimsy thing, you can't touch it. You can't say that when I say this, everyone knows that I'm South Africa, when I do this, everybody knows I'm South African. We still don't have an identity and I see a lot of people trying to find some way of saying 'this is what makes me South African', we say rainbow nation, ubuntu but you know it's not something we can take away and say this is it. And it's unfair to compare a 200-year democracy to a 20 year old one but who are we? Those are some of the things that should then determine how SABC brands get positioned because otherwise we are only going to position ourselves with the historic understanding.

Interviewer: Ok. What is the, you mentioned 25 brands, what is the structure of the SABC's brand portfolio?

Respondent: Ok, on paper? (Laughing) It says this is SABC Tv and it has five, then it has radio stations and you have the 18 and then it talks about education, tv licenses, commercial enterprises etc..on paper. But in reality it's really chaotic, I mean I was asking the team to say, so Sport has a marketing manager but they don't have a channel, so it means then that each and every channel has got its own people and a marketing budget. So on paper we have a head of marketing, who will by the way, argue to say she is not responsible for the channels and I will say if you are corporate you are responsible for the channels. So I think it's a confused and almost schizophrenic at times. So for instance we have got these concepts that you guys have from time to time, TV agrees, radio is not happy, so who is the arbitrator? Somebody must make a call you know? So we have two business plans, the one Leslie signs and then the other Verona doesn't sign and then...(frustration). When you have got all of these levels, and the truth of the matter is that there are too many of us here, whether its marketing or sales, there are just too many staff going around. You can't have a document going to five people, for crying out loud. If you as a Station Manager, in terms of the DAF, if you do something wrong, you know you are doing something wrong you know you will face the consequences. I think that marketing at the SABC has this schizophrenia is because it has a very bad reputation from a spend point of view. So it's not a trusted division or department, so when they say 'can I have water' you want to say why? What are you going to do with the water, are you gonna drink it? Are you gonna drink it alone? (laughing). You know they have not covered themselves in glory. We have also juniorised marketing a lot so these people do not have scars on their backs, saying I've done this and I know this. It's a role they get appointed into and it gets reduced to eventing. When you come to me with a business case, first and foremost, tell me how it's going to make the SABC better? Tell me what the risk is to me from a brand erosion point of view. Do that whole analysis, don't come to me with emotions. In these marketing things that you

do, are there no calculations or scientific ways of saying 'I'm doing this or not doing this' to guide us as the person that signs to say let's go ahead, and they just never came back. We don't think from start to finish. I don't think we are very strong at brand strategy or understanding what our brand is. That was my biggest fear when my son said he wanted to go Vega to do marketing, I said you can't go to school for that, and now only am I beginning to understand that it's a science, it's a whole field, it's not incidental, it's something that you need to know about.

Interviewer: So do you think that each individual brand should speak to the corporate brand?

Respondent: I do think it should speak to the corporate brand without getting drowned in it because remember the corporate brand has got a very public mandate feel so each and every one of us as good citizens, there's an element of good citizenry that we must do and that's what must filter through. But I don't think people should lose their uniqueness. Even when we go out, we say 'buy 5, buy this buy this' because this is what differentiates them, so you can't just be all SABC. Look DTT is going to be a game changer you know we may want to think about the so-called uniqueness we've been talking about because it probably won't apply at that point because then everybody will be national, so we need to rethink this whole thing of do we need all 18 things, which ones do you collapse etc? It's going to be a huge mindshift. Radio has really got to think about 'so-what'.

Interviewer: So if we were to connect the brands better to the corporate brand, would it be a trickle-down effect, so we would maybe shrink the layers of people to make it more efficient?

Respondent: Yes you would need to do that. So there are things that we come up with and suddenly you find that five other people are doing them differently. Here is something that can have one objective to say that the SABC wants to say raise R20 Million, and we are all charged to do that, and then we say ok you do it this way I do it that way and we all go toward that goal and that's why I'm saying at the end of the day it must all fit in to what we're trying to do

instead of coming down to you guys and saying 'here's the promos, advertise this thing'. We must all have a way of navigating towards the same goal. How we market must be equitable to all the stations and how we do it. So I do think that if we cut out certain layers it would go a long way! But the SABC, because we all spend a lot of time, most of us have been here forever, so people tend to say, no no that's not how radio works, it will never work in radio and you go there, it will never work in TV. And I think to myself in this converged world we are going to, at what point do people realise that the mediums are the same? It's one big medium with just different inputs. That's another challenge when people say (derision) that's why people can't think beyond what they have always known. You know you have all of these things. The issues that we have are actually systemic. We have written these things down somewhere to say 'no for a feature that has four elements, we will only charge for three' and I'm saying ok so that's our departure point, 'ja that's how we work' and I'm like how? Surely that should be an incentive I don't know, so I'm like which ones don't we charge for? Nobody can answer you because that's just how it has always been done. So there's just too many of us here I'm telling you.

Interviewer: So you've touched on transversal marketing now, so what is transversal marketing for us and then how do you think it should be if you think there's a difference?

Respondent: So for me I think that when SABC stands up there and says that I'm the SABC and I can give you five channels whatever, then that's enough, leave it there! I need to be able to when I'm listening to 5FM, be driven back to my channels, but not generically. It has got to drive me to some program, it has got to have a link, which is why it can only happen if it means something to the two brands. So the generic ones it's like saying to people turn left and they go ok but why must I go there? It must be so linked to the program. The scheduling of transversal marketing must be so on point and we don't measure that at all. So I think there is a lot of value in it because we are trying now to sell transversal packages to say we will give you a combo for SABC 1 with one commercial station and two ALS's but it's got to live within those

stations. So there's a lot of thinking that must go into transversal marketing. It's not just about I've got 18 platforms and I just throw it out there and I'm going to talk about myself everywhere. But as I say there's too many people and too many different ideas, you really need a very strong marketing person. I even said to Hlaudi, I almost think we should collapse and have one division but then you can't have one GE because it becomes too big, either the sales team must move to radio or I don't know but something must happen so that there is that closeness because at the moment there isn't.

Interviewer: What are the other challenges you face in trying to deal with this big organisation and all of these brands?

Respondent: The one thing is product knowledge because I find that a lot of our people, it's just a job, you know they don't live the brand, there isn't that brand excitement, they'll go and show up but they definitely lack the passion in terms of our brand ownership pride that comes with it. Coming back to sales, and the way that we are modelled, is that I don't listen to five radio stations and yet I'm expecting people to go and sell 18. There's no way. The other things that the agencies keep telling me is that when we ask your people for something, they say we'll come back to you, they call the PSM, who they have a vrot relationship, it takes three days, the money is gone. So are we structured correctly for a go to market strategy? Can we really say our people can go out there and represent. Sometimes the non-commercial stations, and even Metro, they are so caught up in the numbers of listeners, that they don't seem to actually get it that we have to make money. It's not something that seems to be sinking in. The day that the Metro brand, the Metro team stands up and says yes I have the listeners but I'm going to make the money. That's why I'm saying is it a structural problem? But there must be no distance. Because where we are now it's not happening.

Interviewer: So if you could change anything, with no consequences, what would you choose to change?

Respondent: So on the radio side the one thing that I would change, number one I'd relook the portfolios, the way that they are, I'm still not sure that I understand the

logic of MG5, Fortune 4, I don't know why it's like that, I don't know if it's working for us, I'd like to explore other options to say how do we then mix and match those things and how do we then mirror the sales team to be reflective of that. So you almost have power teams to say when this team goes out they will talk about these three stations back to front, no doubt about that. That would certainly then increase the product knowledge, and that killer instinct of 'I know what I'm talking about' because I think that's what kills us. When you get asked questions like what is the effectiveness of radio and it's a lot of um um. Then I ask 'do you think our AE's can converse at this level, can they hold their own and argue back'? Because we use the same data, we have access to the same information. So the point at which we take an AE out must be so clear in our heads to say yes this person can actually do the job. When it comes to TV I would definitely go back to something that once worked. Before television could acquire a program, sales would actually view that program and say this program here I think it should be in this slot not in that slot. Those conversations don't happen anymore. We get notifications to say we are buying this program, how much do you think we can sell it for? After the fact. So I'd bring back that whole review of why this slot performed this way. So the revenue management thing I would definitely strengthen on the TV side. I would also look very seriously at the issue of inventory management on radio. I mean we have 24 hours and we don't sell all of it. What do we need to do to optimise. So intelligence around inventory and how we manage it, so that department will say this is how we market ourselves and how we are selling, we are not just selling the numbers. We are not doing enough product development, we are not doing enough of development of who we are and what we are going to sell. We are not doing enough work on that.

Interviewer: Ok so earlier you were talking about language being very central to the culture of different radio stations. The SABC as a whole and many of its brands has got strong heritage and many brands across the world use that as a very strong attribute to market their brands and we have that opportunity

with almost all of our brands that have strong heritage. How do you treat brands like that? How do you think they should be treated?

Respondent: I do think the focus should really be on authenticity. Because everyone is trying to be a Metro FM or 5FM. So even the things that have a strong heritage are trying to be something else. Stay true to the brand essence and find the sexiness in that. People tend to say that heritage is so boring. Those are things that are part of your heritage whether you like it or not. So I think if people can stay true to who they are and believe in who they are, you can market it for what it is. It doesn't have to be marketable when it starts to be something else.

Interviewer: Who is responsible for deciding what the corporate brand should entail?

Respondent: In real terms or theoretically? (Laughing) I think that the head of marketing, and let's take the person out of it, is the person that must guide the business and say that I've looked at your brand, I've done the analysis, I've done the research and this is what it's telling me and here are my proposals, one, two three that will work. Marketing has got to realise that they play an advisory role and they must come with information to say this is what it means. Surely a marketing person must say if this is what the numbers are like then these are some of the interventions we can do. They mustn't say business must tell us what we they want done and we will do it. So business doesn't have confidence in marketing because they don't see them as adding value. A strong marketing person will say this is what you must do and you will see results in month x and we will monitor it for you and this is how we are going to do it and so on. The marketing person should be responsible to drive the business in a certain way, to say you are going this way. Radio is launching brands every month. I have long lost interest in now who is looking like what. Even that communication surely, I know maybe this is the year to change branding but maybe we do three this year and make a big thing out of it and do three next year you know? I think in the way that we communicate...but I would still lay it squarely on the corporate marketing person, because that's

where the expertise lie, you are the subject matter expert. Guide the business.

Interviewer: Which stakeholders do you prioritise when it comes to the work that you do?

Respondent: I prioritise the advertising industry, then I follow with the platforms, ja and then everybody else. And by the way my advertising industry includes government because they spend money. I only have one objective in the corporate plan, to make money, if it doesn't make money, it's not number one. I know we've got people issues but there will always be people issues. If I look at my calendar I will go for the buck.

Interviewer: So that's quite difficult when you are a state-owned enterprise because I think it's safe to say that the top level, the board particularly, will always prioritise mandate in most cases and then, but you must be able to financially sustain itself. So for example 90/10 is very much a mandate decision, it was not made with revenue or audiences in mind (Respondent: It wasn't definitely it wasn't yes). So then that's kind of the hardest part of your job, to reconcile things that sometimes conflict

Respondent: I think if you were to ask me what's the worst part about this job, it's that. I am state enemy number one because this is going to translate into the numbers and it has already started. We've allowed TV to deteriorate for three years and my team has done the best that it can. But now we are even saying SABC 3 why would you buy that? He stood up in front of the industry and said that. Suddenly I have five channels but I'm actually only selling one and a half. So logic says we will not meet those targets because we do not have enough to sell you know? So we made all of these decisions, we were happy to announce local is coming, and I say television takes very long to recover because people buy past performance so that slot did this and this, so to believe that in July they are going to put money in, so the issue is make something do something we need the money. We are R2 Million down on last year but radio has shown recovery so I think that by August we should be fine again. But now you are starting to see the effect of the jitters of everything that has happened that is outside of our control. I think for me

what saddens me that with all the roadshows and leveraging the relationships that I have, what is happening in the past week I can't control. The fight between the SABC board and the ANC I can't control. Now when we have people uttering things like 'let's target the brands that are advertising with the SABC' you know you are going to get people saying they don't want to associate with that. The past two weeks has been harder than the May decision. Now I'm not in control. I can't convince industry not to worry about the fight of the board and the ANC.

Interviewer: So in truth if we look at the head of marketing who is responsible for the corporate brand, but she would also say but I can't control what the chief says so in an ideal world I suppose you would have a COO that is a marketing man (Respondent: yes who understands the impact) who would control the reputation of the SABC.

Respondent: At the moment the difficulty that you have is that I don't even think we listen to each other. When somebody says 'don't say that it's dangerous' somebody says 'why, I'm going to say it' and so it goes. The urge was just too much, he couldn't resist it. So I got pissed off with him.

Interviewer: And I'm sure that's the same for any SOE, so I'm sure Eskom and Telkom have got the same problems to say ok so we've got politics and we've got business and they don't agree. And some people are better politicians and some people are better business people and that can cause immense confusion about what is the priority and what we look after the most (Respondent: yes, yes). So I'm not going to ask you what the expectations are of the stakeholders, we must make revenue.

Respondent: Everybody expects that I must make money and everybody expects that you know their investment is safe with us and that is where the jitter is now to say - can I still put my money there? The big problem is about 65% of our money comes from global clients, not that they don't care about South Africa, that's why they are here, but they don't care to get involved in the politics. So when a Unilever CEO, the Chairperson, sits somewhere in his office and sees a headline that says 'SABC CEO resigns' and he has been told in his reports

that this is our most strategic media partner, guess what he's going to do. So agencies have got pressure from everywhere else, and we are just talking here when we have these advertising engagements. They have also got KPIs and at the moment if you look at our economy, the unemployment rate is high and they ask can people still afford our products. So they are now moving more into West Africa, Unilever for instance they have cut their marketing spend on SABC from 220 to 150 in one clean sweep. They are going to spend their money in another region, they are still in Africa though. But we don't even sit and discuss at that level and say it's not just about SABC, it's about the country, if the country isn't performing the investors are going to go somewhere else. It's showing in the numbers and it's hurting the agencies as well, because they have less to bill so they are under pressure and we are under pressure.

Interviewer: Mr Motsoeneng always says we don't make profit and that would make sense as a SOE but we are required to be self-sustaining. How much do we cost, how much do we need for that?

Respondent: The so-called R1 Billion that's in the bank is not enough to sustain us because our monthly expenditure is bordering on R510 Million. So when something shifts in terms of revenue, it starts to touch that base. So it's almost double whammy because the economy is, we are technically in a recession, nobody wants to say it but we are, so at the moment we are not looking good but I'm hoping, I don't know why I'm very optimistic about quarter two and quarter three. So the pain can only be contained by a reduction in costs. The other thing that people don't understand is the amount of revenue leakage that has been happening in this organisation but because we couldn't show it, we couldn't account for it. So for instance one of the things bothering me now with June performance is that we are R2 Million down on last year for the month and yet we've billed almost half the number of spots that we had last year. So how is it that we flighted that much and the money didn't show last year? So when you look at the number of spots that went out and the number of spots that we have now, that is what is frustrating the team here. Whatever inefficiencies...what they used to do

is bill everything that is planned, so when I come in and I have a booking for a million Rand, we would invoice for a million Rand in spite of whether it was executed or not. Then we'd say if it didn't execute we'll make it up to you next month. So even our revenue was not correct. So now we only bill what has gone to air and it's frustrating them. The other advantage is that I will now really see if it is true that it is on-air mis-executions because now you have to go and foster that relationship and we can no longer hide behind lack of information. But the potential it has shown me is huge. So that was a painful implementation but I think in a year's time we are going to look back and say wow, we can now account for what has gone to air and we are billing correctly and doing the right things. I mean the rules here you would not believe! If I got a business person to come and manage radio, they would leave in two months you know? The rules that is if something didn't go to air we will compensate and we will credit you, it should be one not both! If I take this cup back because I'm unhappy, Checkers will keep the cup and give me another one, they don't say to me take it and we will give you your money back and we will give you a new cup.

Interviewer: Are the rules written down though or are they literally legacies?

Respondent: So what I'm doing now with this project is I've said they have to go and relook all the processes so that when they say to me "but we have to compensate and pay" I can say "not a problem just show me where." Tell me that clause 1.2.3...because I'm not sure if some of these things have been created by people and have become the norm. Some of these things when I argue they say "well industry is used to working like this". Industry is going to have to get used to other things. I have never been able to understand why radio isn't making money you know? I realise that it is systemic here (tapping desk). We only want to sell breakfast and afternoon drive. As people are always saying to me, once your team makes Metro and 5 they sit and don't sell anything else. And I'm starting to see it now because the reports I'm getting from the system are much more easy to engage with.

Interviewer: Speaking of numbers, who decides the SABC's corporate marketing budget?

Respondent: It's a collective. Before now we used to have a budget committee that would deliberate but that has now been turned into an exco...let me tell you what that problem is marketing budget, it's the difficulty in showing value. I've always said to Siphhelele, you get so emotional about all these monies that you want but you are failing to sell why, why we should give you this money. You can't even give us a correlation to say after this campaign, this is what happens, you know you can't link it to anything and when you do give them money it's all these lousy same old. When they come to present it's all airey-fairy stuff. They are behaving like kids, it's things like that which doesn't earn them credibility so then the committee just says you know what we will just give you what we gave you last year.

Interviewer: So who is part of the budget committee?

Respondent: It's exco so it's myself, Leslie, Verona, Sully and the top three...James, Hlaudi and whoever is the CEO at the time.

Interviewer: So I think you've answered this question about how the decision to allocate the money is made..

Respondent: Everyone when they come they motivate. It's also historically what have you done, what are the things that stand out that we say when we did that we started seeing a spike in whatever, whether its revenue or audiences. And also do you have the capacity to spend this money. Sometimes you can come and say I'm starting this project and I anticipate it will deliver three years from now. We are starting Live Loud, we are trying it, we are going to do this and this and this so next year when I come don't ask me about this because I don't really have the target that I want, but I'm doing it for three years, then we know.

Interviewer: And then it's nice to have mandate because you're going, we know that this is not the most revenue generating opportunity but these people value it. So just to check then allocation is done by the budget committee which consists of the EXCO and the CFO allocates the budget. Each station does their plan and they create the budget that they want and ask for..

Respondent: Yes to the head of marketing...when we give them the full amount then they go and have their own bun fight.

Interviewer: Let's say we were in a position where we could start the business from scratch and nobody had a previous perception of the SABC, what do you think the role of the corporate brand is? In an ideal world what should SABC corporate marketing be doing?

Respondent: I think SABC corporate marketing should really be concentrating very much on positioning us in terms of the good things that we do. And I can't emphasise the role of reputation management enough, because it should not be incidental, it should be something we actively focus on to say, what are we going to do to enhance our reputation. There are many good people in the SABC, they don't get profiled and nobody knows about them. We are all looked at as incompetent people that are just sitting here and earning a salary. And there are good people, we do a lot of good things, I'm saying find spaces for the SABC so it becomes the so-called employer of choice. The SABC should have its own channel about its people to say this is who we are this is what we do. It wouldn't cost us anything. We don't take our shining stars and put them out there to say you know there are people who know what they're doing. The work that we do for youngsters that we develop, we don't tell anybody about those things, and that's part of your identity. We don't celebrate our people enough. People who work here are almost apologetic about working here. But I feel charity starts at home, we really need to lift our people and say we appreciate you being here and your brain power.

Interviewer: So I suppose then you'd say that building a corporate brand builds value if it's done correctly?

Respondent: Definitely, it certainly does.

Interviewer: How do you measure success?

Respondent: You know what I measure it in more ways than just the target. If it makes the people we serve happy...you know sometimes we don't make our targets but you are able to actually make somebody have a delightful experience dealing with us. So yes it is about the money but not all the time because I do think that we need to measure success with repeat business and growing the number of people we do business with. So yes we'll make the target but are those people going to come back? Why would they want to come back? I find that a lot of the SABC is a grudge purchase, we have the numbers, we have the reach so they come but you want them to come out of their own volition. They want an SABC that works because they believe in the public broadcaster.

Interviewer: In your opinion, should the SABC as a state-owned enterprise, should it spend money on building its corporate brand?

Respondent: Yes (emphatic). Certainly. It has to. That's why I'm saying that state-owned entities should not be treated like step-children, they should be treated with the same business ethos that you'd treat any other going concern. Certainly the SABC should also invest a lot in its corporate brand.

APPENDIX E: Example of interview field notes

This appendix shows an example of one of 15 interview field notes. It shows the full field notes taken down during the interview with respondent 12.

Interview Guide

Building the corporate brand and managing the brand portfolio in a state-owned enterprise

Thank you for agreeing to an interview with me. The purpose of my research is to understand the challenges that you face in managing a brand portfolio and building a corporate brand for the SABC.

I guarantee that none of this information will be attributable to you in any way. Should I be so fortunate as to be able to publish my research, I will take measures to ensure your anonymity. Please know that the ethics committee of the University of the Witwatersrand and the Wits Business School is stringent on this matter and my own academic reputation would be at stake if this were not the case.

I,  agree to participate in the research study conducted by Justine Alexandra Cullinan.

The purpose and nature of the study has been explained to me in writing and verbally.

My participation is voluntary and I understand that I can withdraw at any time during the study without any repercussions.

I understand and give permission that the extracts from the interview may be quoted and published in the research report. I also give permission for the interview to be audio-recorded.

I also understand that confidentiality will be ensured in the research report and that no identifying features will be attached.

Signed:



Date:

07/07/16

Interview Guide:

Pertaining to RQ 1:

What are the decision-making factors and organisational objectives in corporate brand building of a state-owned organisation?:

1. What are the influencing factors in building the SABC corporate brand?
2. What are the SABC's objectives?
3. How are you informed of these objectives as a state-owned organisation?

Pertaining to RQ 2:

How are brand portfolios of state-owned organisations structured and managed?

1. What do you understand to be the 'brand portfolio' of a business?
2. What is the structure of the SABC's brand portfolio?
3. Is it in your view important that each brand should speak to the corporate brand? Can you outline why?
4. How do you inform each brand in the portfolio of the corporate brand strategy?
5. The SABC promotes transversal marketing – what does this mean and how do you feel it works or doesn't work?
6. Describe the challenges you face in trying to manage a large and diverse brand portfolio of brands?

Pertaining to RQ 3:

How do managers of state-owned organisations prioritise stakeholders and their different objectives when building the corporate brand?

1. How do you treat brands that have a strong heritage?
2. Who is responsible for deciding on what the corporate brand should entail?
3. Which stakeholders do you prioritise when building a corporate brand?
4. How do you prioritise objectives?
5. What expectations are there from stakeholders in terms of:

- a. Revenue
 - b. Audiences
 - c. Brand strength
6. Who decides the SABC's corporate marketing budget?
 7. What are the factors that inform the decision to allocate this money to the corporate brand?

Pertaining to RQ 4:

RQ4 – What is the purpose and value of the corporate brand in a state-owned enterprise?

1. What do you understand to be the role of a corporate brand in any business?
Does building a corporate brand add value to the business in your opinion?
2. How do you measure success?
3. What are the challenges for you in building the corporate brand?
4. In your opinion, should the SABC invest in building a corporate brand?

Profile questions:

As you know your participation in this research is anonymous however in order to ensure you are the right candidate to fit the needs of the target sample please provide the following information:

GENDER: F

AGE RANGE: Under 30 30-40 40-50 Over 50

HIGHEST QUALIFICATION: B. Business Admin

NUMBER OF YEARS EXPERIENCE: 25 yrs

NUMBER OF YEARS AT THE SABC: 21 yrs

JOB PROFILE AND AREA OF INFLUENCE: Group Executive:
Commercial Enterprises

Name: [REDACTED]

Date: 8/7/2016

Time: 2:30pm Friday

What was said	How it was said	Emerging questions
1. What are the influencing factors in building the SABC corporate brand?		public mandate seat-sustaining - who do you seat we mean, different things when we say 'core ne' "public mandate doesn't have to be particularly we want a working SABC"
2. What are the SABC's objectives?	general + tea sip some the broader public	* "the current plan of funding model" 1300million Rmgs? by education DOCS should collect 1000m Rmgs education = social + nation partnership
3. How are you informed of these objectives as a state-owned organisation?	Sometimes we fail	- corporate plan - D3-5y's national development plan
4. What do you understand to be the 'brand portfolio' of a business?	It depends on who's leading the business	where there is more still the SABC brand since we are not re-structuring it - substantive brand
5. What is the structure of the SABC's	examining heads - D3-5y's	

\$25 brands in portfolio
currency = relationships

brand portfolio?		
6. Is it in your view important that each brand should speak to the corporate brand? Can you outline why? <i>yes.</i>	<i>"on paper" - "exactly" - but reality = bad reputation in terms of spend & not trusted</i>	<i>5x TV 1x Radio TV channels commercials spot education corporate responsibility if you are responsible to the world too many levels staff members "purported marketing" *DTT</i>
7. How do you inform each brand in the portfolio of the corporate brand strategy?	<i>Sign the papers, implement budget that corporate culture is main</i>	<i>agencies must feel it's a business fund each platform must contribute to the same goal</i>
8. The SABC promotes transversal marketing – what does this mean and how do you feel it works or doesn't work?		<i>after a full package of leave if there I must mean something to the 2 brands. there must be a link</i>
9. Describe the challenges you face in trying to manage a large and diverse brand portfolio of brands?	<i>what would you do? direct post zeros eg. 10% target 3 sales in 100 TV programming - allocate - allocate marketing management - independent</i>	<i>US + team is seen here and - strong internally - product line strategy - sales team structure - approach is serious to - meeting money we are entered brands alongside language</i>
10. How do you treat brands that have a strong heritage?		

focus on authenticity
 handle savings in heritage - to marketable

11. Who is responsible for deciding on what the corporate brand should entail?	hands pointing in different directions	truth or in theory Head of marketing should guide business Argie Hummer -> marketing need a strong marketing person "waste of money" - lies
12. Which stakeholders do you prioritise when building a corporate brand?		advertising industry new platforms & includes government.
13. How do you prioritise objectives?		make money most people -> return of money people I can't control
14. What expectations are there from stakeholders in terms of:		
a. Revenue b. Audiences c. Brand strength	-> expect that investment is safe with us estimate monthly expenditure. "technically no reason"	65% of revenue = non international clients in no demand for the products. * Rules for sales
15. Who decides the SABC's corporate marketing budget?	Budget committee is	* Rules for sales created by people & become
16. What are the factors that inform	difficulty in standing value	"reputation"

the decision to allocate this money to the corporate brand?		measurable results.
17. What do you understand to be the role of a corporate brand in any business? Does building a corporate brand add value to the business in your opinion?	"unmarked"	positioning us in terms of the good things we do reputation management good things we'll have at SAB celebrate our people
18. How do you measure success?		makes the people we serve happy economically performance - repeat business - more business
19. What are the challenges for you in building the corporate brand?		
20. In your opinion, should the SABC invest in building a corporate brand?	certainly forward	yes SBCs are not step children - like any other going concern.

Focus on the brand &
not marketing.

APPENDIX F: Example of coding per theme

This appendix shows a **segment** of the thematic coding sheet containing responses from all 15 respondents coded by number.

Respondent code	1	2	3	4
RQ1 What are the decision-making factors and organisational objectives in corporate brand building of an SOE?				
What are the influencing factors in building the SABC corporate brand?	"We are in a highly competitive environment . What makes us a little more unique is that we have to comply with the PFMA and other related legislation which makes our job a little bit more challenging as opposed to that of our commercial competitors."	"The big thing that affects our brand at the moment is the, um, the amount of news coverage we get and whether that is positive or negative. Unfortunately it is mostly negative at the moment. And I think that affects the overall brand and the sub brands."	"I would definitely say the main influencing factor is the mandate. It guides us and is the epicentre of what we do so we are here to inform, educate and entertain "	"So definitely the influencing factor as a big picture is the SABC's brand reputation. Then also managing all the brands we are very vulnerable to our head honchos and the decisions that happen there."
	"The SABC is the national public broadcaster of South Africa so we've got a certain mandate to fulfil and that national mandate, some of the mandate issues that we have to deliver on, is from a commercial or competitive point of view, you know a commercial broadcaster would say no I'm not going to do that because it's not commercially sustainable or viable, but we have to do it because we are the public broadcaster."	"Being part of a state-owned enterprise is being part of the objectives of government. The big battle of course is to maintain some kind of sheen of being independent, you know (laughing)."		
What are the SABC's objectives?	"It's obviously to deliver on our public mandate but it's really about our core business which is to inform, entertain and educate the public at large. So that is our most important deliverable and that goes for all our platforms, radio, TV and digital media. The second one that goes with that is to be self-sustainable from a financial point of view. Some 85% of our funding is derived from commercial activities. The other one is then human resources or people and all matters related to that. So in a media institution like the SABC, creative people is the core of your business so a wide range of human resources, different categories of human resources, from creative people to highly trained media technology individuals and	"Look in an ideal world, what the SABC or an SABC should be about, is really the classic, um, aims and objectives of public service radio, which is information, education and as a third thing entertainment. I would argue that in fact um, audiences are to a certain extent irrelevant, at least as an objective. Obviously you need to be talking to somebody in order to be effective but I don't think that's what we are about. I don't think we, I don't think it's really what we're about. We have other mandate things we are trying to do as opposed to building an audience. We're not, I don't think we are really trying to build an audience. Revenue has always been a bit of an, um a problem because we have got to somehow fund what we do but again it's a secondary objective, it's not	"Well what they should be is to deliver compelling content to our audiences in a manner that is informative and entertaining."	"So we've got the mandate things, educate, inform and entertain, to as many South Africans in all of our official languages. So that's mandated. In terms of objectives, there's the financial objective, meet targets from TV licenses through to government funding so that's financial. Then you must spend as little as possible. So make target and contain costs. Then you've got to maintain and grow audiences which leads to good content, good programming that reaches and appeals across audiences because we serve all the audiences, all the demographics and income levels. Those are our big objectives. So mandate, make money and grow audiences."

APPENDIX G: Secondary data

This appendix details a list of documents consulted for triangulation purposes during the research. These are documents that are fundamental for internal use by the SABC and which comprise the strategies, plans, policies and guidelines that govern the decisions and processes of the respondents interviewed in this study.

1. SABC Corporate Plan
2. SABC Editorial Policy
3. SABC License Conditions
4. SABC marketing campaign measurement tool
5. SABC transversal marketing strategy
6. SABC Annual Report
7. SABC ROMI Tool
8. The Broadcast Act of 1999 amended in 2002 and 2009 (including SABC Charter)